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**global witness**

## **Independent Forest Monitoring Pilot Project Honduras**

# **First Summary Report**

**Period: May – July 2005**

**Written by CONADEH and Global Witness**

**Tegucigalpa and London  
September 2005**

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## **Abbreviations**

**AFE-COHDEFOR** State Forest Administration – Honduran Corporation of Forest Development (*Administración Forestal del Estado – Corporación Hondureña de Desarrollo Forestal*)

**CONADEH** National Commission for Human Rights (*Comisionado Nacional de Derechos Humanos*)

**MAO** Olancho Environmental Movement (*Movimiento Ambientalista de Olancho*)

**IFM** Independent Forest Monitoring

**UEP** Projects Implementation Unit (*Unidad Ejecutora de Proyectos*)

## EXECUTIVE SUMMARY

Independent Forest Monitoring (IFM) is the use of one or more independent and credible institutions which, with the agreement of the state authorities, provide observation of and support for the official forest law enforcement system. The aim of IFM is to ensure the elimination of illegal logging, not to hinder or eliminate companies operating within the law.

This report presents the results of the first phase of the *Independent Forest Monitoring Pilot Project in Honduras*, carried out in the Department of Olancho between May and July 2005.

### ***Institutional Collaboration and access to information***

During these first two months of work, relationships with AFE-COHDEFOR were very positive. The IFM team had full cooperation both at the General Management level in Tegucigalpa and at the Regional and UEPs level in Olancho. This will to collaborate comprised multiple aspects: planning and carrying out meetings, access to information and implementation of field missions. Similarly, there was a good working relationship with the Environmental Public Prosecutor.

### ***Focus of the work***

Due to the limited time of this pilot phase, the monitoring work focused on the more evident cases of negligence or illegality (e.g. logging outside boundaries, the incorrect or fraudulent use of transport permits, disregarding administrative procedures), without paying too much attention to the more ambiguous cases (e.g. the presence of stumps and logs in logponds without the necessary blue paint markings). In such cases one enters a 'grey' area where it is difficult to arrive to a solid and acceptable conclusion that all parties share, putting the independent monitor's credibility at risk.

### ***Missions and reports***

Missions were carried out at the UEPs of Jano, La Unión and San Esteban. In addition, the IFM team had the opportunity to pay several visits to Salamá UEP (though no formal inspections were carried out in this UEP).

In the period covered by this report (May – July 2005), the independent monitor wrote seven mission reports, available in Spanish and English on CONADEH's and Global Witness's websites ([www.conadeh.hn](http://www.conadeh.hn) and [www.globalwitness.org](http://www.globalwitness.org) respectively). Two of these reports deal with inspections of auctions in national forests; two deal with local sales for timber plagued with southern pine beetle (*Dendroctonus frontalis*); two deal with transport of logs; and one deals with multiple activities (timber transport, local sales for plagued timber and audit at an industry's premises).

### ***Preliminary results***

- Preliminary results seem to show that the level of forest law enforcement in San Esteban UEP is significantly lower than in the UEPs of Jano, La Unión and Salamá. This matches the significant anecdotal evidence about the low forest governance in the former UEP.
- The southern pine beetle (*Dendroctonus frontalis*) is severely affecting many pine forests in several areas in Olancho. It is indisputable that salvaging and clean-up measures need to be urgently implemented. However, much more supervision is needed in order to avoid that local sales of plagued timber are used, as has happened with other measures in the past, to fuel illegal logging.
- Transport permits to carry logs are a particularly weak point in the official supervision and control system. Currently, AFE-COHDEFOR is contemplating the possibility of using bar-coded transport permits in order to reduce the risk of abuse. This would be a significant step forward but would still require a thorough monitoring of the use of such permits.

### ***Follow up of mission reports***

The follow up of mission reports has not been prompt, but has improved since September 2005. A fact that has probably contributed to the initial delay has been the lack of an agreement between AFE-COHDEFOR and CONADEH/Global Witness for the implementation of the *Independent Forest Monitoring Pilot Project in Honduras*. Firstly, the lack of such an agreement has diminished the clarity about the fieldwork objectives. Secondly, it has delayed the distribution of reports to AFE-COHDEFOR's regional and local offices, which are responsible for initiating indictments in the relevant cases.

