



global witness

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Global Witness welcomes Norwegian government disinvestment from predatory loggers Samling

Global Witness today welcomed the Norwegian Government Pension Fund's decision to disinvest from the notorious Malaysian timber giant Samling. Global Witness has previously exposed illegal logging by Samling in Cambodia as well as evidence of legal breaches by two Samling-associated companies in Liberia.

The Norwegian government's decision follows an investigation which documented "extensive and repeated breaches of the licence requirements, regulations and other directives governing the company's forest operations in Sarawak, Malaysia and Guyana". The Norwegian Government Pension Fund's Council on Ethics concluded that "the company's forest operations in the rainforests of Sarawak and Guyana contribute to illegal logging and severe environmental damage". (1)

In the 1990s Global Witness revealed that Samling was illegally sourcing timber from a Cambodian wildlife sanctuary. The company has since faced serious allegations of illegal logging in Papua New Guinea and Guyana and has been at the centre of a bitter conflict with the Penan minority in Borneo, who have claimed that Samling has abused their rights and destroyed their livelihoods. (2)

"This is a positive move, though it does raise the question of why on earth the Norwegian government invested in such an unethical company in the first place," said Natalie Ashworth, Campaigner at Global Witness. "Other pension funds, banks, and private sector investors who have not already done so should take note of this decision and follow suit by disinvesting from any companies whose environmental or human rights records make them incompatible with 'ethical investment' aspirations."

In Liberia, Samling is linked via ownership structures to two firms – Alpha Logging and Atlantic Resources – that acquired logging concessions in 2009. (3) Global Witness has documented how Alpha Logging breached Liberian law in the process of applying for a concession, and how Atlantic Resources appears to have colluded in its concession bid with a third Samling-associated company, Southeast Resources. (4) Global Witness is calling on Liberia's government to cancel the concession contracts of both companies.

"The Norwegian government's decision confirms what Global Witness and others have documented over many years: that Samling is a predatory company that pays scant regard to the laws of the countries in which it operates," said Ashworth. "The Government in Liberia should wake up to the tainted credentials of the people they are dealing with and cancel Alpha and Atlantic's contracts before history repeats itself."

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Notes to editors

(1) The text of the statement issued on 23 August by the Norwegian Ministry of Finance that concerns Samling is at <http://www.regjeringen.no/en/dep/fin/press-center/Press-releases/2010/three-companies-excluded-from-the-govern.html?id=612790>.

(2) For a summary of Samling's track record, see Global Witness, 'Background investigations into companies bidding for Liberian forest management contracts',

http://www.globalwitness.org/media_library_get.php/936/1282651785/global_witness_background_investigations; for further detail on Samling, see http://www.globalwitness.org/media_library_detail.php/827/en/unscupulous_timber_company_behind_bids_to_log_libe. For Samling's response to Global Witness' publications, see Samling Global letter to Global Witness, 14 August 2009,

http://www.globalwitness.org/media_library_get.php/994/1282651950/samling_letter_to_gw_dd_14_8_09.

(3) For details on the relationships between Samling, Alpha Logging and Atlantic Resources, see 'Global Witness warns over future of Liberia's forests',

http://www.globalwitness.org/media_library_get.php/1037/1282651323/global_witness_warns_over_future;

see also 'Background investigations into companies bidding for Liberian forest management contracts',

http://www.globalwitness.org/media_library_get.php/936/1282651785/global_witness_background_investigations.

Global Witness wrote to Samling on 12 June 2009 to ask the company about its relationships with Alpha Logging, Atlantic Resources and Southeast Resources, as well as other issues. Samling sent a response on 30 June 2009 stating that "Samling Global Limited is not involved in the bidding or awarding of any forest management contract in Liberia. We therefore regret that we will not be able to respond to your due diligence questionnaire". In a second letter sent on 14 August, Samling wrote "you have elected to link us with two firms known as Southeast Resources Limited and Atlantic Resources Limited alleged by you to be involved in the bidding for forest management contracts in Liberia. We further note that you have accused us of being internationally notorious for illegal logging activities. We strongly deny the above accusation and all the allegations raised against us in your articles."

http://www.globalwitness.org/media_library_get.php/994/1282651950/samling_letter_to_gw_dd_14_8_09.

(4) For details, see 'Global Witness warns over future of Liberia's forests',

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Global Witness investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses