

Timber Legality Risk Assessment Equatorial Guinea

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A. Introduction

This timber legality risk assessment for Equatorial Guinea provides an analysis of the risk of sourcing timber from areas of illegal harvesting and transport.

The risk assessments are developed in collaboration with local forest legality experts and use an assessment methodology jointly developed by FSC and Preferred by Nature (at the time, called Preferred by Nature). A detailed description of the methodology can be found [here](#) and on Preferred by Nature's [Sourcing Hub](#).

Version history

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Interviews with Experts

The list of expert is not included in the risk assessment. However, all experts are known to Preferred by nature. Discussions with different experts (conducted in 2019) have helped the authors of this report to better understand the applicable laws and risks associated with each category of legislation.

Public consultation

Online public consultation on the Sourcing Hub: June 18 – September 1 2021

A. Overview of legality risks

This report contains an evaluation of the risk of illegality in Equatorial Guinea for five categories and 26 sub-categories of law.

For the Equatorial Guinea forest sector, we found:

- **Specified risk for 21 sub-categories.**

For processing sector, we found:

- **Specified risk for 5 sub-categories.**

A summary of identified risks related to illegal harvesting of timber in Equatorial Guinea is listed below, with risks grouped within several overarching categories: legal rights to harvest, taxes and fees, timber harvesting activities, third parties' rights, and trade and transport. More information about each risk can be found by going to the applicable indicator, which is stated in brackets for each risk.

For **Legal Rights to Harvest**, there is a risk of:

- Potential overlap of lands under a harvesting permit or CAAF, and neighboring areas, such as other forest concessions, private lands, communal forests, or Protected areas (1.1)
- Risk that logging companies harvest timber within the 2km buffer zones around villages that have been included in the concession area (1.1)
- Traditional occupation and land use by local inhabitants without submitting documentation required by law, which generate property conflicts when forest concessions are awarded on the same land (1.1)
- Forest concessions (CAAF) awarded without the required documents or without complete evaluation by the authorities. (1.2)
- Development of forest management plans without the minimal required contents, or not developed by competent technicians (1.3)
- Lack of forest management plan implementation by the companies and lack of monitoring by the forest administration (1.3)
- Illegal logging done through verbal agreements between chainsaw operators and villages or individual owners, especially in communal forests or privately owned forests (1.4)
- Harvesting permits are awarded without the required documents or without complete evaluation by the authorities. (1.4)

For **Taxes and Fees**, there is a risk that:

- Evasion of payment forest occupation, conservation, compensation fees (1.5).
- Timber processing industries do not report their total production to avoid paying value-added tax (VAT) (1.6)
- Incorrect income and profit taxes payment (1.7)
- Evasion of Minimum Tax Fee (CMF) by logging companies (1.7)

For **Third parties' rights**, there is a risk that:

- The mechanisms for distributing the forest benefits between the parties are not applied in a way to ensure benefits to all communities. (1.13, 1.15).

- There is a risk that fruit trees are harvested during the logging (1.13, 1.15).
- Not all companies hire local workers (1.15).

For **Trade and transport**, there is a risk that:

- Companies present false specifications to reduce the volumes and the classification of the qualities (1.16)
- To transport illegally harvested prohibited and protected species codes are changed and instead using codes of similar species (1.16)
- Classification of wood for export do not follow the legal requirements (1.16)
- Wood in the stacks without the company's logo—wood from unclear origin (1.16)
- Change of information in the Transport guide during transport – required information is altered (species, volume or quantity transported, date and time of commencement) (1.17)
- Transport of wood without transport guide in illegal logging zones and bribe the controlling agents (1.17)
- Use of expired transport guides and repeated use of a guide when there is a lack of all the required information and to bribe the controlling agents (1.17)
- Illegal export without documentation or the approval of the forest administration (1.19)
- Illegal export of roundwood (valid for logs exported prior to 26 October, 2020) (1.19)
- Illegal export of roundwood logs from prohibited species (1.19)
- Species *Guibourtia tessmannii*, *Diospyros crassiflora*, *Millettia laurentii* and *Prunus africana* are exported with CITES certificate despite national export ban (1.20)
- CITES certificates are granted without availability assessment and without annual quotas (1.20)

For **Timber harvesting activities**, there is a risk that:

- Logging of forest stands prior to the required 25 years rotation cycle (1.8, 1.10).
- Risk of not conducting selective cutting when harvesting (1.4, 1.8)
- Logging of species with a smaller diameter than authorized (1.8, 1.10).
- Lack of respect for the protection buffer zones, where cut is not allowed; slopes, riverbanks (1.8, 1.10).
- Lack of planning to establish skidding trails (1.3 1.8).
- Roads and temporary bridges are constructed without the necessary security measures, causing accidents and flooding by blocking rivers and streams (1.8, 1.10).
- Harvesting prohibited species (1.8, 1.9)
- Illegal harvesting in protected areas (1.4, 1.9).
- Illegal logging of bubinga (*Guibourtia tessmannii*) envila (ebano) or *Diospyros crassiflora* and nsonso (wengue) or *Millettia laurentii* without permit or with fraudulent permit (1.4, 1.9)
- Logging is done without Environmental Licenses and Environmental Impact Assessments (1.10)
- Violation of health and safety requirements during harvesting activities (1.11) : lack of hygiene and security committee; lack of distribution and use of personal safety equipment; use of toxic and dangerous products without protection; wood transport done outside the hours stipulated by the law
- Lack of work contracts for seasonal and discontinuous work (1.12)

- Lack of registration of the workers in the National Social Security Institute (INSESO) (1.12).
- Lack of training of employees by the forestry companies (1.12).

For **Processing**, there is a risk that:

- Forestry companies operating without registry documentation required by the State government (1.22)
- Installation of industries without conducting an environmental and social impact assessment, which implies the absence of an environmental license (1.23)
- There is an excessive waste of wood during the processing, which is burned (1.23)
- Companies operate without development of an industry (1.24)
- Lack of fulfilment of health and safety requirements for the companies; lack of health and safety committees in the companies, no distribution, and no use of adequate safety equipment by employees, use of inadequate vehicles to transport employees (1.25)
- Companies do not pay their workers following a work accident (1.25)
- Lack of work contracts and lack of registration of the workers' in Social security System (INSESO) (1.26)

Timber source types and risks

Forests (National Forest Reserve/ Reserva Forestal Nacional or RFN) in Equatorial Guinea are classified in one of two major categories: production domain (PD) and conservation domain (CD). Harvesting is not permitted in the conservation domain. So, the legal wood supply in Equatorial Guinea should be sourced only from forests within the production domain. In Equatorial Guinea, the territorial classification of forest use within the production domain is divided into three sub-categories: national forests (forest concessions), communal forests and privately owned forests. All the forests suitable for large-scale timber harvesting are located in the continental region of Equatorial Guinea.

Source type	Explanation
Privately owned forests (continental region)	<p>Natural or reforested forests, located within the limits of silvo-agricultural or rustic farms, and for which harvesting requires a logging authorization granted by the Forest Administration.</p> <p>The harvest can be carried out by the forest owner, or by an authorized third party.</p> <p><u>License/permit:</u> Harvesting permit (Autorización de Apeo) processed and approved by the responsible ministry and signed by the President of the Republic, after the completion of corresponding studies, is required to be able to harvest in privately owned forests.</p> <p>To obtain harvest authorization, the owner must have the title deed granted by the President of the Republic.</p> <p>In the case of timber harvesting by a foreign company, it is also required to have a tree purchasing contract, signed with the land owner, with the approval of the Regional Delegate of the responsible Ministry at the continental region To obtain this approval, it is required to submit the harvest authorization previously issued to the forest owner.</p>
Community Forests (continental region)	<p>Area of natural or re-established forests that the State recognizes, limits and awards in permanent use to the rural communities.</p> <p><u>License/permit:</u> Harvesting permit (Autorización de Apeo) awarded by the responsible ministry and signed by the President of the Republic. Before requesting a harvesting permit, a communal forest recognition certificate is required (signed by the President of the Republic).</p>

	<p>The State cedes to a community the permanent use of the forests. A community who wants to obtain communal forests must first present its latest census to the INDEFOR-AP. Then, an area of 4 ha is calculated per head of family, 18 years old or more. The INDEFOR-AP establishes the limits of the proposed communal forest and requests the delimitation with a written request to the Regional Delegation of the MAB, which presents the title to the Minister to be signed (this also needs to be signed by the President of the Republic).</p> <p>The community can then log that forest or authorize a third party to do so, through a simple contract, signed by the president of the village council and the company, with the approval of the forest administration.</p> <p>The payment for the logging rights in communal forests is done in kind, meaning performing the same sort of social works done by the forestry companies in the communities adjacent to the concessions in the national forests.</p> <p>The communal forest is permanently awarded to the community; however, its area is recalculated every 10 years, based on the census. That allows the size of the communal forest to expand with the growth of the community's population.</p>
<p>National Forests (Forests concessions) (continental region)</p>	<p><u>Description:</u> Areas of natural or re-established forests that the State reserves for itself, to exploit directly and exclusively or through third parties with the economic capacity to log, transform and export wood.</p> <p><u>Property:</u> State.</p> <p><u>Source Type:</u> Production domain (maximum area of 50,000 ha, validity period: 15 years and can be renewed).</p> <p><u>License/permit:</u> Forest concessions through a Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF). It is requested from the Forestry Ministry to get the President of the Republic's signature.</p> <p>Article 28 of Law No. 1/1997, indicates the CAAF model to be used, including its duration and the concessional areas, as follows:</p>

	<ul style="list-style-type: none">a) Short-term: Duration of five years, renewable. Maximum area of 10,000 ha. Processing by the owner or a third party.b) Medium-term: Duration of 10 years, renewable. Area between 10,001 ha and 30,000 ha. Requires an industrial plant for primary processing.c) Long-term: Duration of 15 years, renewable. Area between 30,001 ha and 50,000 ha. Requires an industrial plant for primary and secondary processing. <p>The forms described in this sub-section of this article will be exclusive to nationals.</p>
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This matrix summarises the findings of the timber legality risk assessment set out in this report.

Legal Category	Sub-Category	National forest (forest concessions)	Privately owned forest	Community forest
Legal rights to harvest	1.1 Land Tenure and Management Rights	Specified	Specified	Specified
	1.2 Concession Licenses	Specified	N/A	N/A
	1.3 Management and Harvesting Planning	Specified	N/A	N/A
	1.4 Harvesting Permits	Specified	Specified	Specified
Taxes and fees	1.5 Payment of Royalties and Harvesting Fees	Specified	Specified	Specified
	1.6 Value-Added Taxes and Other Sales Taxes	Specified	Specified	Specified
	1.7 Income and Profit Taxes	Specified	Specified	Specified
Timber harvesting activities	1.8 Timber Harvesting Regulations	Specified	Specified	Specified
	1.9 Protected Sites and Species	Specified	Specified	Specified
	1.10 Environmental Requirements	Specified	Specified	Specified
	1.11 Health and Safety	Specified	Specified	Specified
	1.12 Legal Employment	Specified	Specified	Specified
Third parties' /rights	1.13 Customary Rights	Specified	Specified	Specified
	1.14 Free Prior and Informed Consent	N/A	N/A	N/A
	1.15 Indigenous/Traditional People's Rights	Specified	Specified	Specified
Trade and transport	1.16 Classification of Species, Quantities, Qualities	Specified	Specified	Specified

	1.17 Trade and Transport	Specified	Specified	Specified
	1.18 Offshore Trading and Transfer Pricing	Specified	Specified	Specified
	1.19 Custom Regulations	Specified	Specified	Specified
	1.20 CITES	Specified	Specified	Specified
	1.21 Legislation Requiring Due Diligence/Due Care Procedures	N/A	N/A	N/A
Processing	1.22 Legal Registration of Business	Specified	Specified	Specified
	1.23 Environmental Requirement for Processing	Specified	Specified	Specified
	1.24 Processing Requirements in The Timber Industry	Specified	Specified	Specified
	1.25 Health and Safety	Specified	Specified	Specified
	1.26 Legal Employment	Specified	Specified	Specified

B. Overview of the forest sector in Equatorial Guinea

Equatorial Guinea is rich in wood resources: forest cover estimated at 2.5 million hectares, representing more than 90 percent of the national surface area. It has highly diverse ecosystems; from mangroves, coastal forests and grasslands on the coast, to subalpine formations and tall grasslands at the summits (FAO, 2020).

In the continental region, vegetation is dense in the humid Guinean–Congolese lowland forest; while Bioko Island has different ecosystems due to the effects of altitude and the notable variation in rainfall.

The forestry sector is one of the most important sectors for the national economy, with two-thirds of the population dependent on forest resources.

Until recently, the main export product and main source of foreign currency in the country was derived through harvest of about a hundred commercial species. The contribution of the sector to the national economy between 1985 and 1992 represented more than 50% of the foreign currencies and over 20% of the direct income by taxes for the State. Since mid-2018, production and exportation were reduced as a result of new regulations put in place by the government. It is now forbidden for companies without a processing plant to harvest timber, and all permits have to be signed by the President of the Republic. Also, it is now forbidden to export logs, even though there are still a few valid approvals relating to the log piles in the port. This situation has greatly impacted the direct revenues of the State.

Only nationals can own land in Equatorial Guinea. Foreign companies are permitted to harvest through

1. Forest Harvesting Lease Agreement (CAAF) (national forests)
2. Contract Agreement with
 - a. private owners (privately owned forests) OR
 - b. communities (communal forests)

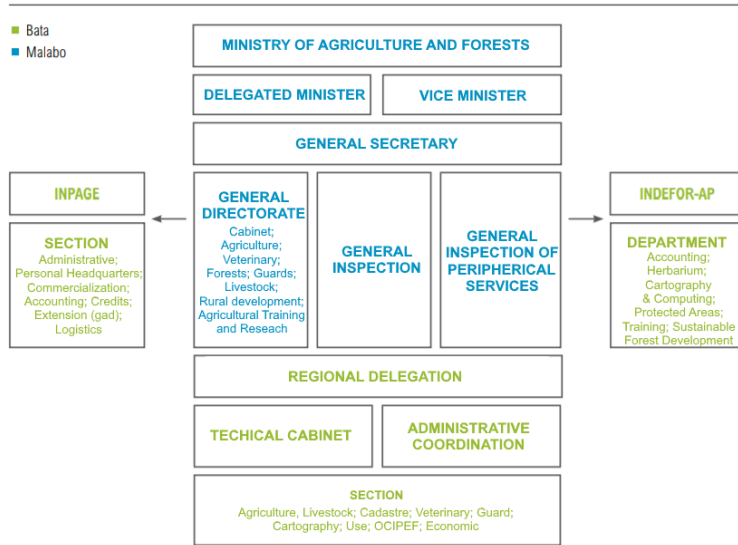
Since late 2018, all forest companies operating in Equatorial Guinea need to form a registered company in the country, to be able to apply for a CAAF in the national forests (Forest Harvesting Lease Agreement); and they are required to establish a processing industry.

Also, individuals who wish to obtain a harvest permit need to establish microenterprises. In Equatorial Guinea, it is now forbidden to harvest a tree if the entity carrying out harvesting is not a registered company. (There are some exceptions for timber for subsistence purposes.)

Natural resources (forest and environment) management in Equatorial Guinea is mostly carried out by two ministries: Ministry for Agriculture, Livestock, Forests and the Environment and Ministry of Fishery and Water Resources Although the Ministry for Agriculture, Livestock, Forests and the Environment is the competent ministry in forest matters, the situation is not clear regarding protected areas; because the current laws state that both ministries are competent. Within the MAB (Figure 1), the National Institute for Forest Development and Management of Protected Areas (INDEFOR-AP) provides technical services (topography and cartography) to agents representing public and private projects,

as well as those having an impact on production and conservation forests.

Figure 1 | Organization chart of the Ministry of Agriculture and Forests



INDEFOR-AP was created by Decree No. 60/2002, dated 8 May, as a result of the Conservation and Rational Utilization of Forest Ecosystems in Equatorial Guinea (CUREF) project, financed by the European Union. According to the presidential decree, INDEFOR-AP is a “public entity with its own legal personality and with administrative and financial management autonomy” in the country. However, INDEFOR-AP is part of the MAB, it is not independent and does not have financial autonomy. It has a budget received from the government that is sufficient to cover the salaries of technical personnel, but not sufficient to carry out the programs and missions planned in the CUREF project, nor to update the cartography software supplied by the MAB.

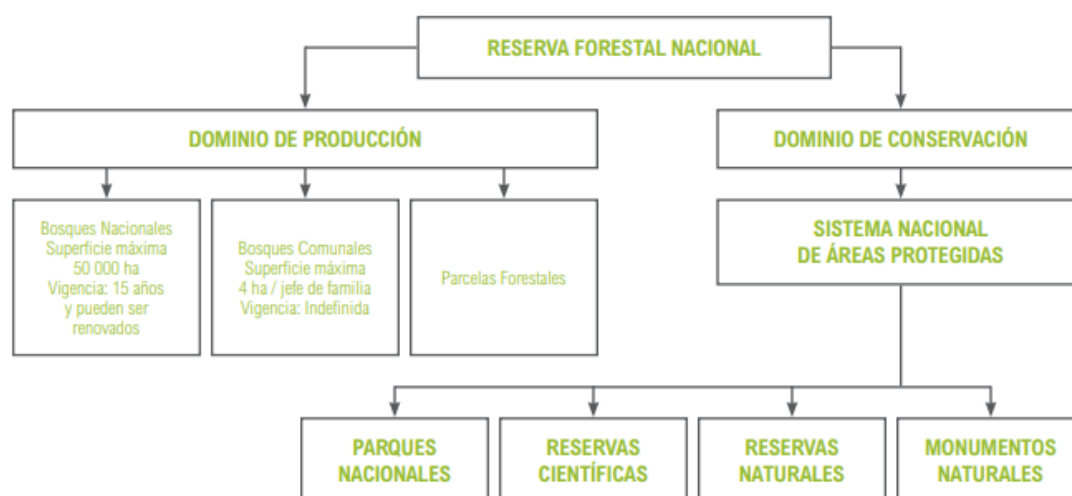
The General Directorate of Forests is responsible for ensuring that forest legislation is respected within the privately owned forests and communal forests subject to harvesting by forestry companies.

The General Directorate of the Forest Guard (GF) intervenes in cases where it is suspected that the activities of a company exceed the limits of the Forest Harvesting Lease Agreement (CAAF), awarded by the government to authorized companies to log within a national forest. The GF also intervenes in other clandestine activities related to logging in free, unallocated State forests.

Forest management in Equatorial Guinea is regulated by Law No. 1/1997, dated 18 February, on the Use and Management of Forests (Forestry Law).

The Forestry Law stipulates that the National Forest Reserve (RFN, Reserva Forestal Nacional) “is permanent, inalienable and in the public domain and must be managed in accordance and under the concept of sustained performance” (Article 5). The Forestry Law divides the RFN into two major categories of the national territory: the production domain (PD) and conservation domain (CD) (Figure 2).

Figure 2: Organisation of the National Forest reserve



Source: Ley nº 1/1.997, de fecha 18 de febrero, sobre el uso y manejo de los bosques.

In 2013, RFN represented 50% (1,354,766 hectares) of the national territory and consisted of 83% of dense forests, 13% of mixed forests and 4% of other types of land use. PD represented 30% of the national area and consisted of 89% of dense forests, 8% of mixed forests and 3% of other types of land use. CD, on the other hand, represented 19% of the national area and comprised 73% of dense forests, 22% of mixed forests and 5% of other types of land use.

The general principles of Law No. 1/1997 establish in Article 1, the judicial, economic and administrative system that allows the rational and sustainable harvest of the forests and the country’s natural conservation, with an absolute respect to the natural laws that ensure its permanence and growth to benefit present and future generations.

In Article 3 of the Law on the Use and Management of Forests, it indicates that the forest administration is in charge of the guardianship, administration and management of all the forests in the country, including all natural and reforested forests, wild flora, forest soils, as well as the wild, ground-dwelling fauna.

In Article 4, forest lands are those for which the main use is ‘forest’, when applying the regulation of land classification and use. Forest lands, either natural forests, wild flora or land reforested by humans, make up the **National Forest Reserve** (Reserva Forestal Nacional). National Forest Reserve is permanent, inalienable, and in the public domain; therefore, and it must be managed according to and under the concept of sustained yield (Article 5).

Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea, establishes the National Forest Reserve in two domains:

1. **The production domain (Article 12, Law 1/1997) which includes:**
 - a) **Privately owned forests:** small patches of natural or reforested areas located within the limits of silvo-agricultural or rustic farms, and for which harvesting requires a

harvesting permit (Autorización de Apeo) granted by the forest administration, and signed by the President of the Republic;

- b) **Communal forests:** areas of natural or re-established forests that the State recognizes, limits and awards in permanent use to rural communities. For timber harvesting, a harvesting permit (Autorización de Apeo) is required, granted by the forest administration, and signed by the President of the Republic;
- c) **National forests:** areas of natural or re-established forests that the State reserves for itself, to exploit directly and exclusively; or through third parties with the economic capacity to log, process and export wood. Harvesting activities are conducted through a Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF) signed by the President of the Republic.

The production domain covers 1.5 million hectares. Few years ago, the total area of the awarded concessions (CAAF) was 217,940 ha, of which 194,800 ha have been exploited (WRI, 2013).

- 2. **The conservation domain,** which includes all the forests from the protected areas in the national system, and the protection forests; approved by the government and dedicated to the conservation and preservation of wild flora and fauna species, landscapes and unique ecosystems.

The export of logs from Equatorial Guinea has been prohibited since January 2018, to ensure that wood is processed within the national territory as a means of stimulating industry development within the country.

Sources of Information

Bololo E. P. (2001). *Estudio de perspectivas del sector forestal en África*. FOSA Guinea Ecuatorial. [Online]. Available at: <http://www.droit-afrique.com/upload/doc/guinee-equatoriale/GE-Code-forestier-1997-ESP.pdf>

WRI (2013). *ATLAS interactivos de Guinea Ecuatorial*. [Online]. Available at: http://data.wri.org/forest_atlas/gnq/report/gnq_atlas_forestal_v1.pdf

FAO (2020). *Planning National Land And Forest Action To Mitigate Climate Change And Reduce Poverty In Equatorial Guinea*. [Online]. Available at: <http://www.fao.org/3/cb1014en/CB1014EN.pdf>

C. Legality Risk Assessment

LEGAL RIGHTS TO HARVEST

1.1. Land Tenure and Management Rights

Legislation covering land tenure rights, including customary land rights as well as management rights that includes the use of legal methods to obtain tenure rights and management rights.

Management rights related to other rights than land and land management are covered under 1.13 (Customary Rights) and 1.15 (Indigenous/Traditional Peoples' Rights).

This indicator also covers legal forest management business registration and tax registration, including relevant legal required licenses (industrial business and tax registration are covered under 1.22). Risk may be encountered where land rights have not been issued according to prevailing regulations and where corruption has been involved in the process of issuing land tenure and management rights. The intent of this indicator is to ensure that any land tenure and management rights have been issued according to the legislation. The level of corruption in the country or sub-national region is considered to play an important role and corruption indicators (e.g., Corruption Perceptions Index (CPI)) should therefore be considered when evaluating risks.