### ***Conclusions***

- According to the preliminary results of the work carried out so far, IFM could be a useful tool to improve forest law enforcement in Honduras.
- In the short term, it would be advisable to carry on with the current IFM pilot phase in order to subsequently, if results confirm its potential usefulness, implement a long-term IFM project, possibly managed by an institution selected through a transparent bidding process.
- In order to carry on implementing the current pilot phase it would be important to establish an agreement with AFE-COHDEFOR, so that the objectives and methodologies of IFM are further clarified.

## 1. INTRODUCTION

Independent Forest Monitoring (IFM) is the use of one or more independent and credible institutions which, with the agreement of the state authorities, provide observation of and support for the official forest law enforcement system. The aim of IFM is to ensure the elimination of illegal logging, not to hinder or eliminate companies operating within the law.

In May 2005, CONADEH and Global Witness initiated an *Independent Forest Monitoring Pilot Project in Honduras*, which had the following objectives:

- Establish the institutional basis for IFM in Honduras, by developing working relationships with AFE-COHDEFOR as well as with other government bodies, civil society and the private sector.
- Generate reliable information about illegal logging and its associated trade in selected regions of the country.
- Develop and demonstrate a specific IFM methodology tailor-made to the needs of Honduras.
- Propose recommendations and amendments to the legal framework of the forestry sector and for the administrative procedures involved in forest management.
- If required, making recommendations about objectives, terms of reference, operating procedures and a timeframe for a long-term IFM project.

This report presents the results of the first phase of this pilot project, carried out in the Department of Olancho between May and July 2005.

The report has seven parts, including this introductory section. Part two analyses the working relations with AFE-COHDEFOR and other actors during the implementation of the project. Part three discusses the focus of the work, while part four presents a summary of the missions carried out and the reports produced. Part five presents some preliminary thoughts about the results of the work. Part six looks at the progress and delays in the follow up of mission reports presented by the independent monitor. Part seven presents the conclusions of this report.

## 2. INSTITUTIONAL COLLABORATION AND ACCESS TO INFORMATION

### ***AFE-COHDEFOR***

During these first two months of work, relationships with AFE-COHDEFOR were very positive. The IFM team had full cooperation both at the General Management level in Tegucigalpa and at the Regional and UEPs level in Olancho. This will to collaborate comprised multiple aspects: planning and carrying out meetings, access to information and implementation field missions. At no point was it noted that government officials attempted to obstruct the independent monitor's work in any way.

More specifically, the collaboration offered by UEPs officials is worth highlighting. Due to the communication technical difficulties, it was not always possible to inform in advance about the arrival of the IFM team to a given UEP; even so, the staff in charge were always available to leave other commitments aside and accompany the IFM team to the field, including weekends.

Only in one occasion was there evident apprehension on the part of a Head of UEP about the presence of the IFM team, as well as an attempt to make things appear better than they were (see Mission Report no. 2). However, it is possible that this attitude was motivated, at least partly, by the lack of knowledge of IFM. In fact, the working relationship improved significantly in the following weeks.

Although in terms of institutional support and access to information relations were very positive, AFE-COHDEFOR's follow up of mission reports has been slow. Improving this aspect, as discussed in Section 6, is a priority for the effective continuation of IFM in the country.

### ***Environmental Public Prosecutor***

There was also a very good working relationship and trust with the Environmental Public Prosecutor. Despite the limitation in human resources, resulting in staff not being able to participate in field missions in Olancho, the constant communication maintained with the Prosecutor was very productive for the IFM work. However, it is also worth noting here that this institution has scarcely followed up on mission reports, despite several of them documenting significant illegalities.

### ***Businessmen and logging operators***

IFM in other countries has, at times, experienced moments of tension or conflict with businessmen or logging operators. This however has not been the case at all during these two first months of work in Honduras. No businessman or logging operator behaved badly or intimidated the IFM team. On the contrary, there was often an open collaboration and in some cases an open admission of the irregularities committed.<sup>1</sup>

### ***MAO<sup>2</sup>***

Often the IFM team had the collaboration of members of MAO, both in terms of information exchange and in accompanying the team on some missions (see, for example, Mission Reports nos. 1 and 3). Given their thorough knowledge of local issues, their participation was very valuable for the work undertaken.

