

SUB-REGIONAL WORKSHOP ON THE CONTRIBUTION OF FOREST AREA TAXES TO THE SOCIO-ECONOMIC DEVELOPMENT OF THE POPULATIONS OF THE CONGO BASIN

*(ATELIER SOUS- REGIONAL SUR LA CONTRIBUTION DES REDEVANCES FORESTIERES AU
DEVELOPPEMENT SOCIO-ECONOMIQUE DES POPULATIONS DU BASSIN DU CONGO)*

KINSHASA, JUNE 14/15, 2007

SUMMARY OF THE FINAL COMMUNIQUE

(English unofficial translation of sections of the original French communiqué)

A sub-regional workshop on the contribution of forest area tax revenues to the socio-economic development of the people of the Congo Basin was held in Kinshasa, DRC on June 14 and 15, 2007. Organized by COMIFAC, the Ministry of the Environment of the DRC, the World Resources Institute (WRI), the World Wildlife Fund / DRC (WWF) and FORAF, the event, brought together over 60 people from the governmental and NGO communities of the sub-region: COMIFAC, Cameroon, Congo, Gabon, DRC, the African Wood Organization, the World Bank, the French Corporation, FORAF, GTZ, the Autonomous and Local Peoples of Central Africa Network (REPALEAC), Federation des Industries du Bois of DRC, the Institutions of Forestry and Environmental Training Network (RIFFEAC/ERAIFT), WWF, IUCN, CEFDHAC, CIFOR, CIRAD, FAO, the Belgian Corporation, IRM, WRI, and USAID-CARPE.

The main objective of the workshop was to analyze the current management systems and distribution of forest area tax revenues in the sub-region and their contribution to the socio-economic development of the people in the Congo Basin, in view of identifying the principal strengths, weaknesses and lessons learned that are prerequisite to the formulation and eventual implementation of forest tax revenues monitoring systems, thus consequently contributing to the improvement of the Congo Basin countries' forest governance systems.

The specific objectives of the workshop were to:

- 1) Assess the current states of Congo Basin country systems for managing the distribution of forest area tax revenues, identifying the main modes of functioning, constraints, forces, lessons learned, etc.;
- 2) Formulate recommendations for improving the management of forest area tax revenue distribution systems with the goal of maximizing their contribution to the development of the DRC and other Congo Basin systems;
- 3) Initiate the process of putting in place appropriate monitoring systems which would include the participation of civil society and local populations, and;
- 4) Bring together the sub-region's experts and principal organizations to reflect on the current problems of forest area tax revenue management.

The main finding of the workshop as regards the management of forest area tax redistribution as a component of forest policy reforms was that forest reform is not currently applied universally because of:

- The absence of codes for application;
- The disconnect between the official governing the forests and other sector officials;
- The insufficiency of forest decentralization in against the context of a strongly; centralized national government system;
- The lack of awareness about forest revenues on the part of leaders at the decentralized levels;
- The lack of transparency and budgetary tracking at all levels of government; the majority of expenditures don't follow the chain of consumption;
- The absence of a commercial banking system at the decentralized level; and
- The inconsistency between constitutional principles and the normative texts governing the decentralized authorities' distribution of revenues.

The main recommendations and suggestions of the workshop were as follows:

- Assure conformity between forest reforms and other reforms, especially those of pertaining to decentralization;
- Verify, revise and complete regulatory texts in order to eliminate potential contradictions between various texts and laws;
- Finalize the clarification of texts on the application of the Forestry Code and see them put into action;
- Improve the publication and dissemination of these texts to all levels of government;
- Accelerate the above-mentioned process so an Inter-ministerial set the modalities of the retrocession of forest revenues.
- Implement a monitoring system for forest revenues and their use: (i) a national multi-actor commission for regular regulation, (ii) an independent auditor for fiscal and accounting documents, (iii) an external independent observer of forest activities;
- Strengthen the capacity of local communities and citizen committees to follow the management of forest revenues;
- Define the distribution of revenue between the central level and the decentralized entities as well as the types of investment;
- Prioritize the emergence of local organizations for improving management of forest revenues for local development initiatives;
- See that all citizens benefit from the collective investments of the administrative decentralized entities (EAD);
- Authorize direct payments to the administrative decentralized entities by having specific check drawn directly by logging companies;
- Regularly publish the sums paid by the companies to the administrative decentralized entities;
- Regularly publish the totals paid by the companies;
- Require that administrative decentralized entities open specific bank accounts;
- Apply the classic procedures of public finance management: budgeting, transparency and open regulation of expenses by the deliberating assemblies and the central administration;

- Harmonize and coordinate the financial efforts of all of the extractive industries (foresters, miners, etc.) for integrated development founded on economic planning for development of the regions as well as the entire country (a local development plan);
- Reinforce the public-private partnership within the framework of local and regional conventions;
- Utilize the land revenues exclusively for collective investments.

Finally, the participants recommend that:

- The Executive Secretary of COMIFAC sees to the implementation of the above recommendations at the sub-regional level; and
- That development partners assist countries of the region, and the DRC, in implementing management systems for forest area tax revenues as to better support sustainable socio-economic development.