1.1.1. Applicable Laws and Regulations

- Fundamental Law of Equatorial Guinea (2012). Law No. 4/2009, dated 18 May, on the land property regime in Equatorial Guinea. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg158220.pdf>
- Forestry Law No. 1/1997, dated on 18 February, on the Use and Management of Forests in Equatorial Guinea. Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Articles 23 and 29. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>

1.1.2. Legal Authority

- Ministry of Interior and Local Corporations (President of the Council): Issues the conformity certificate [applicable to the three source types].
- Ministry of Justice, Worship and Penitentiary Institutions (Notary): Legalization of forest ownership.
- Ministry for Agriculture, Livestock, Forests and the Environment: Issues favourable report of endorsement to the file [applicable to the three types of forests in the production domain].
- Prime Minister's office: must sign the favourable report guarantee of the Ministry (as above).
- The Head of State (President of the Republic): Grants his signature to all the titles of property applicable to the different types of forest.

1.1.3. Legally Required Documents or Records

Privately owned forests:

- Property title for privately owned forests (signed by the President of the Republic).
- Tree purchasing contract (applicable to companies operating in third-party forests).

Communal forests:

- Certificate of recognition of the communal forest (signed by the President of the Republic)
- Harvesting request to the Minister of Forests signed by communal representative.
- A list of priority works for the community, agreed and signed by members of the council.
- Certificate of forest localization/ delimitation
- Tree purchasing contract (applied to companies harvesting timber from the communal forest).

National forest:

- Forest Harvesting Lease Agreement (CAAF).
- Measurement certificate (forest delimitation certificate)

1.1.4. Sources of Information

Government sources:

- Rüginitz T. M. (2013). Estrategia de Transversalización para la Gestión Sostenible de Suelos y Bosques. Ministerio de Pesca y Medio Ambiente. Informe de Consultoría del proyecto: Reforzamiento de las Capacidades Institucionales, Legales e Individuales para la Gestión Sostenible de Suelos y Bosques en Guinea Ecuatorial. [Online]. Available at: https://www.gq.undp.org/content/equatorial_guinea/es/home/library/environment_energy/o-estrategia-de-transversalizacion-para-la-gestion-sostenible-de.html
- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe resumido de las Inspecciones forestales de un trimestre, dirigido al Ministro titular. Available in the Ministry Secretary and in the Regional Delegation of the Ministry in Bata.

Non-Governmental sources:

Not available.

1.1.5. Risk Determination

Overview of legal requirements

- Fundamental Law of Equatorial Guinea (2012)
Article 30. The State recognizes public and private priorities. The right to property is guaranteed and protected without further limitations than those established by law. The property is inviolable, no individual can be deprived of their property and rights, except in the case of public utilities, with corresponding compensation. The State guarantees farmers traditional ownership of the land they own. The law sets the legal regime of public domain assets.
- Law No. 4/2009, dated 18 May, on the land property regime in Equatorial Guinea.
Articles 1, 2, 3, 4, 7, 8 and 9 classify the lands and describe general rules: lands are within the State's public domain, or private property. The Law recognizes the traditional lands of the village communities, tribes and native family groups, including lands that are usually occupied for

residential or agricultural uses, without the intervention of a legal act to attribute property title. However, the President of the Republic must determine the boundary through physical demarcation on the ground.

Chapter II (articles 11–20) includes legal dispositions on how to acquire private property of the lands. Land property is granted and signed by the President of the Republic through a public auction or by direct adjudication, after the corresponding application package has been examined by the competent bodies (Article 11).

Articles 13, 14, 15, 16, 17, 18, 19 and 22 deal with the land properties granted based on an onerous nature. Land concessions are distinguished by croplands (temporary), building, logging, grazing and other public or private uses.

- Forestry Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Article 12 describes, land forests classification based on land tenure:
 - a. Privately owned forests: small patches of natural or afforested forests, located within the limits of silvo-agricultural or rustic farms, and for which harvesting requires a logging authorization granted by the forest administration.
 - b. Communal forests: areas of natural or re-established forests that the State recognizes, limits and awards in permanent use to the rural communities, for traditional uses; these forests must be adjacent to the community.
 - c. National forests: areas of natural or re-established forests that the State reserves for itself, to exploit directly and exclusively; or through third parties with the economic capacity to log, process and export wood.
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.

Article 23: For the official recognition by the forest administration of privately owned forests, the property title of the privately owned forests must be presented.

Article 29: The President of the Republic will award to every community a resolution of recognition of the community reserve, after a favourable report from the minister through the General Directorate of Forests and Reforestation. Such resolution will be updated every 10 years based on the demographic evolution of the community and will be renewable at its request; and regarding wood extraction, the minister will issue a Harvesting Permit, after a favourable report from the minister through the General Directorate of Forests and Reforestation.

Article 41. The forest harvesting in the national forests will be done through Forest Harvesting Lease Agreement (CAAF).

Description of Risk

- There is a lack of cadastral information and statistics regarding land and forests tenure, and the activities being carried out in forest areas. The missing cadastral information and statistics is of two forms: the property registration regarding the land, and the information about the uses occurring in those properties. For example, in many cases timber harvesting undertaken on behalf of local communities represents illegal extraction, because the harvesting is occurring in an area that lacks a land property permit; or because the harvesters do not have the necessary

documentation to legalize their activity. Very often, too, there is an overlapping of uses for a given area, e.g.: a protected area superimposed by infrastructure built for logging activities, or forest camps established within a protected area (Rügnitz, 2013).

- There are no effective strategies for dissemination and awareness-raising relating to the legal frameworks pertaining to land properties. In terms of the legalization of properties, there is a big difference between the insular and the continental regions, due to the level of knowledge and information. Since the beginning of the cacao exploitation, the insular region was divided into legalized farms for cacao farming and most are still rustic; while there are few examples where property is legally registered in farms of the continental region, due to lack of legal knowledge (Rügnitz, 2013).
- Incremental degradation and deforestation of land and forest, due to lack of empowerment of the communities in relation to their land. The absence of empowerment of the local communities in the decision-making process related to harvesting activities, and negative impacts that directly affect their life conditions are due to the lack of legalization of their land (Rügnitz, 2013).
- The use of the land as private property is not legally documented. Many inhabit land through peaceful or traditional occupation without submitting documentation required by law. When this same space is allocated by the government to a company, problems arise between parties, for example in the case of forest concessions and non-legalized rustic farms (Ministry for Agriculture, Livestock, Forests and the Environment, 2017).
- Exceeding the awarded limits of forest concessions generates conflicts between companies and local communities. This is due to lack of boundaries in the field and overlapping delimitation certificates. Further, it is caused by the lack of training for company workers in the operation and management of forest equipment, such as GPS, compasses, maps or mapes (Ministry for Agriculture, Livestock, Forests and the Environment-, 2017).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.1.6. Risk Designation and Specification

National Forest (Forest Concessions), Communal Forest and Privately owned forest: Specified risk:

- 1) Potential overlap of lands under a harvesting permit or CAAF, and neighboring areas, such as other forest concessions, private lands, communal forests, or Protected areas (1.1)
- 2) Risk that logging companies harvest timber within the 2km buffer zones around villages that have been included in the concession area (1.1)
- 3) Traditional occupation and land use by local inhabitants without submitting documentation required by law, which generate property conflicts when forest concessions are awarded on the same land (1.1)

1.2.7. Control Measures and Verifiers

Onsite verification

Visit the forest area where logging is carried out, to examine the delimitation of the property boundaries on the land, their owners, and their accredited documentation. Logging could take place in the Forest concessions, Communal forests and Privately Owned Forests. Crosscheck the documents listed below with the following:

- a. Location matches with the boundaries established in the harvesting permit or CAAF and their respective Measurement certificate.
- b. Verify on the ground that there is no overlap with areas designated for national parks, or forests within 2 km around villages.
- c. Boundaries of the Forest concession/or harvesting area are clearly marked on the ground. (NOTE: A 1-2 metres track around the area shall be in place to delimitate the boundaries).
- d. Verify that logging operations are carried out within the boundary delimitation.

Review documents and verify (to be checked during onsite verification):

- That the land where logging is carried out has the official documents guaranteeing the legal status of the property:
 - Privately owned Forests - Titles of Property (signed by the President).
 - Community Forests - Communal Forest certificate signed by the President.
 - National Forests – CAAF and their respective localization certificates.
- Using the Official delimitation maps, and Measurement certificates identify areas for potential tenure conflicts, tenure overlapping that may need to be verified in the field (i.e: Boundary shared with a protected area, forests villages within the concession, etc...)
- Technical reports about inspections, (may be provided by the forest technician responsible in the Area) carried out in the forest, agricultural, mining and infrastructure sectors to verify that the boundaries are correct.

Consult:

- Local villages authorities, and inhabitants, local Forest Administration, Indefor (Protected areas) field operators of logging companies to verify that there is no conflicts regarding land tenure; and in case of potential conflicts, how they have been resolved.
- Consult local communities to verify if any conflicts are ongoing, and what actions has been applied to deal with the potential conflict.

1.2. Concession Licenses

Legislation regulating procedures for the issuing of forest concession licenses, including use of legal methods to obtain concession licenses. Especially bribery, corruption and nepotism are well-known issues in connection with concession licenses. The intent of this indicator is to avoid risk related to situations where organizations are obtaining concession licenses via illegal means such as bribery, or where organizations or entities that are not eligible to hold such rights do so via illegal means. Risk in this indicator relates to situations where due process has not been followed and the concession rights can therefore be considered to be illegally issued. The level of corruption in the country or sub-national region is considered to play an important role and corruption indicators (e.g., Corruption Perceptions Index, CPI) should therefore be considered when evaluating risks.

1.2.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles 24, 26, 30, 31, 32, 33, 34, 35, 39, 40, 41 to 45. Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.. Articles 23, 24, 25, 26, 27, 28, 29, 30, 31, 34, 35, 36, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52 and 53. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Presidential Decree No. 7/2017, dated 31 January, forbidding chainsaw operators and forestry companies, in all national territories, to cut trees for commercial purposes. Available at: <https://minhacienda-gob.com/wp-content/uploads/2020/06/MATERIA-FORESTAL.pdf>
- Ministerial Order No. 2/2017, dated 15 May, dictating standards for (a) the correct application of the Presidential Decree No. 7/2017, dated 31 January, forbidding chainsaw operators and forestry companies, in all national territories, to cut trees for commercial purposes; and (b) the establishment, in a correct and convincing way, of a system to process applications for harvesting permits in the country. Available at: <https://minhacienda-gob.com/wp-content/uploads/2020/06/MATERIA-FORESTAL.pdf>

1.2.2. Legal Authority

- President of the Republic;
- Ministry for Agriculture, Livestock, Forests and the Environment;
- Ministry of Interior and Local Corporations.

1.2.3. Legally Required Documents or Records

- Tax Identification Number (N.I.F)
- Favourable report from the Ministry for Agriculture, Livestock, Forests and the Environment
- Forest management plan
- Request to the Minister
- Economic solvency

- Forest tax solvency
- Bond commitment (right of occupation)
- Feasibility study
- Measurement certificate
- Timber processing commitment-Manifesto Act
- Social works commitment.

1.2.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2016). Ministerial Order, from 30 November, which voids the harvesting permits which have been previously granted by the responsible ministry for all types of sources types (forests) throughout the country. All of this with the propose for all the permits to be renewal by the President of the Republic.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017a). Ministerial Order No. 2/2017, dated 15 May, dictating standards for (a) the correct application of Presidential Decree No. 7/2017, dated 31 January, forbidding chainsaw operators and forestry companies, in all national territories, to cut trees for commercial purposes; and (b) the establishment in a correct and convincing way, of a system of processing applications for authorization of wood surveys in the country. Available in the Forest Governance Section.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017b). Resolution No. 222, dated 3 May, actions by Chinese forest companies are specified, thereby cancelling their forest use authorizations. Available in the Forest Governance Section.

Non-Government Sources

Not available.

1.2.5. Risk Determination

Overview of Legal Requirements

Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. The legal framework regarding the procedure for the issue of the forest concession licenses is found in Section II, Article 24, for the communal forests; Section III, Article 26, for the privately owned forests; with Article 35 referring to the application file for the direct concession of a CAAF, and Article 36 to the favourable report. The articles following are Article 30 (CAAF is the permit conceded by the government to a physical or legal person), 31 (annual cost of the rights of occupation), 32 (maximum area and its duration), 33 (limits of a contract for a physical or legal person), 34 (the CAAF, applicable only in the continental region), 35 (application file for CAAF), 38 (CAAF duration and processing methods), 39 (national forestry engineer required as technical advisor), 40 (monthly income of the corresponding fees based on the cubic metres cut), 41 (evacuation from within the concession zone of all belongings and goods in the time established by law), 42 (conducting a detailed forest inventory), 43 (respect of all private assets), 44 (exclusivity of employment for national personnel), and 45 (reasons for CAAF cancellation).

Decree No. 97/1997 (Regulation that Implements the Forest Law N°1/1997) includes legal requirements related to the CAAF:

- Section III-C, national forests: Article 41 (CAAF), 42 (CAAF applicable only in the continental region), 43 (requirements to obtain a CAAF), 44 (conditions to issue a CAAF), 45 (obtaining a localization certificate), 46 (condition of duplicity of CAAF and its exceptions), 47 (exclusive condition and quality of CAAF), 48 (criteria for CAAF renewal), 49 (conditions for not renewing a CAAF), 50 (information contained in a CAAF), 51 (previous favourable reports from the General Directorate of Forests and Reforestation), 52 (CAAF decree and its effective date), 53 (CAAFs and grant decrees are nominative and non-transferable).

Presidential Decree No. 7/2017, dated 31 January, forbids chainsaw operators and forestry companies, in all national territories, to cut trees for commercial purposes; and also dictates standards to establish, in a correct and convincing way, the system of processing applications for authorization of wood surveys in the country. Also, Ministerial Order No. 2/2017, dated 15 May, dictates standards for the correct application of Presidential Decree No. 7/2017. From that decree, it is established that all logging licenses should be signed by the President of the Republic.

Use of privately owned forests or communal forests is not effected through the means of a forest concession, but through harvesting permits given by the land owners and, in case of logging by a third-party company, contracts for the purchase and sale of the wood between the property owner and company. Given this requirement, legal requirements to obtain the harvesting permits in privately owned forests and communal forests are explained in more detail in Section 1.4.

Harvesting Permits.

Forest use within national forests is carried out through Forest Harvesting Lease Agreements (CAAF) (Article 41). The Forestry Ministry requires to obtain the signature of the President of the Republic. To obtain a CAAF, the request must be presented, addressed to the President of the Republic, in which in general terms is stated the objectives that justify the request of a Forest Harvesting Lease Agreement; and including precisely the location and total area. Along with the request, the following documentation – which guarantees compliance with the legal requirements enabling receipt of the CAAF – must be presented:

- Economic solvency, proved through a guarantee issued by a local commercial bank;
- Forest Tax solvency: evidence obtained from the appropriate ministry to confirm solvency in the context of the State;
- Bond commitment (right of occupation), to be presented in the form of a Manifesto Act, in which the beneficiary of the forest concession commits to the payment of 50% of the right of occupation corresponding to the first year, after the signing of the forest concession; to be paid to Public Treasury
- A forest management plan, with required legal contents, approved by the Forestry Ministry;
- A feasibility study from the company, including estimates that demonstrate the viability of the logging project and include the number of machines and types of equipment to be used for harvesting. The study must be completed by a technical expert recognized by the forest administration;
- Map indicating the exact location;

- Timber Processing commitment, presented in the form of a Manifesto Act, in which the beneficiary of the CAAF undertakes, in the third year following the signature of authorization, industrial processing according to the applicable regulations of the current law;
- Social work commitment, in which the company undertakes to execute social works in the villages and municipalities of the forest zone it will exploit, according to the area awarded. The social works will be specified, with projects and budgets, in a contract signed by the government on the recommendation of the beneficiaries. The beneficiary of the CAAF will deposit, for the execution of social works, a bond equivalent to 50% of the total cost of the works, in a designated account of a local commercial bank;
- Measurement certificate (Forest delimitation certificate) a technical document that guarantees the requested area within the national forest and includes the boundaries on the location map, compatible with the terrain;
- Favourable report from the Ministry.

Article 38, of Law No. 1/1997 indicates the CAAF model to be used, including its duration and the concessional areas, as follows:

- Short-term: Duration of five years, renewable. Maximum area of 10,000 ha. Processing by the owner or a third party.
- Medium-term: Duration of 10 years, renewable. Area between 10,001 ha and 30,000 ha. Requires an industrial plant for primary processing.
- Long-term: Duration of 15 years, renewable. Area between 30,001 ha and 50,000 ha. Requires an industrial plant for primary and secondary processing.
- Notwithstanding the fact that the company may opt for any of the three CAAF models, the model described in this subsection of this article will be exclusive for nationals.

Description of Risk

- In national forests, CAAF requests are approved based on an incomplete application dossier or process. Many reports do not include all of the legal requirements. Many lack economic and tax solvency documents, forest management plan and company feasibility study, timber processing commitment and implementation of social works commitment. Given this situation, the government prohibited the use of forest authorizations by the responsible authority, restricting this to the President of the Republic (President of the Republic, Decree No. 7/2017; MAGBMA, Ministerial Order No. 2/2017).
- Obtaining logging permits without a favourable report from the responsible ministry. Many companies, especially some of Chinese nationality, obtain their authorizations directly from the President, without an analysis of their file as to whether or not a favourable report exists; with this leading to a ministerial resolution to cancel all the authorizations for forest use of those companies (MAGBMA, Resolution No. 017-7931-010, 2017).
- A company must own a maximum area of 50,000 hectares with an industrial plant for primary and secondary processing. While most companies have many forests in different zones exceeding the maximum area, a few companies do not have an industrial plant for primary and secondary processing.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.2.6. Risk Designation and Specification

Privately owned forest and Community forest – Not applicable

National forest (Forest concessions) - Specified risk:

- 1) Forest concessions (CAAF) are awarded without the required documents or without complete evaluation by the authorities, this could cause property conflicts.

1.2.7. Control Measures and Verifiers

Review documents and verify:

Forest Harvesting Lease Agreement (CAAF)

- Verify that a CAAF is in place, and that it is signed by the President of the Republic. Ensure the documentation for the application process is complete and signed by the required authorities:
 - a. Favourable report from the MAGBMA
 - b. Tax Identification Number (N.I.F)
- Forest management plan (approved by MAGBMA)
- Economic solvency (proved through a guarantee issued by a local commercial bank)
- Forest tax solvency (evidence can be obtained from the Public Treasury)
- Bond commitment (right of occupation) to be paid to the Public Treasury)
- Feasibility study (the study must be completed by a technical expert recognized by the forest administration)
- Measurement certificate
- Timber processing commitment- presented in the form of a Manifesto Act
- Social works commitment (the social works will be specified, with projects and budgets, in a contract signed by the government)

Onsite verification:

- Verify and cross-check that information in the above-mentioned documents correspond to the facts in the field.
- Verify the company beneficiary of the CAAF has a primary or secondary processing industry legally registered and operating in the country. This can be checked at the Industrial Establishment Registry Book, obtained at the Ministry of Industry as well as at the Registry of MAGBMA

Consult:

- Talk with the logging companies which hold a CAAF to verify they understand the required process and documents required to obtain a CAAF - ensure they have followed the correct procedure
- Consult with responsible people in the MAGBMA and INDEFOR to confirm the company has follow the correct procedures to obtain the CAAF.

1.3. Management and Harvesting Planning

Any legal requirements for management planning, including conducting forest inventories, having a forest management plan and related planning and monitoring, as well as approval of these by competent authorities. Cases where required management planning documents are not in place or are not approved by competent authorities should be considered. Low quality of the management plan resulting in illegal activities may be a risk factor for this indicator as well.

1.3.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles: 17, 18, 21, 22, 25, 29, 32, 35, 47 to 54. Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Articles: 54 to 64. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>

1.3.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment.

1.3.3. Legally Required Documents or Records

- Forest Harvesting Lease Agreement (CAAF);
- Map of the forest concession;
- Forest delimitation certificate;
- Forest management plan;
- Forest management inventory document;
- Annual cutting plan;
- Route network plan;
- Description of silvicultural treatment methods;
- Description of reforestation or management of natural regeneration;
- Description of forest protection methods;
- Annual budget for the implementation of the plan.

1.3.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (1999). Informe final del Proyecto CUREF. Available from INDEFOR-AP.
- FRA (2015). Informe Nacional sobre la Evaluación de los Recursos Forestales Mundiales. [Online]. Available at: <http://www.fao.org/3/a-az206s.pdf>

- Ministry for Agriculture, Livestock, Forests and the Environment (2018). Informe Anual de Actividades realizadas por la Delegación Regional y propuestas de mejoras. Available from the Regional Delegation and from the Prime Minister's office.

Non-Government Sources

Not available.

1.3.5. Risk Determination

Overview of Legal Requirements

- Law No. 1/1997, dated 18 February, Law on the Use and Management of Forests in Equatorial Guinea.

Article 17 requires the responsible ministry to produce an annual forest use and production plan.

Article 18 states that any type of extraction, harvesting or collection of natural plant products for commercial purposes will require authorization and payment for use rights, depending on the species, volumes, quantities, qualities and other parameters established by the regulation.

Article 21 states that the forest lands within the production domain, that are within the National Forest Reserve, cannot be used for other purposes than forestry.

Article 22 stipulates that no logging of existing wood is to occur within a 2km radius of a village.

Article 25 states that forest administration has to ensure compliance through control and inspection of sustainable forest management standards.

Articles 29, 32, 35, 38, 39 and 40 define the variables relating to planning and management of forest use and exploitation, as well as the monthly fees to be paid to the public treasury depending on the production, conservation and compensation fees.

Article 39 states that each beneficiary of a Forest Harvesting Lease Agreement (CAAF) , for the duration of the agreement, must have a national forestry engineer as a technical advisor to ensure that the requirements of the management plan and other technical harvesting standards are met. Those advisors will be paid by the companies.

Articles 47 to 54 define the required forest management.

Article 47 states that the forest resources as established in the present law, must be managed to follow the principle of sustainable management, in order to ensure forest renewal. For the effects of this law, three basic systems of management, which ensure the permanence or the continued renewal of the forest, are recognized:

- a. In the national forests, management is oriented towards the replacement of the harvested volumes and enrichment of the forest. The reforestation can be implemented through total or partial restocking, replacement and enrichment plantations as well as by management of natural regeneration.
- b. In mixed-use areas, management is oriented towards protection of the soil from degradation and erosion, through silvo-agricultural practices.

- c. In the areas destined for conservation, the management is oriented towards the preservation of the representative ecosystems in their natural state, preserving the ecological diversity and environment, conservation of the hydrographic basin, the control of erosion and sedimentation, preservation of genetic diversity, artisanal wood production, fodder, and other products based on sustainable use, protection of places and objects from the cultural, historical and archaeological heritage.

Article 48 stipulates that the State will promote all the systems mentioned above, within a national management, reforestation and conservation plan.

Article 49 describes the requirement that – for any area in which forest activities are carried out or in which the removal of a part of the standing lumber volume occurs – a management plan should exist that guarantees the conservation of the forest ecosystems.

Article 51: In the areas under Forest Harvesting Lease Agreements (CAAFs), the implementation of the management plans will be carried out by the users themselves.