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<sup>1</sup> An anecdote can illustrate this good relationship. The inspection documented on Mission Report No. 3 was carried out in two different days. During the second visit, the IFM team's vehicle was stuck when crossing a river and unable to move forwards or backwards, many miles away from the site to be inspected. It was, however, the owner of the company inspected who spontaneously decided to help get the car out of the river. The inspection was subsequently carried out and the company was sanctioned (ironically, this has been the one case where AFE-COHDEFOR has reacted promptly to the IFM mission).

<sup>2</sup> MAO is a grass-root environmentalist movement that has emerged in recent years in some municipalities in the Department of Olancho, mainly focused on fighting overexploitation of forest resources in this area of the country.

### 3. FOCUS OF THE WORK

Activities carried out during the pilot phase this report focuses on had a very limited scope in time, barely 30 days of fieldwork distributed between May and July 2005. This clearly had some important implications on the focus of the work.

The first consequence of this was the need to balance the time limitations with the requirement to show the function and potential benefits of IFM. Therefore, the monitoring work focused on the more evident cases of negligence or illegality, more specifically:

- Logging outside the authorised boundaries.
- The incorrect or fraudulent use of transport permits.
- The disregard of administrative procedures.

Meanwhile, the more ambiguous cases were not looked at in detail. For example, in almost all harvesting areas inspected there were stumps and logs in logponds without the necessary blue paint markings. This can be a clear indication of unauthorised logging, but can also be due to the loss of the markings for different reasons (the rain, the loss of part of the bark during logging and extracting operations, etc). In such cases one enters a 'grey' area where it is difficult to arrive to a solid and acceptable conclusion that all parties share, putting the independent monitor's credibility at risk.

A second implication was the decision of not focusing on the problematic of the so-called '*lechuceros*', that is, the small teams of two or three chainsaw operators that cut trees furtively, typically at the edges of secondary roads. They saw the logs into blocks on site and then load them (usually at night) on trucks that carry them to sawmills and nearby workshops. This is a much extended scenario, which involves hundreds and possibly thousands of people in the Department of Olancho alone.

During fieldwork, the IFM team saw dozens of cases of this kind of illegal logging (see Pictures 1 and 2). However, it was decided that the attention should not be focused on this because of the following two related reasons:

- Firstly, it is very difficult to establish the responsibility of these actions in the field. People logging quickly hide when they hear a car approaching. Possibly the best option to control this activity is during its transport on trucks and when timber is being handed over at its destination point. But these activities are usually carried out at night and are difficult (and dangerous) to monitor and document. As explained above, given the limited amount of time available for monitoring it was decided that the work should focus on other types of illegal activities that were clearer and more demonstrable.
- Secondly, '*lechuceros*' represent the lowest step in the illegal logging chain. It is often poor or even extremely poor people who have no other revenue options. In order to tackle this problem it is therefore much more important to implement mechanisms and incentives aimed at supporting them to emerge from the illegal market, rather than to implement (often ineffective) control actions. An interesting example in this respect is described in Box 3.

**Pictures 1 and 2. Pine blocks sawn by 'lechuceros', Olancho.**



#### **4. MISSIONS AND REPORTS**

In the period covered by this report (May – July 2005), the independent monitor wrote seven mission reports, available in Spanish and English on CONADEH's and Global Witness's websites ([www.conadeh.hn](http://www.conadeh.hn) and [www.globalwitness.org](http://www.globalwitness.org) respectively). As Table 1 shows, two of these reports deal with inspections of auctions in national forests; two deal with local sales for timber plagued with southern pine beetle (*Dendroctonus frontalis*); two deal with transport of logs; and one deals with multiple activities (timber transport, local sales for plagued timber and audit at an industry's premises).

Mission reports were only produced for the cases where irregularities were detected. Given the time constraints described in the previous section, a decision was made not to produce reports when no irregularities were reported, opting instead for presenting these cases in this summary report (see Table 2).

Missions were carried out in the UEPs of Jano, La Unión and San Esteban. In addition, the IFM team had the opportunity to pay several visits to Salamá UEP. Despite not carrying out formal inspections in this UEP, the visits were useful to have a general impression of this area as well.