Article 52 describes the follow-up and implementation of the forest management plan (Plan de Manejo), that the companies shall have a technical management plan (plan de Gestión) which determines the actions to be carried out, temporally and spatially. The implementation of such a plan will be periodically monitored by the forest administration.

Article 53 stipulates that forestry companies will not be able to intervene for commercial logging purposes in the exploited forests, before the end of the period set for forest recovery which is 25 years.

Article 54: Reforestation in any forest production unit must guarantee the replacement of the volume cut annually.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Article 54 describes for the effects of this current regulation, that forest management is understood as the set of technical standards (management standards) that guarantee the rational and ordered use of the forest resources, as well as their sustainability. The management standards will be fixed in a technical document produced by the forest administration, which will be made available to all the companies exploiting the forest to ensure compliance with all requirements related to forest management. Article 55, in accordance with what is specified in Article 52 of the current Forestry Law, states that the companies exploiting the national forest, shall have a management plan in accordance with the following order of execution:
 - a. Division of the forest area into plots representing the smallest management unit in a logging zone: the plots can be quadrangular or rectangular and not exceed 100 ha; the sum of several parcels constitutes a barrack (cuartel), and its area must not exceed 2,000 ha;
 - b. Detailed forest inventory for each plot: such inventory will involve the counting and the marking of all the species included in the document that sets the forest management standard, with a minimum diameter of 40 cm at a height of 1.30 m;

- c. Annual cutting plan: the company exploiting the forest will have to indicate on a map the priority order of the harvest on each plot within a barrack (cuartel), based on market fluctuations and the logging teams available. The time set before being able to go back to the previous intervened barrack in the event that has not been exhausted is fixed to two years counted from its last intervention, after which period, the operating company will not have the right to resume in said barrack;
- d. Construction of the network of roads within and roads in and out of the concession;
- e. Use of the commercial trees marked within each exploited barrack;
- f. Application of the silvicultural treatment method provided in the management plan presented to the government.

Article 56. The management plan will be prepared by the beneficiary of the Forest Harvesting Lease Agreement (CAAF), with the support of a national technical advisor. The company must ensure that all of the activities are implemented according to the scheduling described in the management plan. The management plan will be presented to the MAGBMA, through the General Directorate of Forests and Reforestation for approval within six months from the entry into force of the signature of the Forest Harvesting Lease Agreement (CAAF).

Article 57: before starting the operation, the company exploiting the forest will have to provide a detailed map with details of topography, existing infrastructure, number of commercial trees in each barrack, and any other information judged necessary by the forest administration.

Description of Risk

A model management plan was created by the CUREF project in 1998, for a 50,000 ha forest concession, to be shared with other forest concessions; however it has not been implemented in any concessions. This has occurred due to the limited forest management capacity within forestry companies and forest administration (MAGBMA, 1999).

There are no proper forest management plans implemented in production forests. By legal obligation, it is required that all companies prepare a forest management plan prior to obtaining a Forest Harvesting Lease Agreement (CAAF). However, the content of the forest management plans is very basic: with companies completing only the formal documentation required as a prerequisite to obtaining a lease for such forest use. After obtaining the CAAF, managements plans are not appropriately implemented in the field. Logging activities are carried without following a previously approved and well elaborated management plan; and there is no follow-up in this regard (FRA, 2015).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.3.6. Risk Designation and Specification

Privately owned forest and Community forest – Not Applicable

National forest (Forest concessions) – Specified:

- 1) Development of forest management plans without the minimal required contents
- 2) Lack of forest management plan implementation by the companies and lack of monitoring by the forest administration

1.3.7. Control Measures and Verifiers

1) Development of forest management plans without the minimal required contents

Review documents and verify (to be checked during onsite verification):

- Forest management plan documents to check if all legally required sections are included, and verify that the content of each section have quality and details to ensure that it is a useful document that can be applicable in the field:
 - a) Map of the forest concession;
 - b) Forest delimitation certificate;
 - c) Forest management inventory document;
 - d) Annual cutting plan;
 - e) Route network plan;
 - f) Description of silvicultural treatment methods;
 - g) Description of reforestation or management of natural regeneration;
 - h) Description of forest protection methods;
 - i) Annual budget for the implementation of the plan
- Verify that forest management plans have been developed and signed by a competent national forestry engineer as a technician advisor
- Verify the Forest management plan has been approved by the Ministry responsible of Forests (MAGBMA).

Onsite verification:

- Consultation with local experts (i.e: Independent forestry experts, INDEFOR or MAGBMA technicians) to confirm/discuss if the level of the management plan is sufficient.

2) Lack of forest management plan implementation by the companies and lack of monitoring by the forest administration

Onsite verification:

- Visit forest concessions to verify the compliance of legally required management standards as specified in the Forest Management Plan.

Consult:

- Interview the various parties (forestry administration, local communities, and forestry companies) about their level of compliance to the Forest Management Plans requirements.

1.4. Harvesting Permits

Legislation regulating the issuing of harvesting permits, licenses or other legal documents required for specific harvesting operations. It includes the use of legal methods to obtain the permit. Corruption is a well-known issue in connection with the issuing of harvesting permits. Risk relates to situations where required harvesting is carried out without valid permits, or where these are obtained via illegal means such as bribery. In some areas, bribery may be commonly used to obtain harvesting permits for areas and species that cannot be harvested legally (e.g., protected areas, areas that do not fulfil requirements of minimum age or diameter, tree species that cannot be harvested, etc.). In cases where harvesting permits classify species and qualities to estimate fees, corruption and bribery can be used to classify products that will result in a lower fee. The level of corruption in a country or sub-national region is considered to play an important role and corruption indicators should therefore be considered when evaluating risks. In cases of illegal logging, harvesting permits from sites other than the actual harvesting site may be provided as a false proof of legality with the harvested material.

1.4.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests Equatorial Guinea. Articles 18, 20, 23 and 29. Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>
- Decree No. 97/1997, dated 12 August, for the approval of the applicable regulation of the Law on the Use and Management of Forests. Articles 24, 25, 26, 27, 33, 34, 36, 59, 60 and 61. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Ministerial Order No. 1/2011, dated 13 April, regulates the use of chainsaws in logging activities in Equatorial Guinea forests. Articles 1 and 2.
- Ministerial Order of 30 November 2016, which cancels all wood forest use authorizations in all types of forests throughout the country, awarded by the Ministry of Agriculture, Livestock, Forestry and the Environment (MAGBMA), all for further renewals.
- Presidential Decree No. 7/2017, dated 31 January, forbidding chainsaw operators and forestry companies to cut trees, in all national territories, for commercial purposes. Available at: <https://minhacienda-gob.com/wp-content/uploads/2020/06/MATERIA-FORESTAL.pdf>
- Ministerial Order No. 2/2017, dated 15 May, dictating standards for (a) the correct application of Presidential Decree No. 7/2017, dated 31 January, forbidding chainsaw operators and forestry companies, in all national territories, to cut trees for commercial purposes; and (b) the establishment, in a correct and convincing way, of a system of processing applications for authorization of wood surveys in the country. Available at: <https://minhacienda-gob.com/wp-content/uploads/2020/06/MATERIA-FORESTAL.pdf>

1.4.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment.

1.4.3. Legally Required Documents or Records

Privately owned forest:

- Harvesting permit (Autorización de Apeo) , signed by the President of the Republic, containing the following information:

- Personal Identification Document of the owner of the forest (DIP);
- Identification of the zone to be harvested;
- Issued and expiration dates;
- Conditions relating to harvesting (forest conservation and reforestation);
- Species to extract and their diameters.

In case of Harvesting permit (Autorización de Apeo) requests relating to harvesting of an entity's own forest area, the following is required:

- Property title for the forest;
- Chainsaw registry;
- Technical information about the commercial trees in the forest area;
- Authorization of local sale (in case the destiny of the timber is domestic market)

In case the logging activities are conducted by a third party (a forest company), the following is required:

- Tree purchasing contracts signed with the owner of the forest, with the approval of the Forest Harvesting and Timber Commercialization (DGEFIM) Regional Delegation in the continental region. In order to obtain the approval, the Harvesting permit granted to the owner of the forest must first be submitted.

Communal forests:

NOTE: The following documents:

- certificate from the village council
- testimony report from the government
- request addressed to the Regional Delegation
- measurement plans, and
- measurement certificate (forest delimitation certificate)

are needed to obtain the certificate of recognition of the communal forest, signed by the President of the Republic, which in turn authorizes the community to request the Harvesting permit which should also be signed by the President of the Republic.

The required documents are therefore:

- Certificate of recognition of the communal forest (signed by the President of the Republic);
- Harvesting permit (Autorización de Apeo) signed by the President of the Republic.

NOTE: To obtain authorization, the community must present the following along with the request:

- Justification for harvesting, signed by the community representative
- A list of priority works (Listado de Obras Sociales) for the community, agreed and signed by members of the council

National forest (concession):

- Forest Harvesting Lease Agreement (CAAF), signed by the President of the Republic;
- Measurement Certificate (forest delimitation certificate)

1.4.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2018a). Informe Anual de Actividades realizadas por la Delegación Regional y propuestas de mejoras. Available from the Regional Delegation and at the Prime Minister's office.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018b). Informe de inspección en el poblado de Ncho Nvia de Bata, sobre el recuento de madera tumbada ilegalmente. Available from the Bata Regional Delegation.
- Ministry for Agriculture, Livestock, Forests and the Environment (2015). Informe de inspección en el consejo de poblado de Mibee de Micomisng, sobre el apeo de especie prohibida bubinga por la empresa LA SOMBRA. Available from the Bata Regional Delegation.

Non-Government Sources

Not available.

1.4.5. Risk Determination

Overview of Legal Requirements

Law No. 1/1997, dated 18 February, Law on the Use and Management of Forests in Equatorial Guinea.

Article 12 establishes three types of forests where it is possible commercial logging in Equatorial Guinea, and for which the law requires logging permits or other legal documents: Article 12 indicates: The Forest Production Domain is made up of:

- a) Privately owned forests: Which are small areas of natural or repopulated forests, located within the boundaries of silvo-agricultural or rustic farms, and for whose use a logging authorization granted by the Forest Administration is required.
- b) Communal Forests: Which are the surfaces of natural or repopulated forests that the State recognizes, delimits and grants in permanent use assignment to rural communities, due to their traditional uses; these forests must be adjacent to the community.
- c) National Forests: Which are those areas of natural or repopulated forests, which the state reserves for itself, being able to take advantage of them directly and exclusively or through third parties with economic capacity for the extraction, transformation and export of wood.

Article 18 establishes that all extraction, harvesting or collection of natural plant products – by any means – for commercial purposes requires authorization and payment for use rights. This depends on the species, volumes, quantities, qualities and other parameters established by the regulation. The extraction and collection of products or specimens of forest flora for scientific purposes will require special authorization and regulation.

Decree No. 97/1997 (*Regulation that implements the Forest Law N°1/1997*)- Section III-A, Privately owned forests:

For official recognition by the forest administration of a privately owned forest, it is mandatory that the property title of the privately owned forest be presented (Article 23). Article 24 establishes that any individual who wishes to make commercial use of a privately owned forest must have an Harvesting permit (Autorización de Apeo) granted by the Director General of Forest Harvesting and Timber Commercialization in the case of the insular region, and by the Regional Delegation of the Ministry of Fishery and Water Resources for the continental region. This Harvesting permit (Autorización de Apeo) must include information about the species and the approximate volume to be logged; to this end, the forest administration will designate a technical expert to identify the trees to be harvested. In Article 25, it is specified that – in order to obtain the Harvesting permit (Autorización de Apeo) – the applicant who wants to use trees in his or her own privately owned forest must provide the following:

- a) Title of property of the privately owned forest;
- b) Chainsaw registration;
- c) Technical report on the existence of commercial trees in the privately owned forest;
- d) Authorization of sale, if the timber appeal relates to local sales.

In the case of physical or legal persons who wish to use trees in other people's privately owned forest plots (Article 26), it is necessary to have a tree purchasing contract for the standing trees in the privately owned forest, co-signed by the owners. This contract must be approved by the Director General of Forest Harvesting and Timber Commercialization in the insular region and the Regional Delegation of the responsible ministry for the continental region. To obtain this approval, the owner of the forest parcel must attach the relevant Harvesting permit (Autorización de Apeo).

According to Article 27, Harvesting permit (Autorización de Apeo) in privately owned forests will be valid for three months from the date of issue. In Harvesting permit (Autorización de Apeo), the following information is considered mandatory:

- Identity of the owner of the privately owned forest;
- Exact location of the area;
- Dates of Harvesting permit issue and expiry;
- A guarantee of conservation and recovery of the forest;
- Species to be harvested and their diameters.

Section III-B, Communal forests:

In Article 33, it is established that harvesting of communal forests may be carried out only with the prior authorization of the responsible ministry, at the request of the community in question, provided that the use benefits favour the community. Prior to being able to request Harvesting permit the village must have a certificate of recognition of the communal forest, in which the right of use is granted to the village (Article 30).

To obtain Harvesting permit of a communal forest, the beneficiary community must provide the following documentation (Article 34):

- a) Request addressed to the responsible minister, clearly stating the justification for harvesting of the communal forest, with such request signed by the community representative;

- b) A list of priority works for the community, agreed and signed by the members of the council.

If the forest use is by a company (Article 35), the corresponding Harvesting Permit – signed by both the company and the village council – will also be attached, and will be endorsed by the forest administration for monitoring purposes.

Article 36 states that the responsible ministry will issue Harvesting permit of use for communal forests after a satisfactory analysis of the documentation submitted; and a verification inspection in the proposed harvesting area. These Harvesting permits will be valid for one year from the date of issue. The following information is considered mandatory:

- Identity of the beneficiary community of the communal forest;
- Exact location of the area;
- Dates of Harvesting permit issue and expiry;
- Harvesting conditions that guarantee the conservation and recovery of the forest.

Section III-C, national forests:

Forest use in national forests is carried out through Forest Harvesting Lease Agreements (CAAF) (Article 41). The legal requirements necessary in this context— have been explained in indicator *1.2 Concession Licenses*, so they are not repeated in this indicator.

Protected species: Special permits

Article 60. Due to their artisanal value and rarity in the national territory, harvesting of the species oveng (bubinga) or *Guibourtia tessmannii*, envila (ebano) or *Diospyros crassiflora* and nsonso (wengue) or *Milletia laurentii*, requires special Harvesting permit granted by the responsible ministry. It is prohibited to export roundwood or sawn timber of these species.

Article 61. Because of their nutritional importance to rural populations, harvesting of the following species is prohibited: Engong, Anvut, Olem, Abam, Ebonsok, Andok, Eweme, Adjab, Abe (*cola*), Oñeñ (*bitacola*), Atom and other fruit tree species suitable for human consumption and medicines. Due to their high commercial value, Asia (*Ozigo*) and adjab (*moabi*) species are excluded from this ban. but, these species can only be harvested when Harvesting permit is granted by the MGMBA, and only when the company has justified the species' abundant existence within the harvest area.

Ministerial Order No. 1/2011, dated 31 April, regulating the use of chainsaws in timber harvesting activities in the forests of Equatorial Guinea.

Article 1. Throughout the country, the use of chainsaws in timber harvesting activities for commercial purposes is prohibited without prior authorization from the forest administration.

Article 2. For the extraction of timber with the use of chainsaws indicated in the preceding Article, those who are interested must have authorization for use issued by the forest administration.

On 30 November 2016, a Ministerial Order was issued such that authorization of harvesting from different forest types, throughout the national scope, was cancelled for all purposes, and for all subsequent renewals.

In 2017, a series of Presidential Decrees (Nº7/ 2017), Ministerial Orders (Nº 2/2017 and Nº 4/2017), Ministerial Resolution (Nº1375 / 2017) and Decisions of the Vice Presidency and Presidential Resolution (nº017) -7.931-010) were approved. This serie of Regulations prohibits the felling of trees for commercial purposes by chainsaw operators, and annuled all harvesting permits granted up previously to that moment for timber harvesting in Forest Concessions (National Forests), privately-owned Forests, and Communal Forests. From that moment It is required that all authorizations must be renewed in the Presidency of the Republic. Therefore, at this time in Equatorial Guinea, only those authorizations issued by the Presidency of the Government, after the date of November 24, 2017, are valid.

The formal permission to cut wood in the different forests: Privately-owned forests, Communal Forests and National Forests, should be granted by the Presidency of the Government (president of the Republic), and the process of processing the file of this nature will be promoted through the Ministry of Forests and Environment. Forest harvesting in Privately-owned Forest, or in Communal Forests is carried out through Harvesting permits(Autorización de apeo) granted to the owners of the land, and in the case of exploitation by an external company, wood purchase-sale contracts between the forest owner and the logging company.

Description of Risk

In privately owned forests, many nationals obtain logging authorizations without privately owned forest property title. Property registry is often requested as a precondition to obtain the logging authorization, and secured. As a result, the government prohibited the use of forest authorizations by the Ministry for Agriculture, Livestock, Forests and the Environment, restricting this to the President of the Republic (President of the Republic, Decree No. 7/2017).

In many cases for communal forests, there was no corresponding certificate of recognition of the communal forest presented to obtain the logging license. The situation was observed and reported during forest inspections. It is due to companies – which accompany village councils in the process to obtain the authorization – being reluctant to wait for the documentation to be processed. As a consequence, the government cancelled all the authorizations issued by the responsible ministry (MAGBMA, Ministerial Order, 2016).

The proliferation of illegal logging without special authorization for timber harvesting with chainsaws: Most chainsaw operators establish verbal and payable contracts with the presidents of village councils. Considering the lack of resources to cover all production areas, enforcement of the law is difficult. However, following annual field inspections, the forestry administration is aware of the existence and cause of such illegal logging, especially in communal forests and privately owned forests (MAGBMA, 2018a and MAGBMA, 2018b).

The increase in illegal exploitation of the bubinga species (*Guibourtia tessmannii*), and other protected species which are prohibited from being logged without special authorization. Field inspection reports show there are companies with mobile sawmills that log the banned species, processing into boards for export (MAGBMA, 2015).

Logging of species with smaller diameters than those authorized. It is a habitual practice of the companies when the species is very economically valuable. Sometimes it occurs due to poor training of company workers, who are unaware of the minimum operating diameters. In many inspections, there are species with diameters smaller than the authorized ones (MAGBMA, 2018).

Logging of species within protected areas. Many companies log up to protected areas, with large diameter trees, without any authorization. Companies enter forest tracks and open camp. The protected areas of Rio Campo and Piedra Bere have suffered such clandestine exploitation (MAGBMA, 2018).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.4.6. Risk Designation and Specification

National forest (Forest concessions) – Secified (explained in *1.2. Concessions licences*)

Privately-owned and Community Forest – Specified risk:

- 1) Harvesting permits are awarded without the required documents or without complete evaluation by the authorities
- 2) Illegal logging done through verbal agreements between chainsaw operators and villages or individual owners

1.4.7. Control Measures and Verifiers

- 1) *Harvesting permits are awarded without the required documents or without complete evaluation by the authorities*

Privately owned forest

Review documents and verify:

Harvesting Permit:

- Verify that a harvesting permit is in place, is granted by DGEFIM and signed by the President of the Republic
- Verify that it is valid and it contains the following:
 - a. Personal Identification Document of the owner of the forest (DIP)
 - b. Identification of the forest plot to be harvested
 - c. Issue and expiration dates (valid 3 months from the date of issue)
 - d. Species to extract and their diameters – it needs to be designated by a technical expert
 - e. A guarantee of conservation and recovery of the forest

Documents to obtain Harvesting permit:

- Ensure the following documentation was complete and reviewed prior to issuing of the harvesting permit:
 - a. Property title for the forest;
 - b. Chainsaw registry;
 - c. Technical information about the commercial trees in the forest area;
 - d. Authorization of local sale (in case the destiny of the timber is domestic market)

Community Forest

Review documents and verify:

Harvesting Permit:

- Verify that a harvesting permit is in place, is granted by DGEFIM and signed by the President of the Republic.
- Verify that following list of documents are included in the Harvesting Permit:
 - a. Certificate of recognition of the communal forest (signed by the President of the Republic)
 - b. Testimony report from the government
 - c. Request to MAGBMA (stating the justification for harvesting of the communal forest, with such request signed by the community representative)
 - d. A list of priority works for the community, signed by the members of the village council.
- Verify the date (valid 1 year from the date of issue)

Request to obtain Harvesting permit:

- Ensure the documentation is complete prior to issuing the permit:
 - a. Request addressed to the responsible minister, clearly stating the justification for harvesting of the communal forest, with such request signed by the community representative.
 - b. A list of priority works for the community, agreed, and signed by the members of the village council.
 - c.

Onsite verification:

- Verify and cross-check that information on Harvest Permit boundaries as included in the Measurement Certificate correspond with information on the ground

2) Illegal logging done through verbal agreements between chainsaw operators and villages or individual owners

Review documents and verify:

- Verify that chainsaw loggers have an approved Harvesting Permit appropriately processed by MAGBMA and signed by the President of the Republic.
- Review the application records of Harvesting permit to verify that the legal required procedure has been followed, and the records include the required legal documents.

Consult:

- Forestry administration to verify that the Harvesting Permit for chainsaw operations has been granted in compliance with the legal requirements.

TAXES AND FEES

1.5. Payment of Royalties and Harvesting Fees

Legislation covering payment of all legally required forest harvesting specific fees such as royalties, stumpage fees and other volume-based fees. It also includes payments of the fees based on correct classification of quantities, qualities and species. Incorrect classification of forest products is a well-known issue often combined with bribery of officials in charge of controlling the classification.

1.5.1. Applicable Laws and Regulations

- Law No. 10/2017, dated 20 November, by which Law No. 2/2007, dated 16 May, is revised and updated, by which new tax rates are established and levies are defined in the Republic of Equatorial Guinea (Article 14, 15). Available at: <https://www.guineaecuatorialpress.com/pdf/LeydeTasasFiscales.pdf>
- Law No. 2/2007, dated 16 May, which defines new tax rates and parafiscal levies in the Republic of Equatorial Guinea. (As described above, even though this law was repealed and replaced by Law No. 10/2017 dated 20 November, the latter does not contain fees relating to the forest sector.) (Article 35) Available at: https://leydeguinea.files.wordpress.com/2014/08/014_ley-2-2007-tasas-fiscales.pdf
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea (Article 40, 78, 80, 84). Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>

1.5.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment;
- Ministry of Finance, Economy and Planning (Public Treasury).

1.5.3. Legally Required Documents or Records

- Forest tax solvency (which shows that the company has paid the compensation and occupancy fees);
- Bond commitment;
- Economic solvency (applicable to export);
- Payment of occupancy rights (Derecho de ocupación);
- Payment of conservation fee (Tasa de conservación);
- Payment of compensation fee (Tasa de resarcimiento);
- Proof of payment of reforestation rate (applicable to export) (Tasa de repoblación Forestal);
- Payment per harvested tree (applicable to export);
- Fees for forest road construction (applicable to export);
- Fee for authorization of domestic sales within the country ("Venta Playa")
- Payment for Harvesting permit;

- Payment for the Harvesting permit in private rustic farms;
- Payment for authorization trading processed wood;
- Payment for chainsaw registration for individuals;
- Payment for chainsaw registration for companies;
- Payment for Harvesting permit for cabinetry or construction of canoes;
- Payment for Harvesting permit of use of wood in industries;
- Payment for Harvesting permit of use of wood for firewood in business.

1.5.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial no. 7/2017. Available from the Regional Delegation and at the General Secretary in Malabo.
- Boletín Oficial del Estado (2017). Law No. 10/2017 dated 20 November, by which Law No. 2/2007 dated 16 May, is revised and updated, by which new tax rates are established and parafiscal levies are defined in the Republic of Equatorial Guinea. Available at: <https://www.guineaecuatorialpress.com/pdf/LeydeTasasFiscales.pdf>

Non-Government Sources

Not available.

1.5.5. Risk Determination

Overview of Legal Requirements

After the publication of Law No. 10/2017, dated 20 November, by which Law No. 2/2007 dated 16 May, was revised and updated; and by which new tax rates were established and parafiscal levies were defined in the Republic of Equatorial Guinea, the previous Law No. 2/2007 was repealed. However, this derogation has not been applied in practice in the forestry sector. This is because the new law (Nº10/2017) does not include fees related to the forestry sector (forest harvesting or timber processing), so the tax rates that continue to apply to this sector are those established by Law No. 2/2007 in the article 35., with the exception of the Conservation and Compensation Fees, for which the provisions of Law No. 1/1997 on the use and management of forests continue to apply (art40).

Article 14 (Law No. 10/2017): Use, exploitation and management of forest resources in natural and reforested forest (forest occupation fee) is taxed. This is paid annually per hectare and per the occupied area.

Article 15 (Law No. 10/2017): Individuals or legal persons are obliged to pay fees, for the use and harvesting of forest resources and wild flora.

In Article 35 (Law No. 2/2007), the general table of taxes or fees by sector is shown, which includes those applicable to the forestry sector:

Forest Service Taxes

- Forest company registration (200.000 CFA for registration)
- Forest occupation fee according to the production zones: Zone A: 2,000 CFA (Central African) francs per hectare per year, Zone B: 1,500 CFA francs per hectare per year, and Zone C: 1,000 CFA francs per hectare per year.
- Harvesting permit: 150,000 CFA francs for authorization.
- Conservation fees: 25% of the value of the monthly production of each concession is paid.
- Compensation fees: 20% of the value of the monthly production of each concession is paid.
- Penalty/export rate of roundwood (exempt for logs that are 60% or more processed]: and reduced by 50% for logs that are between 21% and 45% processed) Note: since 2018, the export of roundwood is prohibited, so this rate does not currently apply.

Authorisations and registries

- Authorization for domestic sales of wood within the country ("venta playa"): 850 CFA francs per cubic metre (paid on export).
- Harvesting permit for tree harvesting on private rustic farms: 10,000 CFA francs per year.
- Authorization to trade (purchase/sale) processed wood: 30,000 CFA francs per year.
- Chainsaw registration for individuals: 5,000 CFA francs per year.
- Chainsaw registration for forestry companies: 25,000 CFA francs per year.
- Harvesting permit for cabinetry or construction of dugout canoes: 5,000 CFA francs per tree.
- Authorization to use wood in industries: 25,000 CFA francs per year.
- Authorization of use of wood for firewood in businesses: 10,000 CFA francs.

Authorizations, Permits and Registrations	
Concept	Tax
Forest occupation fee (CFA francs/ha and per year)	
Zone A	2,000
Zone B	1,500
Zone C	1,000
Conservation fee. Value of the monthly production of each concession (companies)	25%
Forest compensation fee. Value of the monthly production of each concession (companies)	20%
Authorization to sell wood in the domestic market ("venta playa"), CFA francs per m ³	850
Registration of chainsaws for forestry companies (CFA francs per year)	25,000
Guide for land and river transportation of roundwood and/or processed wood (CFA francs per month)	5,000

Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea Article 40.-During the harvesting of the forest granted, the logging company and depending on the cubic meters cut, will pay monthly fees corresponding to the following concepts:

- a) Conservation Fee: To consolidate efforts to conserve forest resources, 50% of the standing value of felled timber will be paid, and will be entered into the Public Treasury.
- b) Compensation Fee: For the recovery of the young species, 30% of the standing value of the felled timber will be paid and it will be paid to the Public Treasury.

Article 78 The Ministry responsible will periodically fix the prices of forest products in their natural state to be extracted from the wild flora.

Article 80.- In order to promote and carry out the control of wood, the Office of Control, Information and Promotion of Forest Species (OCIPEF- Oficina de Control, Información y Promoción de las Especies Forestales) will function as a dependency of the Ministry responsible at that moment. For the financing of OCIPEF activities, a rate is established in a percentage value on the FOB price of the wood for export and that will be entered into the FONADEFO account.

To summary, the most relevant applicable taxes related to timber harvesting and processing are the following:

- o Forestry company registration: 200.000F.Cfas per record.
- o Forest Harvesting permit: 150,000 F.Cfas for an authorization.

- Occupancy right payment (Derecho de Ocupación) (It is established by area and forest zone (A.-litoral, B.-central and C.-last zone): Zone A: 2,000 F. Cfas per hectare, Zone B: 1,500 F. Cfas per hectare and Zone C: 1,000 F.Cfas per hectare.
- Conservation fee (Tasa de Conservación): 50% of the value of felled standing timber (during the exploitation of the forest granted, it will be entered into the public treasury on a monthly basis based on the cubic meters of felled timber)
- Compensation fee (tasa de resarcimiento): 30% of the value of standing timber. (During the exploitation of the forest granted, it will be entered into public treasury on a monthly basis based on the cubic meters of timber felled).
- Roundwood export / penalty rate (exempt for processed 60%) (note: since 2018, the export of roundwood is prohibited, so this rate does not apply at present)

Besides, specific taxes and fees related to different types of authorisations and registration within the timber harvesting, processing and trading sector are also established: i.e: payment for chainsaw registration, payment of rights for trading wood, payments for authorization of sale wood domestically (venta playa), etc...

Description of Risk

- The limited knowledge of the laws by companies and forest administration results in their paying repealed rates. Currently, Law No. 2/2007 was repealed by Law No. 10/2017; however, this derogation was made without taking into account forestry fees, which were not included in the new law. That is why today, since the forestry sector cannot be left without the application of any fees, the rates established in Law 2/2007 are still used (MAGBMA, 2017; and Boletín Oficial del Estado, 2017). There is a risk that the confusion created by a inconsistent legal framework may result in payment of taxes other than those that are legally required.
- Many companies do not pay the forest occupation fee, as well as the conservation and compensation fees; and most companies sell wood and do not ask for documents facilitating payment of occupation and the associated fees. The companies that export are those that pay for the requirement of economic solvency for their export file (MAGBMA, 2017).
- Submission of false volumes to the administration to reduce the amounts paid in conservation and compensation fees. As a risk, this is related to the lack of control of forest harvesting activity. The company – when informing the administration of its monthly production – may provide lower production figures and thus avoid meeting its full obligations (MAGBMA, 2014).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.5.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Evasion of payment of forest occupation, conservation, compensation fees

1.5.7. Control Measures and Verifiers

Review documents and verify:

- Review Forest Tax Solvency document (for Forest occupation and compensation fees)
- Proof of Payment of Conservation fee
- Cross-check proof of taxes payments with the taxes payment requirements, to verify adequate levels of payment and that all payments have been paid to the State.

1.6. Value-Added Taxes and Other Sales Taxes

Legislation covering different types of sales taxes, which apply to the material being sold, including selling material as growing forest (standing stock sales). Risk related to situations where products are sold without legal sales documents or far below market price resulting in illegal avoidance of taxes.

1.6.1. Applicable Laws and Regulations

- Law No. 4/2004, on the tax regime in the Republic of Equatorial Guinea. Articles 270, 271 and 294. Available at: https://leydeguinea.files.wordpress.com/2014/08/007_boletc3adn-oficial-del-estado-ley-tributaria-nc2ba-4-de-2004.pdf

1.6.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment;
- Ministry of Finance, Economy and Planning (Public Treasury)

1.6.3. Legally Required Documents or Records

- Reports of wood production in forests;
- Reports of wood processing, by type of product and quality;
- Reports of shipments of processed wood;
- VAT receipts submitted to the Public Treasury

1.6.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial no. 7/2017. Available at the Regional Delegation and at the General Secretary in Malabo.

Non-Government Sources

Not available.

1.6.5. Risk Determination

Overview of Legal Requirements

1. Law No. 4/2004, on the tax regime in the Republic of Equatorial Guinea.
Article 270:

The value-added tax (VAT) is an indirect, multi-phase and general tax, which impacts consumption, taxing the typical and occasional turnover of entrepreneurs, professionals and

industrialists. Through VAT, imported goods generated by companies, professionals and individuals are also taxed.

Article 271:

The following are subject to VAT:

- 1) The sale or onerous transaction of goods;
- 2) The provision of services;
- 3) Goods and services for one's own consumption;
- 4) Imported goods;
- 5) Other operations carried out by individuals in the scope of their business, professional and individual activities, including extractive operations of all kinds.

Article 294:

The general VAT rate of 15% is applied to all taxable operations, excluding those that are subject to the zero rate and the reduced rate of 6%.

(Clarification: The purchase and sale of wood are subject to the general VAT rate of 15%.)

In Summary, all activities for the purchase and sale of goods or provision of services carried out within the territory of Equatorial Guinea, as well as imports, are subject to Value Added Tax (VAT). VAT is not applicable for export. The commercialization of forest products is governed by the general VAT rate, established at 15%.

Description of Risk

- Wood processing industries must pay value-added taxes (VAT) on their production to the final consumer. It is common occurrence that companies do not reveal their total production, to avoid total payment of said taxes. In other words, production numbers compiled by inspectors are provided by the companies and sometimes do not represent their monthly production or local commercialization – in an effort to reduce or impede the payment of value-added taxes (MAGBMA, 2017).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.6.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Timber processing industries do not report their total production to avoid paying value-added tax (VAT)

1.6.7. Control Measures and Verifiers

Review documents and verify:

- Check that the purchase and sale invoices issued show 15% VAT.
- Review the VAT summary declarations, and proof of VAT payment and verify that the declared VAT amount corresponds to the production data (sales) made by the company.

Consult:

- Conduct interviews with the parties involved (forest administration, OCIPEF, finance agents and forestry companies) to verify that payment of the VAT has occurred as established by the tax law.

1.7. Income and Profit Taxes

Legislation covering income and profit taxes related to the profit derived from the sale of forest products and harvesting activities. This category is also related to income from the sale of timber and does not include other taxes generally applicable to companies or related to salary payments.

1.7.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea (Article 89, 90, 91, 93). Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>
- Law No. 4/2004, on the tax regime in the Republic of Equatorial Guinea. (Articles 145, 146, 147, 159, 167, 168, 169, 170). Available at: https://leydeguinea.files.wordpress.com/2014/08/007_boletc3adn-oficial-del-estado-ley-tributaria-nc2ba-4-de-2004.pdf

1.7.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment;
- Ministry of Finance, Economy and Planning (Public Treasury).

1.7.3. Legally Required Documents or Records

- List of fees according to Article 35 of Law No. 2/2007, dated 16 May, establishing new tax rates and defining parafiscal levies in the Republic of Equatorial Guinea.
- Commercial invoices presented by the company to OCIPEF (Office of Control, Information and Promotion of Forest Species).
- Customs clearance to deposit funds to the bank accounts of the Treasury and National Forest Development Fund FONADEFO (Fondo Nacional de Desarrollo Forestal)
- Liquidation with the Economic Section of the Regional Delegation of the fees related to the rights of occupation, conservation and compensation fees, for domestic sales of wood within the country ("venta playa").
- Proof of Minimum Tax Fee entered in the Public Treasury.

1.7.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-gira del año 2014. Available from the Regional Delegation, section of Bata forest management.
- Ministry of Finance, Economy and Planning (2017). Ley n 10/2017, sobre las tasas fiscales y parafiscales de la República de Guinea Ecuatorial. Available in the official gazette of the State.

- Ministry for Agriculture, Livestock, Forests and the Environment (2018a). Lista de precios y expedientes de exportación de la madera. Available from the Regional Delegation, OCIPEF Section of Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018b). Informes de re-cubicación y clasificación de la madera cara a la exportación. Available from the Regional Delegation, OCIPEF Section of Bata.

Non-Government Sources

Not available.

1.7.5. Risk Determination

Overview of Legal Requirements

According to Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea (Article 89, 90, 91, 93). In general, all economic activities carried out within the scope of the forestry sub-sector are governed by the national economic and taxation regime.

All forestry companies are obliged to keep their accountability records up to date and in accordance with the regulations established by the State. Companies should submit their annual balances (FOB and CIF) to the competent bodies, with a copy to the Ministry responsible of this topic in that moment.

According to Law No. 4/2004, on the tax regime in the Republic of Equatorial Guinea. (Articles 145, 146, 147, 159, 167,168, 169, 170:

Income obtained by Companies and Societies that obtain economic benefits derived from activities carried out in Equatorial Guinea are subject to Corporation Tax. The corporate tax levy is generally set at 35% applied to the net benefits of economic activity. This must be paid once a year, based on the calculation made with respect to the previous year. A Statistical and Fiscal Declaration of the results of the operations in the period of the previous fiscal year must be presented within the four months following the end of the fiscal year.

The amount of Corporation Tax may not be less than 1% of the total turnover or income obtained during the preceding fiscal year. This amount is called the Minimum Tax Fee (CMF-Cuota minima Fiscal) Total invoicing is understood to be the amount of commercial, industrial or business operations carried out within the framework of the activities that constitute the corporate or business purpose. Regarding forestry companies, the amount of operations to be considered will be that obtained after deducting from the gross income, the costs of transporting the wood from the exploitation to the port of shipment. All national and foreign companies operating in Equatorial Guinea, whatever their legal form, are subject to the payment of the Minimum Tax Fee(CMF), which will not be less than the amount of 800,000 F. Cfa. The Minimum Tax Fee (CMF) will be reduced by 50% for production Cooperatives and for small national producers.

The Minimum Tax Fee (CMF) must be paid before the end of March of each year for companies. The copy of the proof of payment of the Minimum Tax Quota, issued by the Public Treasury of the State (Tesoro Público), will be obligatorily attached to the Statistical and Tax Declaration mentioned above. Failure to pay or late payment of the Minimum Tax Fee will be sanctioned with a 50% surcharge of the committed tax.

Description of Risk

- Relatively new products (examples: planks, plywood) need specific rates that have not yet been defined (MAGBMA, 2018b).
- Reduction in the volumes (leading to a lower overall wood price), and changes to quality details, as stated in invoice, so that the company pays less in taxes and fees, and consequently earns more. This type of risk (i.e. 're-cubing' and reclassification) is promoted between the company and the administration agents responsible for validating commercial invoices (MAGBMA, 2018a).
- Use of repealed taxes to reduce the amounts paid in taxes and fees, due to the lack of legal instrument in force. Therefore, between the company and the responsible customs agents, the company can negotiate and set a minimum settlement for the State (MHEP, 2017).
- Forest production companies are obliged to pay the Minimum Tax Fee (CMF), applicable to all such companies. The companies that export their products are obliged to pay the requisite fees (see, e.g. 1.5.3 above); however, there are many companies operating in forests and selling their wood to other companies, whose production is not registered in the city and, therefore, they do not pay the corresponding CMF (MAGBMA, 2017).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.7.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Evasion of Minimum Fiscal Fee (CMF) by logging companies
- 2) Paying incorrect income and profit taxes

1.7.7. Control Measures and Verifiers

Review documents and verify (to be checked during onsite verification):

- The tax and fees rates in applicable legislation to confirm the current legal vacuum on forest rates.
- The reports of 're-cubing' and reclassification of wood. To check is the were not re-cubing and reclassification to pay less taxes
- Review of commercial invoices requesting the guides relating to the price list and species. Check that species classified in commercial invoices match the species listed in Forest Management Plan or Harvesting Permit.
- Proof of CMF (Minimum Fiscal Fee) entered in the Public Treasury (should be provided by the company)
- To verify that the amount matches in the following databases:
 - in receipts by the officials at CMF and
 - the amount recorded in the Public Treasury an
 - actual turn-over

Consult:

- Interviews with relevant authorities (customs, companies, OCIPEF section, economic section, statistics section and forest governance section) to verify the accuracy of the documents delivered.
- Conduct interviews with the parties involved (forest administration, OCIPEFC, FONADEFO, finance agents and forestry companies) to verify that the Minimum Fiscal Fee (CMF) is paid as established by the tax law.

TIMBER HARVESTING ACTIVITIES

1.8. Timber Harvesting Regulations

Any legal requirements for harvesting techniques and technology including selective cutting, shelter wood regeneration, clear felling, transport of timber from felling sites and seasonal limitations, etc. Typically, this includes regulations on the size of felling areas, minimum age and/or diameter for felling activities and elements that shall be preserved during felling, etc. Establishment of skidding or hauling trails, road construction, drainage systems and bridges, etc. shall also be considered as well as planning and monitoring of harvesting activities. Any legally binding codes for harvesting practices shall be considered.

1.8.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles 16, 17, 18, 22, 25. Available at: <http://faolex.fao.org/docs/texts/eqg17394.doc>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Articles 3, 4, 5, 6, 38, 39, 46, 55, 56, 57, 58, 59, 60, 61, 62 and 70. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>

1.8.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment;
- National Institute for Forest Development and Management of Protected Areas (INDEFOR-AP) is responsible for preparing management plans.

1.8.3. Legally Required Documents or Records

- Forest Harvesting Lease Agreement (CAAF);
- Forest management plan;
- Feasibility study;
- Map of the forest concession;
- Forest delimitation certificate for the area to be harvested, granted by the forest administration;
- Harvesting journals;

- A forestry code determined by the forestry administration which will be stamped on all logs at the time they are cut to size, measured and stacked in the forest stockpile;
- Monthly production report before the fifth day of the month;
- Provision of a detailed topographic map, with infrastructure, commercial trees in barracks (cuarteles) and other information;
- Management and Operating Inventory report.

1.8.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-gira del año 2014. Available from the Regional Delegation, section of Bata forest management.
- Ministry for Agriculture, Livestock, Forests and the Environment (2015). Informe de inspección en el consejo de poblado de Mibee de Micomisng, sobre el apeo de especie prohibida bubinga por la empresa la sombra. Available from the Bata Regional Delegation.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Regional Delegation and from the General Secretary in Malabo.
- Ministry of Agriculture, Livestock, Forests and Environment (MAGBMA), (2018a). Informe Anual de Actividades realizadas por la Delegación Regional y propuestas de mejoras. Available from the Regional Delegation and from the Prime Minister's office.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018b). Informe de inspección en el poblado de Ncoho Nvia de Bata, sobre el recuento de madera tumbada ilegalmente. Available from the Bata Regional Delegation.

Non-Government Sources

Not available.

1.8.5. Risk Determination

Overview of Legal Requirements

Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles 22, 25, 28, 32, 35, 38, 39, 42, 43, , 53, 54, 74, 95 and 97.

Article 22: During the harvesting process, existing wood within a radius of 2,000 metres of the village council cannot be used; this to guarantee protection of adjacent community property.

Article 25: The forest administration is responsible for inspection and control of forest parcels, such that compliance with sustainable forest management standards is ensured..

Article 28: Exploitation of national forests for any purpose will be directly controlled by the forest administration.

Article 43: The beneficiary of the Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF) will respect all private assets located within the CAAF area; as well as allowing free access to inhabitants of rural communities within the area, for traditional use of all necessary wild resources.

Article 53.- Forest companies will not intervene for industrial logging in already harvested forests, before the forest recovery period, which is set at 25 years.

Article 54: Reforestation, in any forest production units, must ensure the replacement of the volume cut annually; and any area dedicated to extensive agricultural and livestock activities, must leave at least 30% of the total forested area within the natural forest parcel. In the areas dedicated to forest production, all riparian zones, national roads, and slopes with a gradient greater than 45 degrees, must be left with forest cover.

Article 74: To reduce the high percentage of the waste currently occurring in first rotation forests and forest industries, the beneficiaries of the Forest Harvesting Lease Agreements (CAAF) will take the necessary measures to ensure comprehensive use of the wood, with results to be presented at the end of the first year following signing of the CAAF.

Article 95: The government, through the responsible ministry, will establish a permanent control and surveillance system operating over the entire national territory, and capable of safeguarding national forest heritage for this purpose. The system will therefore have:

- a. Forest Guard Corp the specialized agency for control, surveillance and safeguarding of the national forest heritage, and ensuring implementation and compliance with all legal provisions in the forestry sub-sector;
- b. Technical forest administration personnel, who are responsible for verifying and supervising specific actions in the sector;
- c. Agriculture and forestry councillors who work in close collaboration, at the village level, with the special Forest Guard Corp;
- d. All Guineans will ensure the protection and conservation of the forest, and report any offences that they detect.

Article 97: The control of activities in harvesting areas and in related industries will be supported and facilitated by the beneficiaries of the forest production units; and the beneficiaries of the production should have:

- a. A forestry code determined by the forestry administration which will be stamped on all logs at the time they are cut to size, measured and stacked in the forest stockpile;
- b. A forest delimitation certificate for the area to be harvested, granted by the forest administration;
- c. Corresponding harvesting journals, which will be completed – at the time of registration and final cutting of the wood – under the supervision of the Forest Guard Corp stationed in the area, and duly signed;
- d. In addition: The Forest Guard Corp stationed at the harvesting sites will annex the originals of the harvesting journals in their monthly reports;

- e. Forestry companies will acquire the harvesting journals at their own expense; with the journals to be stamped by the forest administration.

Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997.

Articles: 1 (paragraph 3), 3, 4, 5, 6, 38, 39, 58, 59, 60, 61, 62.

Article 1: This Regulation regulates all activities of harvesting, transport, industrial processing, commercialization, control, and the administrative regime in the management of forest products.

Paragraph 3: Areas within the production domain located at a distance of less than 500m from the seashore, measured from the highest tide mark and 200m from permanent rivers and lakes, and areas with slopes greater than 30%, are considered as part of the conservation and protection domain under Article 13 of the Forestry Law.

Article 3: Any extraction by an individual of natural or re-established forest, tree, shrub, lianes, plants, bark, leaves, flowers or any other forest product, is considered to be forest use and will be governed by Law 1/1997 on the Use and Management of Forests as well as this regulation.

Article 4: All forest use types must comply with the technical requirements and administrative procedures established in the current Forestry Law and in these regulations. All harvesting activities are under the direct and permanent control of the forest administration.

Article 5: Forest exploitation activities are carried out solely and exclusively in the production domain, in the different areas and according to the requirements established by the Forestry Law and applicable regulations.

Article 6: In order to ensure the sustainability of production forests, permitted use is selective harvesting by species, quantity and diameter, as regulated in Article 58 of the Law on the Use and Management of Forests.

Article 38: During harvesting of communal forests, the forest administration will assign a control agent, who will report on a monthly basis as to the use and implementation of the planned communal works.

Article 39: In all forestry activities in the national forest, the conservation or improvement of the productive potential will always be one of the mandatory conditions in the operator's plan – whether private or public. Therefore, the operator must comply with the provisions of the Law, these Regulations, and all the specific regulations issued by the forest administration to avoid or prevent any damage to the productive potential.

Article 58: During operations within a forest that has been harvested in the past, the company shall use existing routes; the opening of new roads will have to be justified to the forest administration.