**Table 1. Summary of the seven mission reports.**

<b>Issue</b>	<b>Permit no.</b>	<b>Location, UEP</b>	<b>Mission report</b>
Auctions in national forests	Contract No. BN-380-2005	La Mina, La Unión	Mission Report No. 001
	Contract No. BN-378-2005	Platanares I, San Esteban	Mission Report No. 002
Local sales for southern pine beetle outbreaks	Local Sale No. J-238/2005	Ejidors de Jano, Jano	Mission Report No. 003
	Local Sale No. J-163/2005	La Tincuta, San Esteban	Mission Report No. 005
Transport of logs	Transport Permit No. J-136672	San Esteban, San Esteban	Mission Report No. 004
	Transport Permits Nos. J-143739, J-143743, J-143757, J-143758, J-143759, J-143761, J-143762	San Esteban, San Esteban	Mission Report No. 007
Various	- Transport Permit No. J-143629; - Local Sales Nos. J-008/2005 y J-012/2005; - Audit of Forest Industry Abigail's premises	San Esteban, San Esteban	Mission Report No. 006

**Table 2. Inspections where no irregularities were found.**

<b>Issue</b>	<b>Permit no.</b>	<b>Location, UEP</b>	<b>Observations</b>
Local sales for southern pine beetle outbreaks	Local Sale No. J-200/2005	Ejidors de Jano, Jano	No irregularities found
	Local Sale No. J-201/2005	Ejidors de Jano, Jano	No irregularities found
	Local Sale No. J-239/2005	Ejidors de Jano, Jano	No irregularities found
	Local Sale No. J-261/2005	Ocote Picado, Jano	No irregularities found
	Local Sale No. J-098/2005	La Laguna (Toro Muerto), San Esteban	No irregularities found
	Local Sale No. J-341/2005	La Laguna (Toro Muerto), San Esteban	No irregularities found
Volume reposition to Mr. José Antonio Salgado Pavón	Resolution No. GG-MP-053-2004	La Habana 1, La Unión	No irregularities found
	Resolution No. CI-MP-043-2005	Platanares II, San Esteban	No irregularities found <sup>3</sup>

<sup>3</sup> It is worth mentioning that an administrative irregularity was found on this case, namely the building of a secondary road in Logging Unit 1 without applying or receiving written authorisation from AFE-COHDEFOR. However, no field mission was produced as heavy rain prevented the collection of GPS data and it was not possible to return to the site on the following days. Still, it is worth highlighting that in this case AFE-COHDEFOR and the company in charge of the harvesting (INCOMSA; see Misión Report 4 for another case involving this company) followed up this inspection. According to the information received, they returned to the site in order to measure the secondary road and apply for the relevant permit.

## 5. PRELIMINARY RESULTS

The work carried out is clearly insufficient to draw solid conclusions, but some preliminary thoughts can be given to several aspects.

### ***San Esteban: where more difficulties exist***

The initial results seem to show that the level of forest law enforcement in San Esteban UEP is significantly lower than in the UEPs of Jano, La Unión and Salamá. This matches the significant anecdotal evidence about the low forest governance in the former UEP.

For example, in the UEPs of Jano and San Esteban the same number of southern pine beetles outbreaks were inspected: five in each. But while there was only one reported case of illegal logging in Jano (Mission Report no. 3), three were reported in San Esteban (Mission Reports nos. 5 and 6). In addition to this, the nature of illegalities found out in the three cases in San Esteban was much more significant than the case found in Jano.

It is not possible to make a comparison between the fraudulent use of transports permits, as this monitoring activity was only carried out in San Esteban. However, the preliminary results clearly suggest that there is a significant problem in this UEP regarding this issue (Mission Reports nos. 4, 6 and 7).

Similarly, it is not possible to draw conclusions about the extent to which '*lechuceros*' constitute a problem in San Esteban as opposed to other areas in Olancho, although they clearly represent a rife problem in this UEP.

### ***'Lechuceros' in La Unión: a promising initiative***

During these first weeks, no significant cases of irregularities have been found in La Unión UEP, but this clearly does not imply that there are no problems there. For example, a very extended and evident problem in this UEP is the small-scale illegal logging carried out by dozens of small teams of '*lechuceros*', whose total production could, according to interviews made, add up to 60% of the legally authorised production in this UEP.

However, a very interesting experience is being implemented in La Unión in an attempt to find an alternative solution to this complex issue. This is described in Box 3.

**Box 3. Looking for solutions for the 'lechuceros' issue.**

By means of Resolution No. GG-MP-053-2004, AFE-COHDEFOR allocated 2,695.30 m<sup>3</sup> of timber from a national land site called La Habana I (management plan no. BN-RFO-01/97, La Unión UEP) to Mr. José Antonio Salgado Pavón, as part of a process of restitution of timber owed to him. The company Honduras Plywood subsequently secured the right to harvest this volume of timber from Mr. Salgado Pavón (as indicated in a letter sent on June 28, 2004 to the General Manager of AFE-COHDEFOR by Mr. Salgado Pavón), but only did so for logging unit 1. In fact, by means of a legal contract signed on May 9, 2005, Honduras Plywood sold the timber from logging unit 2 to La Unión Municipality, with the aim to find a solution to the problem that the presence of numerous individual loggers ('lechuceros') poses in this municipality.

At the moment of the IFM inspection to the site (10 and 11 June 2005), several groups of 'lechuceros' were working legally in logging unit 2, following what the annual operative plan La Habana I established and with the commitment to reimburse to La Unión Municipality the money paid to the company Honduras Plywood; but without having to work at night or avoid controls through informal payments to dishonest officials.

It is worth mentioning that apparently the initiative was not well managed on the part of La Unión's mayor. There have been accusations that only loggers close to him had the opportunity to take part in this experience, while others were excluded, therefore originating tensions that could seriously harm this experience. The Independent Monitor has not seen any evidence of any wrongdoing in this respect, however there is no question that transparency and equity of the process can be improved substantially. Yet, this initiative represents an attempt to give a concrete response to a complex and urgent problem, attempt which should also be tested in other areas of the country.

***Civil society participation and forest governance in Salamá***

As explained above, no formal inspections were carried out in Salamá UEP. This is because in some cases logging operations had not yet started and in others the areas had been logged a long time ago and were therefore more difficult to monitor objectively. However, it is worth providing some preliminary thoughts about this UEP.

During the months of July and August 2005, Salamá Municipality has been the witness of a harsh conflict, essentially motivated by a different vision of forest resources from two different groups of local people. Despite the conflict, and from an IFM point of view, the general impression is that, out of the four UEPs visited, Salamá UEP is the one where less illegality exists in the forests. This refers not only to industrial operations, but also to the problem of 'lechuceros', which seems less serious in this UEP.

The more plausible explanation for this is the deep-rooted presence of MAO in this UEP. The social audit and watchdog role that members of this organisation play have resulted in a higher level of legal compliance from small and big forest operator.

Even if some can disagree with some of the proposals or methods used by MAO, this experience confirms, once again, that the participation of the local population who lives close to the forest resources is crucial to improve forest governance.

### ***Southern pine beetle outbreaks and illegal logging***

The southern pine beetle (*Dendroctonus frontalis*) is severely affecting many pine forests in several areas in Olancho. It is indisputable that salvaging and clean-up measures need to be urgently implemented. However, much more supervision is needed in order to avoid that local sales of plagued timber are used, as has happened with other measures in the past, to fuel illegal logging.

Although too small to have statistic significance, the sites inspected in San Esteban revealed that 60% (3 out of 5) of the local sales for southern pine beetle areas presented serious cases of illegality (Mission Reports nos. 5 and 6). In this UEP there are around 200 southern pine beetle outbreaks identified and in the process of being authorised. Even if this 60% has no statistic significance, there is no question that there is a clear risk of abuse that could add up to hundreds of hectares and thousands of cubic meters illegally logged. The situation is even more worrying if one takes into account the whole Department of Olancho, where during September 2005 more than 900 new outbreaks of the plague have been identified.

### ***Transport permits to carry logs***

Figure 1 shows two typical fraudulent acts in the use of transport permits to carry logs: incomplete date and a number of logs that does not match to the number the truck actually transports (for further information about this case, please see Mission Report no. 7).

Transport permits to carry logs are given by AFE-COHDEFOR to the owners of a harvesting permit, and are handed out signed and stamped but blank, so that logging operators fill in the details when they load timber on trucks in the forest.

This scheme is partly justified because of the need to reduce bureaucracy. In fact, given AFE-COHDEFOR's limited human resources, it would be simply impracticable to have a forest officer supervising each truck when it is being loaded. Even so, handing out signed and stamped transport permits is a very significant vote of confidence from AFE-CODEHFOR towards businessmen and logging operators. It is not surprising that there is a lot of anecdotal evidence about the systematic abuse of these transport permits.

Figure 1: Photocopy of transport permit no. J-143743, with the main irregularities highlighted in red (Mission Report no. 7).