Article 59: For compliance with forest management standards, the minimum felling diameters at breast height (DBH) of 1.30m are set as follows:

- a. First group: The following species minimum diameter 60 cm.
- b. Second group: The following species minimum diameter 80 cm.
- c. Others (not included in the first or second groups), are species with a minimum DBH for logging of 70 cm.

Article 60: Due to its artisanal value or its rarity in the national territory, the logging of the species oveng (*bubinga*), envila (*ebano*) (*Diospyros ebenum*) and nsonso (*wengue*) (*Millettia laurentii*), is granted through a special authorization issued by the responsible ministry; with export of logs or sawn timber of these species being totally prohibited.

Article 61: Because of their nutritional importance to rural populations, harvesting of the following species is prohibited: Engong, Anvut, Olem, Abam, Ebonsok, Andok, Eweme, Adjab, Abe (*cola*), Oñeñ (*bitacola*), Atom and other fruit tree species suitable for human consumption and medicines. Due to their high commercial value, the Asia (*Ozigo*), Adjab (*Moabi*) and Mbebam (*Longhi*) species are exempt from the ban. These species can only be harvested when authorization is granted by the Ministry, and only when the company has justified the species' abundant existence within the harvest area.

Article 62: To ensure sustainable use, trees from which non-timber commercial products are extracted cannot be harvested; such as Biosa (*Pygeum africanum* = *Prunus africana*); or trees that serve as support to plants that produce non-timber species, such as Topoto (*black pepper*) and other species of NTFP (non-timber forest products).

Description of Risk

There are significant risks in relation to the harvesting system. Reports from the MAGBMA, show that:

- During logging activities, companies do not respect the legal management requirements: requirements relating to minimal diameters (see below), limits, plots, prohibited species, forest routes, rivers and streams, slopes, protected areas, are not respected. (MAGBMA, 2018).
- There is an absence of forest management plans, include provisions for the following elements: road planning, conservation areas, minimum operating diameters, logging of prohibited species, age of forest recovery, drainage system for forest roads and bridges, as well as poor monitoring and administrative control (MAGBMA, 2014, 2015, 2017, 2018a, 2018b).
- Selective cutting is not implemented by all companies. In general, big companies implement selective logging, harvesting only those species and quantities of timber according to their

needs. However, Chinese and Guinean companies in particular harvest all timber species, and show them to the potential buyer to select those of interest. This is a problem that leads to abandonment of already logged, non-marketable species timber.

- Clear felling is implemented in concessions and in other adjacent forests, mainly in both sides of the new roads that are opened, as well as clearing areas to be used as stacks areas. Compensation measures are not applied to the clear felled sites, despite the requirement for the mitigation method (as described in the forest management plan) to be applied.
- According to Forest legislation (Law No. 1/1997-art 53), forests and concessions must recover for 25 years following harvest. However, many Asian and Guinean companies enter a forest area in search of wood to be cut and present to the buyer, regardless of whether other companies (previous concessionaires) had previously harvest the area. As a result the forest area does not recover as planned.
- Most companies do not respect the minimum harvesting diameters as established by law. Timber stacks have been found both inside the forests and in the port, with diameters smaller than those authorized. This is due to two main factors: first, the lack of trained personnel in companies; and secondly, the aim of the logging operators to obtain the maximum production per day – as they are paid per tree. Companies pay the tree marker operators for the number of trees inventoried per day; and the chainsaw operator for the number of trees harvested per day. The same arrangement applies to the skidder operator; and, as a result, trees are harvested despite having diameters less than the permissible threshold
- Opening of roads and construction of temporary bridges enables access to the harvest site. Drains and permanent bridges are often not constructed.. This leads to the rapid deterioration of roads and the forest resource, as well as causing floods due to the blockage of rivers and streams presumably following erosion upstream. In addition, lack of signage can lead to accidents on forest roads.
- There are too few inspectors monitoring the harvesting of forest concessions, which allows for the law to be breached. Therefore, many companies exploit trees on slopes, river banks, within protection and conservation forests, in agricultural plantations, within 2,000 metres of villages, etc.
- Weak control by the Forest Guard Corp: The number of forest guards available in the forest administration is not sufficient to control all companies, their respective concessions and harvesting activities; as well as activities within communal forests, privately owned forests, and protected areas. In 1996, 50 guards were recruited, many of whom have now died; or are in ill health such that they can no longer undertake field work, resulting in ineffective control.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.8.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Logging of forest stands prior to the required 25 years rotation cycle
- 2) Risk of not conducting selective cutting when harvesting
- 3) Logging of species with a smaller diameter than authorized
- 4) Lack of respect for the protection buffer zones, where cut is not allowed; slopes, riverbanks
- 5) Lack of planning to establish skidding trails
- 6) Roads and temporary bridges are constructed without the necessary security measures, causing accidents and flooding by blocking rivers and streams
- 7) Harvesting prohibited species

1.8.7. Control Measures and Verifiers

- 1) *Logging of forest stands prior to the required 25 years rotation cycle*
- 2) *Risk of not conducting selective cutting when harvesting*
- 3) *Logging of species with a smaller diameter than authorized*

Onsite verification:

- Visits to the forest area to verify if the area is regenerating and if selective cutting was done. Ensuring the company harvests only species with a commercial interest on that moment, and all logs meet minimum diameter requirements.

Review documents and verify (to be checked during onsite verification):

- Transport Guide to identify if transported to the port, to verify if the species and the minimum diameters are transported

Consult:

- Interviews with stakeholders (forestry companies staff, forestry administration and village councils) to ensure that people operating in the filed knows about logging requirements, minimum diameters. It is important to verify it specially with people who mark the trees before the chainsaw operators go to cut them to verify whether forest loggers implement selective cutting and minimum diameter rule was followed.

- 4) *Lack of respect for the protection buffer zones, where cut is not allowed; slopes, riverbanks*

Onsite verification:

- Visits to the forest area to verify that:
 - Areas where logging is restricted (i.e: riverbanks slope areas) have been identified and marked and trees are not cut on those areas.

Review documents and verify (to be checked during onsite verification):

- Verify Forest Management Plan or Harvesting Permit to verify logging area.

Consult:

- Interview with logging company workers in the field to ensure they understand logging restrictions, ensuring they know where the limits of the harvesting area are, as well as they know which are the key elements to be protected (riverbanks, slope areas, swamp areas,)

5) **Lack of planning to establish skidding trails**

Onsite verification:

- Visits to the forest area to verify that skidding trails are established

Review documents and verify (to be checked during onsite verification):

- Verify Forest Management Plan (for CAAF) or Harvesting permit if trawling tracks are mentioned

Consult:

- Interviews with stakeholders (forestry companies, forestry administration and village councils) to verify that trawling tracks are established

6) **Roads and temporary bridges are constructed without the necessary security measures, causing accidents and flooding by blocking rivers and streams**

Onsite verification:

- Visits to the forest area to verify that roads and temporary bridges are constructed using security measures

Review documents and verify (to be checked during onsite verification):

- Verify Forest Management Plan (for CAAF) or Harvesting permit if security measures for constructing roads and temporary bridges are mentioned

Consult:

- Interviews with stakeholders (forestry companies, forestry administration and village councils) to verify that roads and temporary bridges are constructed using security measures

7) **Harvesting prohibited species**

Onsite verification:

- Visits to the forest area to verify that prohibited species were not harvested

Review documents and verify (to be checked during onsite verification):

- Check Management Plan (for CAAF) or Harvesting permit if by any chance prohibited species are not included and mapped.

Consult:

- Interview forest agents, military control points, hunters, transporters and sellers regarding their perception of illegal activities by a specific company relating to prohibited species

Conduct targeted timber testing: (on samples of purchased material to identify the species or origin of timber and verify that timber purchased is not on the list of protected species). See Preferred by Nature's [Thematic article No 1 on Timber Testing Techniques](#)

1.9. Protected Sites and Species

International, national, and sub-national treaties, laws, and regulations related to protected areas' allowable forest uses and activities, and/or, rare, threatened, or endangered species, including their habitats and potential habitats. Risk relates to illegal harvesting within protected sites, as well as illegal harvest of protected species. Note that protected areas may include protected cultural sites, including sites with historical monuments.

1.9.1. Applicable Laws and Regulations

- Law No. 8/1988, dated 31 December, regulating wildlife, hunting and protected areas in Equatorial Guinea, and Law No. 4/2000, dated 22 May, on protected areas in Equatorial Guinea, have been repealed by Law No. 7/2003, regulating the environment in Equatorial Guinea. Therefore, the applicable legal framework is as follows:
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles: 10, 13, 14, 15, 55. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Articles: 1 (paragraph 2, 3) 60, 61, 62 and 65. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg17394.pdf>
- Law No. 7/2003, dated 27 November, regulating the environment in Equatorial Guinea. Articles: 11, 18, 21–27, 34 (1, 2, 3, 4), 35, 37 (a, b, c, d), 38 and 39. Available at: http://www.vertic.org/media/National%20Legislation/Equatorial_Guinea/GQ_Ley_7-2003_Medio_Ambiente.pdf
- Decree No. 72/2007, prohibiting hunting and consumption of monkeys and other primates in the Republic of Equatorial Guinea. Articles 1 and 2. Available at: <http://www2.ecolex.org/server2neu.php/libcat/docs/TRE/Full/En/TRE-144926.pdf>
- Decree No. 172/2005, dated 8 September, which regulates the trade in endangered species of wild fauna and flora in the Republic of Equatorial Guinea. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg167144.pdf>
- The Convention on Wetlands (Ramsar). Available at: <https://www.ramsar.org/about-the-convention-on-wetlands-0>
- The Convention on the Conservation of Migratory Species (CMS). Available at: <https://www.cms.int/#:~:text=The%20Convention%20on%20Migratory%20Species,migratory%20animals%20and%20their%20habitats.>
- Law No. 3/2007, regulating water and coast, articles 105–110. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg159926.pdf>

1.9.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment.
- National Institute for Forest Development and Management of Protected Areas (INDEFOR-AP) is responsible for the management of protected areas.

1.9.3. Legally Required Documents or Records

- Protected area management plans;
- Measurement certificate (Forest delimitation certificate) for the area to be harvested, granted by the forest administration;
- Harvesting journals;
- Monthly reports from road controls/barriers ;
- Hunting license;
- Special authorization to harvest protected species;
- Transportation guide.

1.9.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). *Informe de la Pre-gira del año 2014*. Available from the Regional Delegation, section of Bata forest management.
- Ministry for Agriculture, Livestock, Forests and the Environment (2015). *Informe de inspección en el consejo de poblado de Mibee de Micomisng, sobre el apeo de especie prohibida bubinga por la empresa LA SOMBRA*. Available from the Bata Regional Delegation.
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Non-Government Sources

- ONG ANDEGE (2008). *Seguimiento de la Caza en Monte Mitra y el estado de conservación de las especies de fauna protegidas*. Available from ANDEGE headquarters, and this site

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1.9.5. Risk Determination

Overview of Legal Requirements

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea.

Article 10: National Forest Reserve can, based on technical studies and interests of the nation, be divided into production domain, and conservation and protection domain.

Article 13: The forest conservation and protection domains are comprised of units of the national system for protected areas and protection forests, approved by the government and dedicated to the conservation and protection of species of wild flora, fauna, landscapes and unique ecosystems.

Article 14: The units that make up the National System of Protected Areas are classified and managed according to the recommendations of the International Union for Conservation of Nature (IUCN).

Article 15: The protection forests are intended for the conservation of flora and fauna, soil and water, to protect land, road infrastructure, towns, as well as guarantee the use of water for human, agricultural and industrial consumption.

Article 55: The State and all urban and rural inhabitants have the obligation to conserve and protect the forest ecosystems of the nation, for the well-being of the entire population and future generations; in harmony with the ecological interests and socio-economic conditions of each region and locality of the country.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997

Article 1: This Regulation regulates all activities of harvesting, transport, industrial processing, commercialization, control, and the administrative regime in the management of forest products [...]

2. The National Forest Reserve is subdivided into the production domain, and conservation and protection domain. The production domain is intended solely for harvesting purposes; while the conservation and protection domain is intended exclusively for the purpose of preserving biodiversity.

3. Areas within the production domain located at a distance of less than 500m from the seashore, measured from the highest tide mark and 200m from permanent rivers and lakes, and areas with slopes greater than 30%, are considered as part of the conservation domain under Article 13 of the Forestry Law.

Article 60. Due to their artisanal value and rarity in the national territory, harvesting of the species oveng (bubinga) or Guibourtia tessmannii, envila (ebano) or Diospyros crassiflora and nsonso (wengue) or Millettia laurentii, requires special authorization granted by the responsible ministry. It is prohibited to export roundwood or sawn timber of these species.

Article 61: Because of their nutritional importance to rural populations, harvesting of the following species is prohibited: Engong, Anvut, Olem, Abam, Ebonsok, Andok, Eweme, Adjab, Abe (cola), Oñeñ (bitacola), Atom and other fruit tree species suitable for human consumption and medicines. Due to their high commercial value, the Asia (Ozigo), Adjab (Moabi) and Mbebam (Longhi) species are exempt from this ban. These species can only be harvested when authorization is granted by the Ministry, and only when the company has justified the species' abundant existence within the harvest area.

Article 62: To ensure sustainable use, trees from which non-timber commercial products are extracted cannot be harvested; such as Biasa (*Pygeum africanum* = *Prunus africana*); or trees that serve as support to plants that produce non-timber species, such as Topoto (black pepper) and other species of NTFP.

Article 65: The Forest Guard Corp is responsible for the effective control of exploitation and management of forest resources, and monitoring of conservation and protection of wild resources throughout the country, according to principles in Article 55 (and subsequent articles) in the Forestry Law. The Corp is also responsible for the regulation of forest ecosystems provided for in Law No. 8/1998, dated 31 December: Regulation on Wild Fauna, Hunting, and Protected Areas.

- Law No. 7/2003, dated 27 November, regulating the environment in Equatorial Guinea.

Article 11: The action of the public administration in forestry will be oriented to achieve the protection, restoration, improvement and orderly use of forests.

Article 21: Classification of protected areas.

Articles 22 to 26 are definitions of the types of protected areas.

Article 27 : tree zones or peripheral protection zones: Restricted zone, open zone, traditional (practices) zone, and special zone.

Article 34 (1, 2, 3, 4): adoption of measures by the administration on the conservation of fauna and flora.

Article 35: Criteria guiding the preservation of the genetic diversity of natural heritage in the forests.

Article 37: Specific measures for protected species: a) endangered, b) sensitive to the alteration of their habitat, c) vulnerable and d) of special interest.

Articles 38 and 39: Preparation of a national catalogue of endangered species.

- Decree No. 72/2007: prohibits hunting and consumption of monkeys and other primates in the Republic of Equatorial Guinea.

Article 1. In accordance with the provisions of Article VIII of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), monkeys and other primates

are declared as endangered species in the Republic of Equatorial Guinea and, therefore, form part of Appendix I/II of the Convention invoked.

Article 2. Hunting, sale, consumption and possession of monkeys and other primates in the Republic of Equatorial Guinea is strictly prohibited.

- Decree No. 172/2005, dated 8 September, regulates trade in endangered species of wild fauna and flora in the Republic of Equatorial Guinea. This decree regulates the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in the Republic of Equatorial Guinea.

Annexes I, II, III of the aforementioned Decree include the species included in Appendices I, II and III of CITES, which are updated as amendments are made to the CITES Appendices. Annex IV includes all species native to Equatorial Guinea that are not included in Appendix I and which are still considered to be threatened. Appendix V includes all species native to Equatorial Guinea that are not included in Appendices I to IV, but are subject to the provisions of this Decree.

Among marketable flora species, which are listed in Appendix II of CITES, the following are found in Equatorial Guinea: *Guibourtia tessmannii*, *Prunus africana*, *Guibourtia pellegriniana*, *Cyathea* spp.

Among the most important wildlife species to preserve, Equatorial Guinea has *cyclotis*, *Panthera pardus*, *Manis gigantea*, *Gorilla gorilla*, *Mandrillus sphinx*, *Crocodylus* spp., *Pan* spp., *Cheloniidae* spp. in Appendix I and *Manis* spp., Primates, *Hippopotamus amphibius*, *Cephalophus dorsalis*, *C. ogilbyi*, *C. silvicultor*, *Boidea* in Appendix II.

- The Ramsar Convention on Wetlands of International Importance Especially as Waterfowl Habitat (Ramsar Convention): On 2 June 2003, the Republic of Equatorial Guinea acceded to the Convention. Equatorial Guinea has three designated Ramsar sites: 1) Nature Reserve of the Estuary of the Muni, 2) Nature Reserve of Río Campo, and 3) Nature Reserve of the Island of Annobon; these sites are very humid areas with mangrove ecosystems.
- The Convention on the Conservation of Migratory Species of Wild Animals (CMS): The main objective is to conserve migratory species and their habitats through strict measures to protect species included in Appendix I, and through agreements to conserve and manage migratory species whose conservation status is unfavourable; or species which benefit significantly from international cooperation, such as elephants, sea turtles, and gorillas.

Description of Risk

According to the reports from MAGBMA (2014, 2015, 2017, 2018a, 2018b), INDEFOR-AP (2006), ONG ANDEGE (2008), BBPP (2016), and Micha O. A. (2008), the determined risks are:

- Introduction of forestry companies to protected areas for timber harvesting without following Forest Management Plans. Inspectors' reports, for example, show that companies have undertaken harvesting activities within the Rio Campo Nature Reserve and Piedra Bere Natural Monument.

- The harvesting of wood from protection zones such as slopes and river banks is frequently carried out. Companies carry out exploitation at the edges of the rivers and on steep slopes to obtain precious and high-value species such as the Palo Rojo (*Pterocarpus Soyauxii*). Companies illegally harvest species due to lack of management plans and forest inspectors in the field.
- Clandestine exploitation of prohibited species without authorization. Inspectors' reports show both forestry companies, and chainsaw operators, enter forests – including communal and privately owned forests – to exploit prohibited species, such as *Guibourtia tessmannii* and *Baillonella toxisperma*.
- Ramsar protected areas (Natural Reserves of Rio Campo and the Estuary of Muni), suffer deforestation and fragmentation of their mangrove ecosystems. In Rio Campo, the protected area of mangroves are transformed to human and military settlements, while in the Estuary of Muni, the fragmentation is due to road infrastructure which passes inside mangroves, and the harvest of firewood to dry fish.
- New road infrastructure increases access to forests rich in fauna and flora. Illegal commercial hunting is frequent in protected areas by people adjacent to the protected area.
- Hunting and consumption of protected species are common in the country despite existing laws. Project reports, both in Malabo and in the Continental Region, show a high hunting rate and high consumption of many protected species.
- Administrative weakness to protect flora and fauna resources. This is due to the lack of sufficient human and financial resources to develop a control strategy. Protected species are passed through military barriers and sold in markets.
- There are no quotas established for protected species. With the exception of *Prunus africana* (included in Appendix II of CITES) which has a quota of 500 tonnes per year, the government has not redefined quotas for protected species, which makes it difficult to control protected species and consequently leads to their depletion without consent. Logging of prohibited trees: Most prohibited trees are very highly valuable; bribes are often paid to agents in order to exploit prohibited trees.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.9.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Illegal harvesting in protected areas
- 2) Illegal logging of bubinga (*Guibourtia tessmannii*) envila (ebano) or *Diospyros crassiflora* and nsonso (wengue) or *Milletia laurentii* without authorization

1.9.7. Control Measures and Verifiers

- 1) *Illegal harvesting in protected areas*

Onsite verification:

- Verify that timber is not originating from protected areas by tracking timber to the harvesting site.
- Identify logging site by marked codes. All logs are marked with a code which include code assigned for the logging company + logging site code + species code.
- Verify that species and volumes of timber under assessment correspond with the stumps at logging site.
- Verify that the area harvested is within the limits established in the Measurement Certificate and within the map of the forest annexed in the Harvesting Permit or CAAF.
- If relevant, boundaries between harvesting area and Protected area are clearly indicated in the field (1-2 metres of clear line around the forest area).

Review documents and verify (to be checked during onsite verification):

- INDEFOR-AP inspection reports to verify if there are recordings of the illegal entries of companies operating in protected areas.
- Map of the forest /Measurement Certificate to verify species and volumes harvested in applicable harvesting plot (verify onsite).

Consult:

- Interview forest workers to confirm that they are aware of the forest concession boundaries.
- Interview forest agents, INDEFOR, military control points, hunters, transporters, and sellers regarding their perception of illegal activities by a specific company relating to harvesting in protected areas.

2) Illegal logging of bubinga (*Guibourtia tessmannii*) envila (ebano) or *Diospyros crassiflora* and nsonso (wengue) or *Milletia laurentii* without authorization

Review documents and verify:

- Special Harvesting permit
- In case of use of special species such as oveng (bubinga) or *Guibourtia tessmannii*, envila (ebano) or *Diospyros crassiflora* and nsonso (wengue) or *Milletia laurentii*, verify that the special Harvesting permit granted by the responsible ministry is in place.
- Review the file for requesting special permit and compliance with the legal process requirements.

Onsite verification

- Verify that species and volumes of timber under assessment correspond with the stumps at logging site.

Consult:

- Check with INDEFOR-AP for knowledge of protected species that suffer threats of exploitation without a special harvesting permit.

1.10. Environmental Requirements

National and sub-national laws and regulations related to the identification and/or protection of environmental values including but not limited to those relating to or affected by harvesting, acceptable level for soil damage, establishment of buffer zones (e.g. along water courses, open areas, breeding sites), maintenance of retention trees on felling site, seasonal limitations of harvesting time, environmental requirements for forest machinery, use of pesticides and other chemicals, biodiversity conservation, air quality, protection and restoration of water quality, operation of recreational equipment, development of non-forestry infrastructure, mineral exploration and extraction, etc. Risk relates to systematic and/or large-scale non-compliance with legally required environmental protection measures that are evident to an extent that threatens the forest resources or other environmental values.

1.10.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February 1997, on the use and management of the forests, articles 12, 13, 15, 22, 32, 40, 49, 53 and 54. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Law No. 7/2003, dated 27 November, regulating the environment in Equatorial Guinea, articles 11–42, 60–70 and 126–142. Available at: http://www.vertic.org/media/National%20Legislation/Equatorial_Guinea/GQ_Ley_7-2003_Medio_Ambiente.pdf
- Law No. 9/2006, dated 3 November, referring to mines in Equatorial Guinea, Article 41.
- Law No. 3/2007, dated 21 July, regulating water and coast in the Republic of Equatorial Guinea, articles 82, 85, 87, 101 and from 105 to 107. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg159926.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Articles 1, 6, 21, 54, 59, 60 and 61. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>

1.10.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment, INDEFOR-AP and INCOMA (National Institute for Environment and Nature Conservation)
- Ministry of Mines, Industry and Energy
- Ministry of Fisheries and Water Resources

1.10.3. Legally Required Documents or Records

- Harvesting permit (privately owned forest and communal forest);
- Tree purchasing contract for the standing trees in privately owned forests;
- Forest Harvesting Lease Agreement (CAAF) for forest use (national forests or forest concessions);

- Forest management standards document;
- Special authorization for protected species;
- Monthly reports of inspectors controlling the harvesting areas;
- Authorization for toxic waste;
- Environmental Impact Assessment (EIA);
- Environmental license;
- Discharge authorization.