**ADMINISTRACION FORESTAL DEL ESTADO**  
( AFE - COHDEFOR )  
REGION FORESTAL DE OLANCHO  
FACTURA PARA MADERA EN ROLLO Y LABRADA  
DATOS GENERALES **FACTURA N° J- 143743**

Unidad de Manejo <b>San Esteban</b>		Compartimiento N°	
Sitio <b>platanares I</b>		Municipio <b>San Esteban</b>	Departamento <b>Olancho</b>
<b>TENENCIA</b>		Usuario del Sitio	
Nacional	<input checked="" type="checkbox"/> Privado	Ejidal	Indigena
Contrato <b>Bn. 378/2005</b>	Venta Local	Contratista <b>German Quingzin</b>	Sub-Contratista
Industria Consignataria <b>INDE. INV. JASUC</b>		<b>PRODUCTO A ELABORAR</b>	
Aserrío		<input checked="" type="checkbox"/> Plywood	Palillos
		Postes	

MADERA EN ROLLO												
N° TROZA	ESPECIE	Promedio de los Diámetros en Pulgadas de la Cara Menor	LARGO (Pies)	Pies Doyle o Carga Opción Aserradero	3 P	3 M	N° TROZA	Promedio de los Diámetros en Pulgadas de la Cara Menor	LARGO (Pies)	Pies Doyle o Carga Opción Aserradero	3 P	3 M
1		14	18		23		26	11	16		13	
2		13	32		40		27	8	14		6	
3		10	30		24		28	8	14		6	
4		15	32		57		29	10	14		9	
5		15	28		43		30	10	28		22	
6		14	14		17		31	15	28		43	
7		7	28		12		32	19	28		66	
8		9	36		26		33	12	28		29	
9		18	28		60		34	12	28		29	
10		10	20		14		35	10	28		22	
11		9	24		15		36	8	26		14	
12		19	16		35		37	11	28		25	
13		10	16		11		38					
14		9	36		26		39					
15		11	12		9		40					
16		10	28		22		41					
17		10	28		22		42	913				
18		7	20		8		43					
19		11	16		13		44	25.86				
20		8	20		10		45					
21		9	14		8		46					
22		8	32		18		47					
23		24	28		102		48					
24		8	24		12		49					
25		9	14		8		50					

Nombre Motorista <b>Toño Tayora</b>	Marca Vehículo <b>MAK</b>	Placa Vehículo <b>ARF5628</b>	Despachador <b>Milene Albo</b>
Lugar y Fecha <b>platanares I</b> <b>de Junio 2005</b>		Nombre <b>Milene Albo</b>	

Original: Aserradero; Copia Verde: Región Forestal;  
Copia Amarilla: Transportista; Copia Azul: Unidad de Manejo;  
Copia Rosada: Para la Caseta de Control

TALONARIO **2005**

ART. N° 206: Esta Factura podrá ser revisada por la Inspección Policial y Funcionarios de COHDEFOR cuando así lo requieran para el control de la procedencia de la Madera Transportada. Debido a lo anterior, el transportista prestará la colaboración necesaria para su cumplimiento.

This is all the more alarming when one considers the number of transport permits that are issued each year. In 2004, the national production of timber was 919,900 m<sup>3</sup> of logs (AFE-COHDEFOR, 2005)<sup>4</sup>. Considering that AFE-COHDEFOR hands out a transport permit for every 15-20 m<sup>3</sup> of logs (according to the loading capacity of the means of transport used), this volume implies that between 45,000 and 60,000 transport permits were used in the country last year. AFE-COHDEFOR clearly has no capacity to supervise so many transport permits. Even if only small abuses are taken into account (and not all abuses are small), thousands of these can add up to enormous amounts of timber illegally exploited every year.

Currently, AFE-COHDEFOR is contemplating the possibility of using bar-coded transport permits in order to reduce the risk of these permits being abused. This would be a significant step forward but would still require a thorough monitoring of the use of such permits.

## 6. FOLLOW UP OF MISSION REPORTS

The follow up of mission reports has not been prompt. Only in one case, the one reported on Mission Report no.3, did AFE-COHDEFOR respond immediately and initiated the relevant administrative procedures, issuing an indictment and a fine of Lps.98,060.90 (US\$5,191.15)<sup>5</sup> to the person responsible for the local sale (indictment no. RFO-027/2005). This is currently being processed for payment. The follow up has, however, improved since September 2005, both on the part of AFE-COHDEFOR and on the part of the Environmental Public Prosecutor, focusing initially in the corroboration of the information provided in the mission reports of the independent monitor.

It is clear that this delay is mostly due to the fact that IFM is something new in the country. Understandably, there needs to be a period during which IFM is recognised and accepted by the relevant government institutions, particularly AFE-COHDEFOR. This is precisely the objective of the current pilot phase.

Another important fact has been the lack of an agreement between AFE-COHDEFOR and CONADEH/Global Witness for the implementation of the *Independent Forest Monitoring Pilot Project in Honduras*. Its absence has not constrained the implementation of field missions, but has probably affected its follow up. Firstly, there was no clarity about the objective of the missions. Not knowing the concept and the practicalities of IFM work, several AFE-COHDEFOR staff thought that the main objective of field missions was to learn about the local reality in order to make recommendations about legal and institutional changes needed (as is usually the case of technical consultancy audits, diagnostics, international missions, etc), therefore sidelining the function of field mission reports as documentation of illegal activities in the field.

Secondly, the lack of an agreement with AFE-COHDEFOR has delayed the distribution of reports from the General Management office (where they were submitted) to AFE-COHDEFOR's regional and local offices, which are responsible for initiating indictments in the relevant cases. For example, during fieldwork that subsequently resulted in Field Mission Reports nos. 5 and 6, the Head of San Esteban UEP verbally asked the

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<sup>4</sup> AFE-COHDEFOR, 2005. *Anuario Estadístico Forestal 2004*. AFE-COHDEFOR, Tegucigalpa, Honduras.

<sup>5</sup> 1 US\$ = 18.89 Lempiras.

independent monitor to receive a copy of the reports as soon as possible in order to allow him to use the information (in particular the data about the areas illegally logged) to issue the relevant indictment. However, almost two months after the mission, both reports have not yet been distributed to San Esteban UEP.

This is deplorable as Field Mission Reports nos. 5 and 6 concern the most evident and significant illegal logging activities reported during these first weeks of work. According to the initial estimates (that need to be confirmed through a detailed inventory of stumps in the field) it is plausible that several hundreds m<sup>3</sup> were illegally logged in the case concerning Report no. 5 and possibly over 2,000 m<sup>3</sup> in the case concerning Report no. 6. If these estimates were correct, the fines could reach Lps. 3,000,000 (approx. US\$158,000), which would represent a significant revenue for AFE-COHDEFOR.<sup>6</sup> This amount is also more than three times the total budget of this first phase of IFM in Honduras. All these aspects point to the significant economic potential of IFM.

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<sup>6</sup> It is worth mentioning that this estimate only refers to the potential fines for illegal logging activities detected in these two reports, but Report no. 6 also describes illegalities in the transport and processing of timber, which imply other fines not estimated here.

## 7. CONCLUSIONS

The results of this first and brief phase of IFM in Honduras paint a mixed picture regarding forest governance in the Department of Olancho. There are some areas where the situation is fairly positive, such as, in some aspects, Salamá UEP. However, there are others, such as San Estaban UEP, where the level of law enforcement is clearly low, and vulnerable to the pressures from businessmen and logging operators.

In addition to the geographic differences, there are also some aspects of law enforcement that clearly overwhelm AFE-COHDEFOR's capacity to supervise and control, regardless of the geographic area. Up to know, IFM work has been able to document at least two of such instances:

- Harvesting operations of southern pine tree outbreaks.
- The use of transport permits to carry logs.

About these two aspects, in fact, there is already extensive anecdotal evidence. The abuses committed are not always big in scale and shocking, but are often small irregularities which, however, when repeated over and over through time, end up constituting very significant phenomena, and have serious social, economic and environmental implications.

Based on all of the above, the conclusions of this report are as follows:

1. According to experience in other countries, IFM could be a very useful tool to tackle both the geographical problem (specific areas that are suffering a rife breach of the law) and the thematic aspects of illegal logging that cross-cut the geographical areas (as the two mentioned above).
2. In the short term, it would be advisable to carry on with the current IFM pilot phase in order to subsequently, if results confirm its potential usefulness, implement a long-term IFM project, possibly managed by an institution selected through a transparent bidding process.
3. In order to carry on implementing the current pilot phase it would be very important to establish an agreement with AFE-COHDEFOR, so that the objectives and methodologies of IFM are further clarified.