1.10.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-Gira Forestal. Available at the Bata Regional Delegation.
- Ministry for Agriculture, Livestock, Forests and Environment (2017a). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available at the Bata Regional Delegation with 174/2017, dated 1 November 2017.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017b). Informe de la Comisión para la toma de decisiones por el Vice-Presidencia de la República para el normal funcionamiento del sector forestal. Available from the Bata Regional Delegation dated November 2017.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018). Informe de Actividades realizadas e ingresos producidos durante el primer semestre 2018 a la atención del Primer Ministro. Available from the Prime Minister's office dated August 2018.

Non-Government Sources

- ONG ANDEGE (2010). Estudio del impacto de la explotación forestal por las motosierras clandestinas para redactar un Decreto Presidencial de atenuación en Guinea Ecuatorial. Available at ANDEGE and IUCN [online]. Available at: https://cmsdata.iucn.org/downloads/andege_informe_microsubvencion_motosierras_2009.pdf

1.10.5. Risk Determination

Overview of Legal Requirements

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. The most important legal requirements included in this law and relating to the sustainable management of the environment, are contained in the following articles:

Article 22 stipulates that during the harvesting process, existing wood within a radius of 2,000 metres of the village council cannot be used; this to guarantee the protection of adjacent community property.

Article 40: during timber extraction, depending on the cubic metres cut, the operating company will pay monthly, fees corresponding to the following:

Conservation fee: to consolidate forest resource conservation efforts , 50% of the timber value will be paid to the public treasury.

Compensation fee: 30% of the standing value of the timber will be paid to the public treasury, for the recovery of young species.

According to Article 49, any area in which forest activities are carried out, including the removal of standing timber, should have a management plan that guarantees the conservation of the forest ecosystems.

Article 53 states that forestry companies shall not utilise harvested forests for commercial logging, before the end of the forest recovery period of 25 years.

Article 54 stipulates that reforestation in any forest production unit must guarantee the replacement of the volume cut annually; and any area dedicated to extensive agricultural and livestock activities must leave at least 30% of the total forested area within the natural forest parcel. In areas dedicated to forest production, all riparian zones, national roads, and slopes with gradient greater than 45 degrees, must be left with forest cover.

- Law No. 7/2003, dated 27 November, regulating the environment in Equatorial Guinea.

This law (articles 11 to 42) defines conservation of natural areas including wild species of flora and fauna, and prohibiting forest exploitation in protected areas – to ensure hydrographic basins are maintained and sustainable management plans are in place.

Articles 60 to 70: soil and water pollution within forests is prohibited according to the toxic waste law. In articles 126 to 142, this law describes Environmental Licenses requirements, and procedure to obtain it. All activities listed in AnnexII are under this requirement, which includes Forestry activities. Including harvesting activities (annexII.1) and specific industrial processors such as furniture manufacturers, sawmills, and producers of veneers, plywood and other types of boards and panels, with production greater than 1 tonne per day (AnnexII)

harvesting and wood processing activities Environmental licenses are granted by the Ministry of Environment. It includes

This environmental law also provides for the requirement of Environmental Impact Assessment for harvesting and wood processing activities (articles 49–59).

- Law No. 3/2007, dated 21 July, regulating water and coastlines in the Republic of Equatorial Guinea. Article 82 prohibits the following polluting activities: (1) direct or indirect discharge that may contaminate both surface and underground waters or cause environmental degradation; (2) accumulation of waste, debris or substances of any nature that constitute or may constitute the risk of water pollution or degradation of the environment, regardless of where these materials are deposited; (3) actions impacting the physical or biological environment affected by water, which may degrade it; and (4) activities within the perimeter of the protection zone established in hydrological plans, where those activities may contaminate or degrade the public hydrological domain.

In accordance with Article 85, the direct or indirect discharge of water and residual products likely to contaminate inland waters or any other elements of the public hydrological domain is prohibited, unless prior administrative authorization is obtained. The authorization

requires that the discharge of water meets quality ecological requirements in accordance with quality standards, the environmental objectives, and the emission characteristics established by regulation.

According to Article 87, when the discharge may lead to the infiltration or storage of substances likely to contaminate aquifers or groundwater, it may be authorized only if the previous hydrogeological study proves its safety.

Article 101 prohibits, without prior environmental authorization:

The execution of any type of work or work aimed at damming, diverting, capturing, controlling or draining surface waters, as well as infiltrating them in the underground mantle, as it passes through farms or estates, both rural and urban.

- i. The construction of bridges, culverts or other works that limit the flow capacity of natural or artificial water channels.
- ii. The performance of any type of work or work that may obstruct or hinder the evacuation capacity of surface water through underground drainage.
- iii. Any type of work or activity that prevents or hinders the normal operation of flood protection works or drainage works.

Articles 105 to 107 address the conservation of trees to prevent a reduction in water quantity: (a) to avoid reduced water quantity as a result of harvesting activities, all national authorities are empowered, within their scope, to ensure compliance with the legal provisions concerning the conservation of trees, especially those on the banks of rivers and those found in riparian zones and along water bodies; (b) owners of land crossed by rivers or streams, or in which forests (serving as shelter) have been destroyed, are obliged to re-establish trees on the banks of the same rivers, streams or springs, at a distance not greater than five metres of the said waters, included in the respective property; and (c) it is prohibited to exploit, both in State and privately owned forests, trees located less than sixty metres from springs on uphill terrain, or less than fifty metres from springs on flat terrain.

AnneI.- List all Activities which requires Environmental Authorization. Forestry activities are Not listed here.

AnneII-1. – List all Activities which required Environmenal license and previous positive report issued by the Ministry of Environment. Section XII-Other activities, includes forestry activities.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997

According to Article 1, paragraph 2, the National Forest Reserve is subdivided into the production domain, and conservation domain. The production domain is intended solely and exclusively for harvesting purposes while the conservation domain is intended only and exclusively for biodiversity reserve purposes. Paragraph 3: areas within the production domain located at a distance of less than 500m from the seashore, measured from the highest tide mark and 200m from permanent rivers and lakes, and areas with slopes greater than 30%, are considered as part of the conservation domain under Article 13 of the Forestry Law. Paragraph 4: the production domain is subdivided into privately owned forests, communal, and national forests, according to the definitions established in Article 12

of the Forestry Law. Article 6: to ensure the ecological sustainability of the forest, permitted forest harvesting consists of selective cutting based on species and diameters as provided in Article 58 of these regulations.

Article 21 states the annual quota for roundwood production, as established in Article 17 of the Forestry Law, within the insular region of Equatorial Guinea, is 10,000 m³ per year; and within the continental region of Equatorial Guinea is 440,000 m³ per year.

Description of Risk

Risks related to the legal framework and business practice:

- There is a lack of a new forestry law to meet current forest certification requirements, the REDD+ process, as well as the requirements of international conventions, such as the UNFCCC, which has the potential to enhance environmental protection. In addition, the Forestry Law and its implementing regulations are obsolete and are violated by forestry companies. Companies are known to enter and operate within protected areas without the consent of INDEFOR-AP; with cases of water courses being blocked where they enter the forest creating swamps; harvesting is carried out on slopes – which is prohibited and which leads to erosion and blockage of streams; substances such as burned oils, acids, filters and fuels are used in the forest where harvesting takes place; companies do not have planning or management plans, and they therefore violate the management standards including: minimum diameters, the species to be cut, the prohibited species (such as the harvesting of bubinga), the fragmentation and destruction of habitat by dragging or skidding logs; as well as road development and wastage in stockpiles. False statements as to monthly cubic metres harvested are produced to reduce tax obligations. Companies work without authorization – whether environmental or forestry – which causes environmental degradation (MAGBMA, 2014, 2017a, 2017b and 2018 and ANDEGE, 2010).
- Regarding the compliance with environment law (No. 7/2003), companies often do not have environmental licenses for harvesting and wood processing activities, nor an Environmental Impact Assessment. The companies do not conduct an evaluation of environmental impacts where harvesting is undertaken, with this non-compliance not detected due to limited administrative checks.
- Environmental Law No. 7/2003 repealed the previous Law No. 4/2000, where all protected areas were created and their physical spaces defined. The new environmental law (No. 7/2003) defines the categories of different protected areas, but does not define which are those protected areas in the country, and nor does it indicate the physical space they occupy. With the derogation of this law No. 4/2000, there is a legal gap regarding the protection of protected areas, as the areas that are being protected are only recognised in a legal instrument that has been derogated. This situation can lead to public confusion, and companies can take advantage of this weakness or legal vacuum to exploit these areas. Often there are chemical spills both in the forests and in the rivers, which damage or pollute natural resources, including fauna, flora, water and air (MAGBMA, 2014, 2017a, 2017b and 2018).
- According to the coast and waterway regulation, it is forbidden to exploit, both in State and privately owned forests, trees located less than sixty metres from springs on uphill terrain,

or trees located less than fifty metres from springs on flat terrain. However this regulation is largely ineffective, due to the lack of control.

- Lack of management plans is often an issue due to the minimum area requirement of 50,000 hectares and a maximum duration of 15 years. The indicators set by law are not aligned with the requirements for good forest management (MAGBMA, 2014, 2017a, 2017b and 2018).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.10.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Logging is done without Environmental Licences and Environmental Impact Assessments

1.10.7. Control Measures and Verifiers

Review documents and verify:

- Environmental Licences and Environmental Impact Assessments and if documents are approved by the MAGBMA

Onsite verification:

- Verify that the EIA is accurately reflecting the situation on the ground

1.11. Health and Safety

Legally required personal protective equipment for people involved in harvesting activities, felling and transport practice, establishment of protection zones around harvesting sites, and safety requirements to machinery used. Legally required safety requirements in relation to chemical usage. The health and safety requirements that shall be considered relating to operations in the forest (not office work, or other activities less related to actual forest operations). Risk relates to situations/areas where health and safety regulations are consistently violated to such a degree that puts the health and safety of forest workers at significant risk throughout forest operations.

1.11.1. Applicable Laws and Regulations

- Law No. 10/2012, dated 24 December, on the General Work Order Reform, articles 41 (1, 2, 3), 42 (1, 2, 3), 43 (1, 2a, 2b, 2c, 2d, 3a, 3b), 44 (1.2) and 52. Available at: https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/102921/124644/F1805683203/063_ley-10-de-2012%20GUINEA%20ECUATORIAL.pdf
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea, Article 71. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Law No. 14/1984, dated 12 November, regulates labour inspections. Articles 2 (2, 3), 7 (d) and 10 (1, 2, 3).

- Decree No. 100/1990, dated 28 September, approves the regulations of the general social security regime in Equatorial Guinea, Article 1. Available at: <https://www.ilo.org/dyn/natlex/docs/SERIAL/66373/62497/F1933760893/s90gnq02.pdf>
- Ministerial Order No. 039/1, dated 3 July 2008, regulates the financial contribution of foreign workers to social security in Equatorial Guinea. Articles 1, 2 and 3. Available at: https://leydeguinea.files.wordpress.com/2014/08/039_orden-ministerial-1de-3-de-julio-de-2.pdf
- Decree No. 23/1984 by which the Internal Organisational structure of the National Social Security Institute of Equatorial Guinea (INSESO) is approved. Article 1.
- Decree No. 104/1984, which promulgates the social security law of the Republic of Equatorial Guinea. Article 7.

1.11.2. Legal Authority

- Ministry of Labour, Employment Promotion and Social Security.
- National Social Security Institute of Equatorial Guinea (INSESO).

1.11.3. Legally Required Documents or Records

- Records of employers' registration in social security;
- Workers' social security affiliation documents;
- Internal regulations on safety and health, or a workplace risk and accident prevention plan;
- Registration of personal protective equipment delivery;
- Registration of training of workers with respect to health and safety;
- Accident record/file.

1.11.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-Gira Forestal. Available from the Bata Regional Delegation.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Bata Regional Delegation with exit N 174/2017, on 1 November 2017

Non-Government Sources

- Expert consultation in 2019 (The list of expert is not included in the risk assessment, however, all experts are known to Preferred by nature)

1.11.5. Risk Determination

Overview of Legal Requirements

There is no specific legislation that establishes legal requirements relating to health and safety during forest harvesting. The Forestry Law does not include requirements regarding health and safety, therefore what is required by the Labour Law (Law 10/2012) is applied.

- Law No. 10/2012, dated 24 December, on the General Work Order Reform.

Chapter IV relates to the provision of services. Chapter I focusses on environment and work conditions.

Article 31: The State formulates and implements the health and safety policy of workers and the improvement of environmental and working conditions.

Article 32: The worker providing professional services will be entitled to effective protection in health and safety and hygiene at work.

Article 33 establishes that the employer must take necessary measures for the good work and care of employees.

Article 41 (1, 2, 3) establishes the creation of hygiene and safety committees.

Article 42 (1, 2, 3): Responsibility for professional risks.

Article 43 (1, 2a, 2b, 2c, 2d, 3a, 3b): Work accidents.

Article 44 (1.2): Occupational diseases.

Article 52: Guarantees and preferences

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea.
- Law No. 14/1984, dated 12 November regulates labour inspections.

Article 2 (2, 3): Forests exploitation and means of transport in general.

Article 7 (d): nature of occupational hazards and their frequency, severity or significance of occupational accidents.

Article 10 (1, 2, 3): authorized functions of labour inspectors.

- Decree No. 100/1990, dated 28 September, approving the regulations of the general social security regime in Equatorial Guinea.

Article 1.1. Equatorial Guinean workers who carry out their activities in national territory – whatever their working conditions – as well as public, civil and military officials at the service of the State, will be included in the general social security regime of local entities or autonomous institutions.

1.2. Equatorial Guineans not resident in national territory will also be included when this is the result of the provisions established for said purpose.

- Ministerial Order No. 039/1, dated 3 July 2008, regulates the contribution of foreign workers to social security in Equatorial Guinea. As described in articles 1 to 3, all national and foreign workers who operate in the different companies based in Equatorial Guinea are required to

contribute to social security.. The percentage of the total contribution of the salary is 26%, where 21.5% corresponds to the contribution of the company and 4.5% of the worker.

Description of Risk

- During inspections of forest holdings, personal protective equipment worn by employees is often absent. During inspection, workers were found without protective equipment such as helmets, raincoats, gloves and eye protection, although some employees wore boots. The lack of protective equipment exposes employees to risks from accidents and diseases. This risk is caused due to the weakness of the administration, as inspectors and advisors are not employed by companies (source: expert consultation).
- Formation of hygiene and safety committees is stipulated in the Labour Law. These entities are designed to advise employers, workers and the labour authorities on the application and development of rules relating to the working environment and working conditions, in order to monitor compliance; however these committees have not been created. The lack of committees leads to a lack of information and awareness and – according to workers in interviews – workers are often unaware of their labour rights set out by law, which leaves them vulnerable to accidents and diseases (source: expert consultation).
- In forests, dangerous toxic products such as burned oils, acids, filters and fuels, are used without personal protective equipment. According to the inspection report, this oversight has been observed in all companies in all parts of the forest, this creates both an environmental risk and health risk to workers (MAGBMA, 2017).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.11.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Lack of respect of the health and safety requirements during the harvesting logging activities (lack of hygiene and security committee, lack of distribution and use of personal safety equipment, use of toxic and dangerous products without protection, wood transport done outside the hours stipulated by the law)

1.11.7. Control Measures and Verifiers

Onsite verification:

- Visit the harvesting site and observe use of personal protective equipment and adequate hygiene and safety measures.

Review documents and verify (to be checked during onsite):

- Records of employers' registration in INSESO. Review cases of accidents registered
- Workers' social security affiliation documents
- Internal regulations on safety and health, or a workplace risk and accident prevention plan
- Registration of personal protective equipment delivery
- Registration of training of workers with respect to health and safety

- Accident record/file (Accident records should be kept by the harvesting company)

Consult:

- Interviews with forestry workers and management about the health and safety situation during logging activities.

1.12. Legal Employment

Legal requirements for employment of personnel involved in harvesting activities including requirement for contracts and working permits, requirements for obligatory insurances, requirements for competence certificates and other training requirements, and payment of social and income taxes withhold by employers. Furthermore, the points cover observance of minimum working age and minimum age for personnel involved in hazardous work, legislation against forced and compulsory labour, and discrimination and freedom of association. Risk relates to situations/areas where systematic or large-scale non-compliance with labour and/or employment laws. The objective is to identify where serious violations of the legal rights of workers take place, such as forced, underage or illegal labour.

1.12.1. Applicable Laws and Regulations

- Fundamental Law of Equatorial Guinea, 2012. Title I. Fundamental principles of the State; articles 25 and 26. Available at: <http://faolex.fao.org/docs/pdf/eqg128022.pdf>
- Law No. 10/2012, dated 24 December on the General Work Order Reform. Articles 3, 5, 6, 7, 14, 15, 21, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 70, 71, 72, 73, 75, 76, 77, 78, 79, 80, 83, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90 and 91. Available at: https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/102921/124644/F1805683203/063_ley-10-de-2012%20GUINEA%20ECUATORIAL.pdf
- Law No. 14/1984, dated 12 November, regulates labour inspections.
- Decree No. 100/1990, dated 28 September, approving the regulations of the general social security regime in Equatorial Guinea. Article 5, 6, and 9–80.
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea, Article 44. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Article 66. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Ministerial Order No. 039/1, dated 3 July 2008, regulating the contribution of foreign workers to social security in Equatorial Guinea. Articles 1, 2 and 3. Available at: https://leydeguinea.files.wordpress.com/2014/08/039_orden-ministerial-1de-3-de-julio-de-2.pdf
- Decree 30/2016, dated 29 January states the minimum wage - 117.304 CFA francs per month. Available at: <https://www.guineainfomarket.com/economia/2017/12/02/salario-minimo-interprofesional-en-guinea-ecuatorial/>

1.12.2. Legal Authority

- Ministry of Labour, Employment Promotion and Social Security (labour inspections) (MTFESS)
- National Social Security Institute of Equatorial Guinea (INSESO).
- Ministry for Agriculture, Livestock, Forests and the Environment.

1.12.3. Legally Required Documents or Records

- Formalization of the employment contract;
- Records of employers' registration in social security;
- Workers' social security affiliation documents;
- Insurance card;
- Job certificate;
- Wage registration book;
- Work permits for foreigners.

1.12.4. Sources of Information

Government Sources

- Guinea Ecuatorial (2012). Informe sobre la aplicación del pacto internacional de los derechos económicos, sociales y culturales. Comité de derechos económicos, sociales y culturales.

Non-Government Sources

- Campos, S. A. and Mico, A. P. (2006). Trabajo y libertades sindicales en Guinea Ecuatorial. Available at:
http://www.pazysolidaridad.ccoo.es/comunes/recursos/99891/doc220602_Trabajo_y_Libertades_sindicales_en_Guinea_Ecuatorial.pdf

1.12.5. Risk Determination

Overview of Legal Requirements

- Reformed Law of Equatorial Guinea, 2012. Article 5. d) The protection of work through which a person develops their wealth-creating personality of the nation for social welfare. Article 13. l) To freedom of work. Article 26:1. Work is a right and a social duty. The State recognizes its constructive function for the improvement of well-being and the development of national wealth. The State promotes the economic and social conditions to eliminate poverty, misery, and assures equally to the citizens of the Republic of Equatorial Guinea the possibilities of a useful occupation that allows them not to be beset by necessity. Article 26:2. The law defines the conditions to exercise of this right.
- Law No. 10/2012, dated 24 December, on the General Work Order Reform. The law (articles 6 and 21) requires the establishment of employment contracts between employers and employees. The same law also recognizes the work of apprentices (Article 13), assistants (Article 14), temporary workers (Article 16), piecework workers (Article 17),

employer rights (Article 26) and employer obligations (Article 27), workers' rights (Article 28) and workers' obligations (Article 29). The law also requires the employer to formalize social security at the National Social Security Institute (INSESO) in the case of occupational hazards and accidents. Chapter III establishes the requirements related to work and rest time, Chapter V establishes terms regarding remuneration and mode of payment and the minimum wage. Decree 30/2016, dated 29 January states the minimum wage - 117.304 CFA francs per month.

- Law No. 14/1984, dated 12 November, regulates labour inspections. Article 10. The scope of the labour inspections covers, inter alia, agriculture, forestry and all its dependencies.
- Decree No. 100/1990, dated 28 September, approving the regulations of the general social security regime in Equatorial Guinea. Article 6 establishes the need to register social security for all workers (INSESO):

6.1. The registration of employers and workers will be unique, notwithstanding the casualties, dismissals and other variations that occur over time.

6.4. The insured status will be accredited by means of a permanent document, issued by the National Social Security Institute, and the personal data, membership number and family dependents must be included therein.

Under this regulation, the insured employee will enjoy the following advantages as a legal worker: health benefits (articles 9 to 23), temporary disability benefits (articles 24 to 30), maternity benefits (articles 31 to 33), disability benefits (articles 34 to 45), old-age pensions (articles 46 to 51), death and survival allowances (articles 52 to 72) and family allowances (articles 73 to 80).

- Ministerial Order No. 039/1, dated 3 July 2008, regulates the financial contribution of foreign workers towards social security in Equatorial Guinea. The percentage of the total contribution of the salary is 26%, where 21.5% corresponds to the contribution of the company and 4.5% of the worker.
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea.

Article 44. The beneficiary of the Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF) is required to exclusively employ national staff at all levels, except in cases where the required qualification or specialty is not available in the country. The beneficiaries of CAAFs shall periodically submit the labour contracts endorsed by the Ministry of Labour, Employment Promotion and Social Security to the Ministry of Fisheries and Water Resources.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Article 66a): In accordance with the provisions of Article 62 of the current Forestry Law, the general directorates of the forest sector will develop permanent extension, training and applied research programs to promote forest development and to achieve greater participation of the population in all forestry subsector activities. In this context, the training of professional, technical and skilled labour personnel will be a priority program. Article 66) Forestry companies are also obliged to implement these programs, to contribute to these

outcomes. They must permanently promote the improvement and specialization of their professional, technical and labour personnel.

Description of Risk

- In interviews with company workers, they state that there are employees who work without formal contracts. As for the termination of contracts, any protest over dangerous or unhealthy working conditions can lead to dismissal. Workers have limited employment opportunities, since these companies are often the only sources of work in rural areas (Republic of Equatorial Guinea, 2012, and Campos and Mico, 2006).
- Despite the good social security regulations in the country, many of the employees are not registered with the National Social Security Institute. Companies hire personnel in rural areas, in close proximity to the forests, and often workers do not request the formalisation of their records of decent and legal work. This is verified in the parliamentary sessions of complaints, and petitions have been raised during parliamentary sessions over unfair dismissal of employees (Republic of Equatorial Guinea, 2012). To register with the social security system it is necessary to have a Personal Identification Document (DNI). The rural reality in Equatorial Guinea is that many workers in rural villages do not have an identification card.
- Lack of training and maintenance of employees. Companies do not invest in strengthening the employee capacity (source: interview with company employees).
- Employee associations: There are no worker associations in any company in Equatorial Guinea. This is because the relevant ministry does not disseminate labour laws to employees, a fact that this has been highlighted in interviews with employees of four companies and in the documents of Republic of Equatorial Guinea (2012), and by Campos and Mico (2006).
- All companies are required to recruit local labour where they have Forest Harvesting Lease Agreements (CAAFs). However, this often does not happen. Reports show that Asian companies within Equatorial Guinea use more than 95% of foreign labour, leaving local populations without employment (MAGBMA, 2014; 2017).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.12.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Lack of work contracts for seasonal and discontinuous work (1.12)
- 2) Lack of registration of the workers in the National Social Security Institute (INSESO)
- 3) Lack of efforts in the training employees by the forestry companies (for National forest, Forest Concessions)

1.12.7. Control Measures and Verifiers

- 1) ***Lack of work contracts for seasonal and discontinuous work***

Review documents and verify (to be checked during onsite):

- Check that formalized employment contracts for all workers are in place, and workers are registered in MAGBMA
- Review legal documentation:
 - a. Formalization of the employment contract
 - b. Records of employers' registration in INSESO
 - c. Workers' social security affiliation documents
 - d. Insurance card
 - e. Job certificate
 - f. Wage registration book
 - g. Work permits for foreigners.
 - h. Work inspection book
- Check if foreign workers have work permits.
- Check that fixed wages meet the minimum wage (consult with INSESO, see below) and verify that payments are made correctly (payroll payment record).

Onsite verification:

- Check in the field (visit harvesting sites) that workers who are working correspond to those declared by the company.

Consult:

- Interviews with stakeholders (INSESO staff, forestry companies, forestry administration and village councils) as well as workers about how requirements for formalization of the work contracts for seasonal and discontinuous work has been followed.
- Consult with INSESO about minimum wage requirements at the time of logging activities.

2) Lack of registration of the workers in the National Social Security Institute (INSESO)

Review documents and verify (to be checked during onsite):

- Check workers are registered on the social security regime of the INSESO by reviewing their social security cards at the INSESO office.
- Check monthly worker contributions to INSESO.

Consult:

- Interviews with INSESO staff and workers to verify that registration of staff at INSESO is correct and valid

3) Lack of efforts in the training employees by the forestry companies (for National forest, Forest Concessions)

Review documents and verify (to be checked during onsite):

- Review company training records

Consult:

- Interviews with staff/workers engaged in special areas of work shall provide confidence that they have attended specific training applicable to their role and responsibilities, and have obtained the relevant level of qualification for the task they perform

THIRD PARTIES' RIGHTS

1.13. Customary Rights

Legislation covering customary rights relevant to forest harvesting activities including requirements covering sharing of benefits and indigenous rights. The indicator is relevant to customary rights other than land and land management rights. Customary land and land management rights are covered under 1.1.

1.13.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February on the Use and Management of Forests in Equatorial Guinea, articles 12, 16, 24, 26, 29 and 43. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Articles 1(4), 11, 12, 13, 28, 29, 32, 33, 35, 36, 37, 38, 61 and 67. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Law No. 4/2009, dated 18 May, on the land property regime in Equatorial Guinea. Article 7. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg158220.pdf>

1.13.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment.
- Ministry of Interior and Local Corporations (heads of tribes, presidents of village councils, mayors, government delegates and governors).

1.13.3. Legally Required Documents or Records

- Social work commitment, in which the company undertakes to execute social works in the villages and municipalities of the forest zone it will exploit, according to the area awarded. The social works will be specified, with projects and budgets, in a contract signed by the government on the recommendation of the beneficiaries. The beneficiary of the CAAF will deposit, for the execution of social works, a bond equivalent to 50% of the total cost of the works, in a designated account of a local commercial bank;
- A list of priority works (Listado de Obras Sociales) for the community, agreed and signed by members of the village council
- A certificate of the village council to clearly show the peaceful family or town council occupation of a given space.
- A certificate of recognition of the communal forest, which legally authorizes the forest that the community has been peacefully occupying for their tasks.
- Forest harvesting contracts are endorsed by the forestry administration if the forest use is carried out by a company.
- Measurement certificate (Forest delimitation certificate) for the area to be harvested, to avoid conflicts of powers in the event of a commercial logging operation.

- Contract for the construction of works.

1.13.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-gira del año 2014. Available from the Regional Delegation, section of Bata forest management.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Regional Delegation and from the General Secretary in Malabo.

Non-Government Sources

- Morilla Gómez, J. (2004). La estructura económica de Guinea Ecuatorial. Análisis y configuración. Boletín Económico del ICE No. 2819 from October 11 to 17, 2004. (Available at: http://www.revistasice.com/cmsrevistasICE/pdfs/BICE_2819_37-64__FDFFD64FB6C51574CEE4E2A8C8E11B0C.pdf) and at http://www.fao.org/gender-landrights-database/country-profiles/listcountries/customarylaw/es/?country_iso3=GNQ
- La mujer en Guinea Ecuatorial. Sin Fecha. Extracto del texto publicado en AFROL. Available at: <http://www.angelfire.com/sk2/guineaecuatorial/muafrol.htm>) and at http://www.fao.org/gender-landrights-database/country-profiles/listcountries/customarylaw/es/?country_iso3=GNQ

1.13.5. Risk Determination

Overview of Legal Requirements

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Article 12 describes that, within the forest production domain, the following forest types are identified:
 - a. Privately owned forests: these are small patches of natural or re-established forests, located within the limits of silvo-agricultural or rustic farms, and for which harvesting requires a harvesting permit (Autorización de Apeo) granted by the forest administration;
 - b. Communal forests: areas of natural or re-established forests that the State recognizes, limits and awards in permanent use to rural communities, for their traditional use; these forests must be adjacent to the community.
 - c. National forests: areas of natural or re-established forests that the State reserves for itself, to exploit directly and exclusively; or through third parties with the economic capacity to log, process and export wood.

Article 16. For the purpose of this law, forest use includes obtaining forest products in their natural state for subsistence, when the harvester requires wild flora for their own or their family's consumption.

Article 24: within the communal forests, members of the community may carry out activities for subsistence purposes. The products resulting from the use of these forests will be destined solely and exclusively for the development of the respective communities

Article 29. Within national forests, the right may be granted free of charge or at symbolic prices to residents of neighbouring communities for small areas for food crops and isolated trees for housing construction, canopies and the like, using appropriate species.

Article 35 b(5). Commitment of social works. The contractor is required to undertake social works in towns and municipalities surrounding the forest area harvested. These works will be specified, with projects and budgets, later through a contract signed with the government at the recommendation of the beneficiaries. The beneficiary of the Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF) will deposit, into a local bank, a bond equivalent to 50% of the total cost of the works.

Article 43. The beneficiary of the Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF) will respect all private assets nestled within their area as well as allow free access to the inhabitants of rural communities nestled within it for the traditional use of all necessary wild resources.

Article 60. It is of national interest that the population participates directly, actively, and numerously in all forestry activities; therefore, activities will be provided that promote and encourage the use of labour and from which residents can obtain greater direct benefits.

Article 63. The responsible ministry will provide technical assistance to forestry and restocking activities. Rural settlers who live in border areas will enjoy special treatment regarding these activities.

Article 90. The State shall promote and grant economic and tax incentives, specific or general, to the following activities, specifically d) the establishment of small forest industries, in rural areas.

Article 101. The occupation of land in the communal forests, privately owned forests and national forests without authorization will be punished with imprisonment, of no less than one month and no more than two years, depending on the seriousness of the crime, as well as compensation for the damages caused.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Article 1 (4) c): the usufruct granted to rural communities in communal forests for traditional uses will be made in order for these populations to carry out forestry activities exclusively for their supply, and if necessary and justified for commercial purposes either for local markets or for export.

Article 11. For the purposes of this regulation, subsistence exploitation is considered to be the extraction of NTFPs whose product is only intended for the direct domestic consumption of the harvester and their family; either for energy, food, cultural, medicinal or construction purposes. The extraction for subsistence purposes may be carried out in privately owned forests, communal forests, or national forests.

Article 12. When subsistence extraction consists of annual volumes of less than the equivalent of three commercial trees, it shall be exempt from the payment of fees and administrative processing.

Article 13. The use of subsistence NTFPs may only be carried out in forests adjacent to the usual place of residence of the extractor and is free of charge.

Article 29. The government will grant each community a certificate of recognition of the communal forest if desired.

Article 32. The communal forests must be adjacent to the beneficiary community, and their definitive limits will be considered by the forestry sector.

Article 33. Forest harvesting in communal forests may be carried out only with prior authorization of the responsible ministry, at the request of the community to which the communal forest belongs.

Article 35. If forest exploitation is carried out by a company, the corresponding exploitation contract will be and be endorsed by the forest administration, for monitoring purposes.

Article 36. The responsible ministry will issue the Harvesting permit in the communal forests after satisfactory analysis of the documentation presented, and a verification inspection in the proposed cutting area. The Harvesting permit will be valid for one year from the date of issue.

Article 37. When a communal forest is exploited by a forestry company, 85% of the economic benefits from the use of a communal forest will be allocated to the beneficiary community.

Article 38. During the exploitation of communal forests, the forest administration will highlight a control agent, who will report monthly on the use and implementation of the planned communal works.

Article 44. In order to guarantee jobs for nationals, the beneficiary of the Forest Harvesting Lease Agreement (Contrato de Arrendamiento por Aprovechamiento Forestal, CAAF) is required to exclusively employ national staff at all levels, except in cases where the required qualification or specialty is not available in the country. For this purpose, the beneficiaries of CAAs shall periodically submit the labour contracts endorsed by the Ministry of Labour, Employment Promotion and Social Security to the Ministry of Agriculture, Livestock, Forestry and Environment.

Article 61. Because of their nutritional importance to rural populations, harvesting is prohibited for the following species: Engong, Anvut, Olem, Abam, Ebonsok, Andok, Eweme, Adjab, Abe (cola), Oñeñ (bitacola), Atom and other fruit tree species suitable for human consumption and medicines.

Article 67. Forestry companies that establish small forest industries in rural areas, with the creation of jobs for these populations and carrying out non-contractual social works in said environment will receive support from the State.

- Law No. 4/2009, dated 18 May, on the land property regime in Equatorial Guinea. Article 7. Traditional property of the common lands of the towns, tribes or native family groups, those

of their family preserves and those of their family patrimony are recognized. These lands which are habitually occupied for residential or agricultural purposes, do not require the intervention of a legal act of attribution of title deeds.

Description of Risk

- Forestry law and its implementing regulations are not disclosed and explained to local communities, and therefore that customary rights recognized in these legal instruments are not recognized and protected by local populations. This lack of knowledge about their ancestral and customary rights explains the number of illegal harvesting activities happening in their forests, without corresponding complaints by local communities to the forest administration. This lack of information also demonstrates the poor level of legalization /registration of the forests belonging to local communities (MAGBMA, 2014 and 2017).
- The law does not determine the heirs to forests or land plots. In the Fang, Ndowe and Bubi culture, the birthright is common: according to which all rights are automatically received by the firstborn; women who become members of their husband's families following marriage usually do not have the right to inherit. Women have the right to buy and sell property and goods, but in practice society allows few women access to funds that allow for little more than owning a small property that includes a modest house (La mujer en Guinea Ecuatorial, nd).
- Mechanisms for distributing forest benefits are not effectively applied. The distribution of benefits derived from forest resources suffers inequities among parties. According to information obtained during surveys, bribes have been registered between officials, companies and local authorities. Some companies do conduct social works legally, in which the forest administration is involved. The communities choose the work, communicate it to the administration, the administration manages a tender process and authorizes the construction company with the best offer. The forestry company pays the construction company in the presence of the forest administration, and the money invested in the social works benefits the entire community. However, in contrast, companies operating illegally and who want to exploit a communal forest, negotiate and pay the money directly to the village council, so that they are allowed to enter the forest. In these cases, there is no official agency that intervenes between the illegal company and the council, so that the money does not reach the community. For example, during the construction of social works, the president of the town council does not transparently inform the population of the amount received from the company, because the town council does not have consensus among all the families. This leads to habitual misunderstanding among different families within the same community; and results in some families receiving greater benefits from the village council (MAGBMA, 2014 and 2017). As mentioned, it is concluded that there is a risk that the 85% economic benefits deriving from the use of a communal forest – which are legally required to be allocated to the beneficiary community – are not paid; and benefits paid are not distributed equally among all families in the community.
- On many occasions, there is a risk that forest exploitation will be carried out without respecting the restriction on forest exploitation within a radius of 2,000 metres of the village. Companies take advantage of the territory under a previous agreement with the village; however, this is not legally allowed. This area is reserved to allow communities to carry out

agricultural, hunting, artisanal and fishing activities. In this way, free access to the traditional use of wild resources by the inhabitants of rural communities is violated.

- There is a risk that during harvesting, fruit trees that provide a source of food for local populations are not respected, such as; Engong, Anvut, Olem, Abam, Ebonsok, Andok, Eweme, Adjab, Abe (cola), Oñeñ (bitacola), Atom and other fruit tree species suitable for human consumption and medicines.
- All companies are required to recruit local labour where they have forest leasing agreements (CAAF). Reports show Asian companies employ more than 95% of foreign labour. So, they do not recruit national labour, resulting in a lack of benefits for the local population (MAGBMA, 2014 and 2017).
- Companies improperly occupy traditional communal and ancestral forests recognized by national laws. Such occupation is illegal due to lack of government authorizations and lack of contracts with the local population who own the forest. Companies are known to take advantage of prohibited species local populations use for their multiple purposes. Companies exploit forests quickly to avoid accounting of their production and control of management rules, companies prefer to pay a penalty which is modest. This causes conflicts between companies and the population (MAGBMA, 2014, 2015, 2017, 2018a, 2018b).
- There is a risk that Harvesting permit (Autorización de Apeo) issued for subsistence becomes a commercial activity to supply the demand for sawn timber in domestic markets. Presidents of the community councils request Harvesting permit (Autorización de Apeo) for subsistence purpose and use the timber to be sold on markets in the cities. The benefits of such sale are particular, and the population do not benefit (MAGBMA, 2018a).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.13.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) The mechanisms for distributing the forest benefits between the parties are not applied in a way to ensure benefits to all communities
- 2) There is a risk that fruit trees are harvested during the logging

1.13.7. Control Measures and Verifiers

- 1) The mechanisms for distributing the forest benefits between the parties are not applied in a way to ensure benefits to all communities***

Communal forest

Review documents and verify (to be checked during onsite):

- A List of Priority Works for the community, agreed and signed by members of the village council. verify that it includes a budget, and proof of payment of the social works carried out. Check that the cost of carrying out said works corresponds to what is paid according to the area used.

- Review technical reports on social works, awarded in relation to contracts for exploitation of forest use

Onsite verification:

- Visits to the harvesting areas and town councils, to verify the degree of compliance to implement works stated in "A list of Priority Works"

Consult:

- Interview forest administration and control agent (person should be appointed by the forest administration to report monthly on the use and implementation of the planned communal works) about implementation of planned communal works.
- Interview community members if the communal works were implemented

National Forests (Forest concessions)

Review documents and verify (to be checked during onsite):

- Social work commitment (the social works will be specified, with projects and budgets, in a contract signed by the government on the recommendation of the beneficiaries)
- Deposit to the local commercial bank (CAAF holder shall deposit a bond equivalent to 50% of the total cost of the works)

Onsite verification:

- Visit villages and municipalities and observe that social works have been or are in the process of being implemented.

Consult:

- Interview the different parties involved (local population, village councils, peripheral authorities, forestry companies, forestry administration) to verify the degree of compliance to implement social works

2) There is a risk that fruit trees are harvested during the logging

Review documents and verify (to be checked during onsite):

- Review inspection reports on violations in relation to fruit trees of communities that may be affected by harvesting. The reports should be found in the Forest administration.

Consult:

- Interview the different parties involved (local population, peripheral authorities, forestry companies and forestry administration) to verify that fruit trees were not harvested.

Onsite verification:

- Field verification of the logging area to check that fruit trees were not harvested

1.14. Free Prior and Informed Consent

Legislation covering "free prior and informed consent" in connection with the transfer of forest management rights and customary rights to the organization in charge of the harvesting operation.

Not applicable: There is no specific law on the right to free, prior and informed consent (FPIC) in Equatorial Guinea.

1.15. Indigenous/Traditional Peoples' Rights

Legislation that regulates the rights of indigenous/traditional people as far as it is related to forestry activities. Possible aspects to consider is right to use certain forest-related resources or practices traditional activities, which may involve forest lands. Land and land management rights related to indigenous/traditional peoples' rights are covered under 1.1.

1.15.1. Applicable Laws and Regulations

- Fundamental law of Equatorial Guinea, 2012. Article 30 (4). Available at: <http://faolex.fao.org/docs/pdf/eqg128022.pdf>
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles 2, 22, 24, 29, 35 (b.5), 43, 60, 63, 90 and 101. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997.. Articles 1 (4), 11, 12, 13, 29, 31, 32, 33, 35, 36, 37, 61 and 67.
- Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Law No. 4/2009, dated 18 May, on the land property regime in Equatorial Guinea. Article 7. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg158220.pdf>

1.15.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment
- Ministry of Interior and Local Corporations

1.15.3. Legally Required Documents or Records

- Property title of privately owned forests;
- Certificate of recognition of the communal forest;
- Social work contracts;
- Contracts of local workers;
- Contracts for exploitation of communal forests with companies and forest administration;
- Certificates of delimitation of communal forests;
- Map of the forests.
- Harvesting permit

1.15.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-gira del año 2014. Available from the Regional Delegation, section of Bata forest management.
- Ministry for Agriculture, Livestock, Forests and the Environment (2015). Informe de inspección en el consejo de poblado de Mibee de Micomisng, sobre el apeo de especie prohibida bubinga por la empresa LA SOMBRA. Available from the Bata Regional Delegation.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Regional Delegation and from the General Secretary in Malabo.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018a). Informe Anual de Actividades realizadas por la Delegación Regional y propuestas de mejoras. Available from the Regional Delegation and from the Prime Minister's office.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018b). Informe de inspección en el poblado de Nchoh Nvia de Bata, sobre el recuento de madera tumbada ilegalmente. Available from the Bata Regional Delegation.

Non-Government Sources

Not available.

1.15.5. Risk Determination

Overview of Legal Requirements

See legal requirements in *1.13. Customary Rights*

Description of Risk

- Traditional land properties are recognized by an Indigenous community, tribe or family groups or local communities. This recognition is limited in the sense that, if a property has significant wealth, there will be conflicts of attributions. This occurs in privately owned forests and in the forests of a tribe that is located in two or three neighbouring villages. It is costly for the forest administration to distribute aforementioned forests (MAGBMA, 2014, 2017, 2018a).

The other risks are the same as in *1.13. Customary Rights*

1.15.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) The mechanisms for distributing the forest benefits between the parties are not applied in a way to ensure benefits to all communities
- 2) There is a risk that fruit trees are not respected during the logging, impacting a source of alimentation for the local communities
- 3) Not all companies hire local workers where they have a Forest Harvesting Lease Agreement (CAAF) (only for National forest, Forest Concessions)

1.15.7. Control Measures and Verifiers

For risks 1-2 see indicator 1.13. Customary Rights.

- 4) ***Not all companies hire local workers where they have a Forest Harvesting Lease Agreement (CAAF) (only for National forest, Forest Concessions)***

Review documents and verify (to be checked during onsite verification):

- Review employment contracts to verify that employees are local workers

Onsite verification:

- Verify that the company recruits local labour in the areas where the exploitation is carried out

Consult:

- Interview the different parties involved (forestry companies, local communities, forestry administration) to verify that local workers were hired

TRADE AND TRANSPORT

1.16. Classification of Species, Quantities, Qualities

Legislation regulating how harvested material is classified in terms of species, volumes and qualities in connection with trade and transport. Incorrect classification of harvested material is a well-known method to reduce/avoid payment of legally prescribed taxes and fees. Risk relates to material traded under illegal false statements of species, quantities or qualities. This could cover cases where this type of false classification is done to avoid payment of royalties or taxes or where trade bans on product types or species are implemented locally, nationally or internationally. This is mainly an issue in countries with high levels of corruption (CPI <50).

1.16.1. Applicable Laws and Regulations

- Law No. 1/1997 dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Articles 80, 82, 83 (a, b, c, d) and 85. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Articles 73, 85, 88, 90 (a, b, c, d), 90, 91, 93 and 97. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>

1.16.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment, Section of Office of Control, Information and Promotion of Forest Species (OCIPEF).
- Ministry of Finance, Economy and Planning (Customs).

1.16.3. Legally Required Documents or Records

- Transported wood delivery notes;
- Transport guide (Guía de Transporte);
- Pro forma company invoice;
- Wood specification;
- Wood classification sheet;
- Wood classification and relocation report;
- Price list;
- Invoice settlement sheet;
- Shipping Guide (Guia de Embarque);
- Boarding Report.

1.16.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2014). Informe de la Pre-gira del año 2014. Available from the Regional Delegation, section of Bata forest management.
- Ministry for Agriculture, Livestock, Forests and the Environment (2016). Informes de embarques de OCIEPEF. Available from the OCIEPEF, port of Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available at the Regional Delegation and from the General Secretary in Malabo.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018a). Informes de re-cubicación y Clasificación de la madera en los apiladeros del Puerto (n 141, 142, 143, 144, 145, 146, 147, etc.). Available from the OCIEPEF, port of Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018b). Factura comercial del expediente de la Guía de embarque n 37 de fecha 05 de abril d 2018. Available at the OCIEPEF, port of Bata.
- MAGBMA , 2019. Informe de inspección de contenedores de la explanada de la empresa consignataria DELTA MAR, de fecha 17 de julio 2019. Available from the Bata Regional Delegation.

Non-Government Sources

Not available.

1.16.5. Risk Determination

Overview of Legal Requirements

Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea

Article 80. The Office of Control, Information and Promotion of Forest Species (OCIEPEF) will function as a unit to promote and control the wood.

Article 82. Classification of wood to obtain greater added value.

Article 83. In addition to the classification of the quality of the wood, it will also be classified according to its potential use, for which the forestry administration will establish a list of species based on the following classifications:

- a. Class I: Species suitable for fine woodwork, musical instruments and fine veneers.
- b. Class II: Species suitable for carpentry work in general, doors, windows, mouldings, floors, beams, plywood, formwork, parquet etc.
- c. Class III: Species suitable for secondary uses, such as fibre and particle board, pulp and paper, charcoal posts, fences etc.
- d. Class IV: Species that have no known use and market demand.

Article 85. It will be considered fraud, and sanctioned in accordance with the provisions of this law, in cases where differences are detected between the species, qualities and volumes declared in the port of shipment and those registered in the ports of destinations.

Article 85. Establishes quality control according to international standards.

Article 88. For the classification of wood as established in Article 79 of the Forestry Law, the most important principles of the classification rules that will be applied are described. For more details, refer to the original texts adopted by the International Tropical Timber Technical Association (ATIBT) and the International African Tropical Sawn Timber Association (SATA) as a reference.

a) Rules for different Timber in logs:

- The logs or roundwood are classified into three classes (I, II, III) and two intermediate classes (I/II, II/III). The classes of logs have the following coefficients according to performance:

Class	Coefficient
I	100
II	75
I/II	87.5
II/III	62.5
III	50

- The quality of a batch of roundwood results from the volume percentage of the various classes.
- The sellers and buyers must specify in their contracts the quality of the product for sale. Contracts must mention the product composition in percentages or in points, even if the different logs are described with the usual commercial designation.
- The ATIBT states that the commercial designations must be understood in the following sense:

QUALITY CODE	PERCENTAGE	CLASS	COEFFICIENT	QUALITY POINTS	TOTAL POINTS
A/B	50%	I	100	5,000	
	50%	II	75	3,750	8,750
LM	50%	I	100	5,000	
	35%	II	75	2,625	
	15%	III	50	750	8,375
STANDARD	20%	I	100	2,000	
	60%	II	75	4,500	

	20%	III	50	1,000	7,500
B/C	50%	II	75	3,750	
	50%	III	50	2,500	6,250
C	100%	III	50	5,000	5,000

- If there are intermediate classes, the intermediate class coefficient is used; or half of the volume of each is attributed to the upper class and the other half to the lower class.
- Calculation of quality discount: The calculation of quality discount is made by comparing the points of a log supply against the points of the required quality.

b) For logs of Okoume and Ozigo:

The current rules include five qualities, and these are:

I	100
I/II	85.5
II	75
II/III	62.5
III	50
III/IV	37.50
IV	25
V	12.5

The five named qualities are: Loyale et marchande (LM, Loyal and Merchant), Qualite seconde (QS, Second Quality) Choix industriel (CI, Industrial Choice), Choix économique (CE, Economical Choice) and Choix spécial (CS, Special Choice), which have the following characteristics:

Quality	Classes	Points	Diameter/length/log volume
LM	25% I, 75% II	8,125	>75 cm/>6.60 m/>5.000m ³
QS	50% II, 50% III	6,250	>65 cm/>4.50 m/>3.268m ³
CI		4,250	>60 cm/>4.50 m/>3.268m ³
CE		2,500	>60 cm/>4.20 m/>2.451m ³ (15% 55/59) (20% 2.20–4.10m ³)
CS		1,250	>60 cm/>4.20 m/>2.451m ³ (10% 55/59) (20% 2.20–4.10m ³)

Referring to the classes used previously:

A piece of quality LM can be a piece of class I

	a piece of class I/II
	a piece of class II good
A piece of quality QS can be	a piece of class II
	a piece of class II/III
	a piece of class III good
A piece of quality CI can be	a piece of class III
	a piece of class III/IV
	a piece of class IV
A piece of quality CE is	a piece of class IV
A piece of quality CI is	a piece of class V

c) Rules for sawn timber cover the following:

- 1 Rules for measuring the thickness, width and length of the sawn timber, including rules for these dimensions and recommendations for green wood.
- 2 Rules for the classification of sawn timber

This differs as to whether the wood is for the general market, or for the private market.

General market:

Sawn timber for the general market is sized again before the final cubicage (volume measurement).

The classification principle consists of determining the rectangular surfaces in the most defective face of a piece. The nature of these surfaces or of the net cuts, their sizes and the percentage of the total area and of all net ratios are criteria for the attribution of a class. In addition the classes have the following minimum lengths and widths:

Class	Length	Width
I	2.25 m or more	0.150 m or more
II	2.25 m or more	0.125 m or more
III	1.75 m or more	0.100 m or more
IV	1.75 m or more	0.100 m or more

Private market:

Planks for the private market are supplied in final use dimensions. They are not cut again. The classification principle determines the name and the importance of effects and the appearance of the piece:

- Tablets and friezes with a length of 1.75 m and more;
- Parquets with a length of 1.75 m and more;
- Short pieces of slats, friezes, parquets or lumber from the general market with a length of less than 1.75 m.

All sawn timber of any species that is classified shall be classified according to the rules established by SATA.

For plywood: for all species, the classification will comprise two qualities:

- 1) Face/plywood, using the outside of the plywood (visible);
- 2) Interior, using the part of the plywood that is not visible

Article 91. Wood will only be exported following its classification, including the quality of the product and the group of species to which it belongs; these characteristics must appear on shipping guides and on the corresponding invoices.

Article 93. The sale of timber for export is by batches of a given species, during the classification of each batch, forest controllers should take special care that the quality of a batch is not diminished by a few pieces of bad quality that can be eliminated or transferred to another batch of a lower quality.

Article 97. For the control of logging activities, the forestry agent in the area of extraction will create a monthly report, no later than the fifth day of each month or the next working day if that is a holiday. The report will contain the use of forestry, statistical sections, and the control of wood exports. This report will specify the following information:

- a) Area of exploitation and the name of the beneficiary;
- b) The total number of trees and the number of logs taken to the forest bearer: indicating their volume and species;
- c) The total volume of wood cubed in the forest stockpile;
- d) The volume of wood transported from these stockpile, their species and destination;
- e) Number of roads built within the area of exploitation and the total length in km of the road network;
- f) The period covered by the report;
- g) Other information deemed necessary.

Description of Risk

- The classification of wood batches does not follow the measures indicated in the law. In the reports of the officials responsible for the authorization to process the export dossier, they concluded that it is authorized to be processed "without inconvenience". However, when checking invoice examples with the corresponding transport guide, it is evident that logs are registered in the lower qualities bracket and instead of first two categories which they correspond to. This occurs so that tax rates are reduced in exchange for bribes (MAGBMA, 2017, 2018a, 2018b).
- There is a risk of miss volume reporting on custom declaration approved in exchange for bribes. Usually customs officials do not compare the volume information obtain in the re-cubage (volume measurement) of timber in the export point to verify it match with

information included in transport delivery notes, or transport guides. This is done, in order to pay reduced tax rates in exchange for bribes (MAGBMA, 2017, 2018a).

- To transport and export prohibited species, codes are changed by using the codes of similar species to deceive or bribe the controlling agents. There are known cases of port shipments, where the species code has been changed, for example bubinga (*Guibourtia tessmannii*) with the code for tali (*Erythrophleum ivorense*). This to reduce contributions to the treasury and profit from the unpaid tax (MAGBMA, 2016, television information).
- Companies export pieces of logs of prohibited species inside containers illegally. These practices are done from the forests to the stacks at the point of export with the collaboration of the consignee agencies that have containers and machinery for shipping. The required Boarding Guide for exporting timber (Guía de Embarque) includes false species declarations and the normal exporting control process is not carried out. An example is shown by a report by technicians in compliance with Credential No. 533, dated July 16, 2019, where they found in their inspection 8 containers of the CITES listed annex II *Guibourtia tessmannii* (Bubinga). (MAGBMA, 2019).
- Companies present false specifications to reduce volumes and classification of qualities. OCIPEF does not carry out a complete, proper control due to there is no a specific delegation responsible to check and seal these specifications. Incorrect classifications are included on commercial invoices, so as to reduce taxes applicable to forest concessions. These taxes are imposed per cubic metres of timber (MAGBMA, 2016).
- Woods in the stacks without company acronyms. It is very frequent, since companies buy wood in the forests from other companies, transport it and come to put their references in the port's stacks. Which means that this wood is of doubtful origin (MAGBMA, 2017).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.16.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Companies present false specifications to reduce the volumes and the classification of the qualities
- 2) To transport illegally harvested prohibited and protected species codes are changed and instead using codes of similar species
- 3) Classification of wood for export do not follow the legal requirements
- 4) Wood in the stacks without the company's logo—wood from unclear origin

1.16.7. Control Measures and Verifiers

Review documents and verify (to be checked during onsite verification):

- Review the following trade and transport documents and cross-check information to verify that information on species, quantities and qualities match, and no prohibited species are listed:

- a) Wood classification sheet
 - b) Transport delivery notes
 - c) Commercial invoices
 - d) Transport guide
 - e) Delivery note
 - f) Forest Management Plan or Harvesting Permit
- Verify that products to be purchased correspond with the information provided in documents.

Onsite verification:

- Visit the logging site to observe what species and quantities were harvested and compare with the information on the documents mentioned above.
- Visit customs site to check if wood stackers have company's logo

Consult:

- Interview the different parties involved (forestry companies, customs agents, the consignee agency, inspectors of OCIPEF) on the processes applicable to the classification of wood and transportation.

Conduct targeted timber testing: (on samples of purchased material to verify the species or origin of timber). See Preferred by Nature's [Thematic article No 1 on Timber Testing Techniques](#)

1.17. Trade and Transport

All required trading permits shall exist as well as legally required transport document which accompanies transport of wood from the forest operation. Risk relates to the issuing of documents permitting the removal of timber from the harvesting site (e.g. legally required removal passes, waybills, timber tags). In countries with high levels of corruption, these documents are often falsified or obtained by using bribery. In cases of illegal logging, transport documents from sites other than the actual harvesting site are often provided as a fake proof of legality with the harvested material.

1.17.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests Articles 65, 66, 67 and 68. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests; or the regulation that implements the Forest Law No. 1/1997. Articles 70, 71, 72, 73, 74 and 75. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Ministerial Order No. 1/2011, dated 13 April, which regulates the use of chainsaws in logging activities in the forests of Equatorial Guinea. Articles 9, 10.

1.17.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment. General Directorate of Forest Protection and Forest Guards.

1.17.3. Legally Required Documents or Records

- Major or minor transport guide;
- Application addressed to the Director General of Forest Harvesting and Timber Commercialization within the insular region; or to the Regional Delegation of the responsible ministry for the continental region; transport will be specified in the request;
- User check book;
- Proof of entry to the public treasury with the rate corresponding for the transport of forest products.

1.17.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017a). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Bata Regional Delegation with exit N 174/2017, on 1 November 2017.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017b). Informe de la Comisión verificadora del transporte nocturno que practica la empresa CHILBO S.L en la Autovía, dirigido al Primer Ministro. Available from the Prime Minister's office and from the Regional Delegation of the Ministry in Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2017c). Informe resumido de las Inspecciones forestales de un trimestre, dirigido al Ministro titular. Available from the Ministry Secretary and from the Regional Delegation of the Ministry in Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018). Copias de Guías preparadas para el transporte de madera. Available from the Bata Regional Delegation, in the Economy section.

Non-Government Sources

- ONG ANDEGE (2010). Estudio del impacto de la explotación forestal por las motosierras clandestinas para redactar un Decreto Presidencial de atenuación en Guinea Ecuatorial. Available at ANDEGE and at IUCN:
https://cmsdata.iucn.org/downloads/andege_informe_microsubvencion_motosierras_2009.pdf

1.17.5. Risk Determination

Overview of Legal Requirements

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests. Article 65. All transport of forest products within the country must be duly authorized and obligatorily registered using a controlled transport guide (Guía de Transporte), indicating the place of origin and destination and, possibly the intermediate points, without

prejudice to the controls that the forest administration may exercise at any time and place; except those destined for family or self-consumption, within the area of exploitation.

Article 66. The transport guide authorizes the transportation of the product from one place to another. The following information must be indicated in the transport guide: a) Nature of the product being transported, with indication of type, species and state (natural or transformed); b) Product owner; c) Volume or quantity transported; d) Date and time of commencement and end point of transport; e) Recipient; f) Registration of the vehicle to which it belongs.

Article 67. The transport guide must be issued in five copies, and must be distributed as follows: a) one for the forest inspector or guardian of the place of origin; b) one for the product owner; c) two for the forest inspector or guardian of the place of destination who must deliver one to the forest use section and another to OCIFE; d) one for the recipient.

Article 68. Any transported log will have registered trademarks, which indicate the species code, the order number of the piece, the indicator mark of the company and the dry seal of the forest administration.

Article 69. In order to avoid the deterioration of national roads, timber transport should preferably use an annexed system of forest roads. Eventually, and by resolution signed by the corresponding ministers, certain sections of national roads can be enabled for heavy forest transport.

Article 71. For the safety of people and property as well as prevention of risks, traffic accidents and the deterioration of national roads, logging trucks and heavy machines must follow the following rules:

- a. Timber trucks with loaded trailers must be preceded by a pilot car with a minimum distance of 300 m and a maximum distance of 500 m between them, the pilot car shall clearly indicate on a sign placed on the cabin the number of trucks included in the caravan, which should not exceed seven.
 - b. The maximum speed of all the vehicles in a caravan shall not exceed 50 km per hour and 25 km per hour in populated areas.
 - c. The movement of timber trucks is restricted to the hours between 6:00 a.m. and 6:00 p.m.
 - d. Timber trucks cannot be used for public services.
 - e. The maximum authorized speed for tyre tractors on public roads is 20 km per hour. The transport of heavy track machinery will be carried out by means of a platform with signalling.
 - f. In the case of river transport, the logs must be held by cables or ropes or on special ferries. Logs transported by flotation must be clearly identifiable and night transport is prohibited.
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.

Article 70. For the purposes of this regulation, forest transport refers to the transfer of wild flora products from their place of extraction, or from the intermediate processing stockpile, to their destination. Forest transport includes movement by land, water and air; it is defined as either: major transport, carried out by forestry companies; and minor transportation, carried by small users.

Article 71. The guide authorizing the transport of forest products under article 66 of the Forestry Law. This is presented in the form of check books for a total of 15 authorized major transports. Each covers the transport of wood from a single logging truck, or any timber conveyor from its point of origin to its unloading at the point of destination, or from the point of change of transport to its destination. The major transport guide books will be prepared by the users themselves, in accordance with the attached model.

Article 72. Major transport carried out by forestry companies within the limits of their area of exploitation is not subject to guidance or authorization.

Article 73. Apart from the information provided for in article 66 of the Forestry Law, the following information should be included as complementary in the guide for major transport (Guia de Transporte mayor): a) Means and routes of transport; b) Date of granting and expiration of the guide; c) Approval of the forestry agent highlighted in the area of exploitation, at in the industry facilities, or at any other starting point and destination of the product; d) Guide transport number; e) Registration number of each log.

Article 74. The major transportation guide, following payment to the public treasury is signed by the chief of the forest exploitation section, after approval from the Director General of Forest Harvesting and Timber Commercialization, or the Regional Delegation of the responsible ministry in the case of the insular or continental region respectively, stamped on the request of the interested party.

Article 75. In order to obtain the major transport guide, the interested party must meet the following requirements: a) Request addressed to the Director General of Forest Harvesting and Timber Commercialization in the case of the insular region; or to the Regional Delegation of the responsible ministry for the continental region; the means of transport will be specified in the request; b) User check book; c) Proof of payment to the public treasury of the rate corresponding to the major transport of forest products (5,000 CFA francs per check book). For river transport for which logs are held by cables or ropes, the transport company will enter the sum of 5,000 CFA francs per month, per frame.

- Ministerial Order No. 1/2011, dated 13 April, regulates the use of chainsaws in the logging activities in the forests of Equatorial Guinea. Article 9 states that use of guides for the transport of wood on national roads is mandatory; with this requested at the headquarters of the responsible ministry for forest resources or at its regional or provincial equivalent.
- Article 10 states that the absence of wood transport guides on national roads will be sanctioned with fines, ranging from 150,000 to 200,000 CFA francs, depending on the case.

Description of Risk

Risks related to the legal framework and business practice:

- The land and river transportation guide is obtained legally in the authority issuing the transportation guide. However, a common practice is that beneficiaries transfer them to other users, which is prohibited. The beneficiaries use the transport guide multiple times at different points of transport, which is prohibited. The beneficiaries also use the transport guide at night transport which is prohibited (MAGBMA, 2017a and 2017b; ANDEGE, 2010).
- Companies do not request for guides with five-page user books required by law, which they must reproduce in the printing press. They prepare a single sheet to avoid the distribution of these sheets in corresponding sections for control; (one for the inspector of the place of origin, one for the owner of the product, one for the harvesting section, one for the OCIEF section, and one for the recipient). fill in all the required information is not always completed, for example: the species, volume or quantity transported, date and time of commencement, and end of transport, and approval of the forestry agent in charge of the area of exploitation, in the industry, or in any other starting point and destination of the product. Not all transported logs have the codes of the species, the order number of the piece, the brand of the company and the dry seal of the administration (MAGBMA, 2017a, 2018).
- Night transport on paved roads without transport guides takes advantage of the absence of controlling agents. If logging has occurred illegally there are no transport documents (transport guide) from harvest sites to the destination, this is because logs are transport at night to avoid forest authorities. Illegal timber is often transported in containers, rather than in timber trucks, they also use paved roads instead of forest roads, (MAGBMA, 2017a, 2017b and 2017c).
- Transporting wood without a transport guide. The law stipulates that the wood transport guide is mandatory on national roads, and is requested at the headquarters of the ministry responsible for forest resources, or at its regional and provincial delegations of the same ministerial department. Business persons or other entities go with the timber from the province where the felling has been carried out to the destination, preferring to bribe any designated agent or control points they find in their way. (MAGBMA, 2017a, 2017b and 2017c).
- Use of expired guides and the repeated use of a guide which lack the required information, and pay bribes to the controlling agents (MAGBMA, 2017a, 2017b and 2017c).
- The transport of wood is often carried outside the hours stipulated in the law. Reports show illegal night transport is common, in order to transport of protected species, transport without the required documentation, this increases the risks of accidents (MAGBMA, 2014).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.17.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Change of information in the Transport guide during transport – required information is altered (species, volume or quantity transported, date and time of commencement)
- 2) Transport of wood without transport guide in illegal logging zones and bribe the controlling agents
- 3) Use of expired transport guides and repeated use of a guide when there is a lack of all the required information and to bribe the controlling agents

1.17.7. Control Measures and Verifiers

Review documents and verify (to be checked during onsite verification):

- Review transport guide and verify that all information is provided and valid as required
- Review technical reports (either Forest Administration or in the OCIFE) on inspections of wood transport performed.
- Verify that all copies of Transport Guides are identical at:
 - Forest Administration- Harvesting Section (Sección de Aprovechamiento) and
 - Economic Section (Sección Económica)
 - OCIFE
 - Receiver of logs

Onsite verification:

- Visit of checkpoint used to control transport, to verify the transport information of a truck. Compared that to what is legally required.

Consult:

- Interviews with the different parties involved (entrepreneurs, control agents at forest barriers, in harvesting sections, and marketing of timber) on company's compliance with legal requirements to transport wood

1.18. Offshore Trading and Transfer Pricing

Legislation regulating offshore trading. Offshore trading with related companies placed in tax havens combined with artificial transfer prices is a well-known way to avoid payment of legally prescribed taxes and fees to the country of harvest and considered as an important generator of funds that can be used for payment of bribery and black money to the forest operation and personnel involved in the harvesting operation. Many countries have established legislation covering transfer pricing and offshore trading. It should be noted only transfer pricing and offshore trading as far as it is legally prohibited in the country can be included here. Risk relates to situations when products are sold out of the country for prices that are significantly lower than market value and then sold to the next link in the supply chain for market prices, which is often a clear indicator of tax laundry. Commonly, the products are not physically transferred to the trading company.

1.18.1. Applicable Laws and Regulations

Not applicable. There is no legislation on Offshore Trading and Transfer Pricing.

1.19. Custom Regulations

Custom legislation covering areas such as export/import licenses, export bans, product classification (codes, quantities, qualities and species).

1.19.1. Applicable Laws and Regulations

- Decree No. 61/2007, dated 13 September, amending certain articles of Decree No. 97/1997, dated 12 August, for the approval of regulations for the application of the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Article 81 Prohibits the export of roundwood Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC199368>
- Decree No. 182/2018, dated 27 November, which prohibits the export of roundwood in the Republic of Equatorial Guinea, Article 1. Available at: <https://minhacienda-gob.com/wp-content/uploads/2020/06/MATERIA-FORESTAL.pdf>
- Decree No. 93/2020, dated 26 of October, which authorises, due to special circumstances, the exportation of roundwood in the Republic of Equatorial Guinea. Available at: <https://www.guineaecuatorialpress.com/noticias/Decreto%20que%20autoriza%20la%20exportaci%C3%B3n%20de%20madera%20en%20rollo>
- Ministerial Order No. 1/2019, dated 24 May, laying down additional rules for the export of wood processed by forestry companies. Articles 1, 2, 3, 4, 5.
- Ministerial Note No. 802/15 Details of the Attributions of the different Sections of the General Directorate of Forests and Reforestation.
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Articles 79, 85, 88, 90 and 91. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree Law No. 13/1980, dated 23 July, on Income and Customs Tariff in Equatorial Guinea. Articles 1, 4, 16(d), 18 and Supplementary Rules Chapter II, on export tariff rates. Available at: <http://www.droit-afrique.com/upload/doc/guinee-equatoriale/GE-Decret-loi-1980-tarifs-douaniers-ESP.pdf>
- Decree Law No. 1/1986, dated 10 February, which approves the tax system of the Republic of Equatorial Guinea and refers to the different taxes on export timber contained in the single letter (la Carta Única) and the modifications and updates thereof.
- Law No. 2/2007, dated 16 May, defines new tax rates and parafiscal levies in the Republic of Equatorial Guinea. Available at: https://leydeguinea.files.wordpress.com/2014/08/014_ley-2-2007-tasas-fiscales.pdf
- Law No. 10/2017, dated 20 November (Law No. 2/2007 dated 16 May was derogated by Law No. 10/2017 dated 20 November; however, the fees regarding the forest sector are

not included in the new law, and, as a result, the previous fees indicated in law N°2/2007 are still applied. Article 38. Available at:

<https://www.guineaecuatorialpress.com/pdf/LeydeTasasFiscales.pdf>

- Decree No. 50/1995, dated 22 July regulating the official export prices of roundwood in Equatorial Guinea. Article 2.

1.19.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment (Section of OCIEPEF and Section of Forest Governance).
- Ministry of Finance, Economy and Planning (Customs).

1.19.3. Legally Required Documents or Records

- Commercial invoice
- Packing list
- Certificate of Origin
- Bill of Lading (Obtained in the country of destination)
- Phytosanitary certificate (if applicable)
- Export license for processed wood, valid. and renewable annually (Law No. 10/2017)
- Shipping Guide (Guía de Embarque) issued by OCIEPEF (it is issued once its application dossier is processed and payment has been made for the corresponding fees).
- Application for boarding permits approved signed by: 1) Customs, 2) Port Administration and 3) Regional Delegation of the Ministry for Agriculture, Livestock, Forests and the Environment (Forest Governance Section).
- Control Act Loading Containers with Processed Wood in Port (Acta de Control de Carga de Contenedores con Madera Transformada en Puerto), with relevant documents signed by:
 1. OCIEPEF (Shipping Agency)
 2. Port Police Body
 3. National Security Body, Administration of the Port of Bata
 4. Customs (Export Section) and
 5. Consignee Agency of the Port of Bata (IMAGE SA).
- Shipment manifest (Manifiesto de Embarque), signed by
 1. Customs Administration (Head of export and main administrator)
 2. Captain of the ship
 3. Consignee Agency (IMAGE SA).
- Price list annexed to Decree No. 50/1995 dated 22 July, regulating the official export prices of roundwood in Equatorial Guinea.

1.19.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2018a). Informes de los embarques. Available in the OCIFEPEF Section, port of Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018b). Informes de certificados de origen y legalidad de la madera a embarcar. Available from the Forest Governance Section at the Regional Delegation in Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018c). Informes de Recubricación y Clasificación de la madera a embarcar. Available from the OCIFEPEF Section, port of Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018d). Informes sobre albaranes de madera transportada. Available in the Forest Nursery Section at the Regional Delegation in Bata. Ministry for Agriculture, Livestock, Forests and Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Bata Regional Delegation with exit N 174/2017, on 1 November 2017.
- Ministry for Agriculture, Livestock, Forests and the Environment (2019). Informes de Estadísticas forestales primer semestre de 2019. Available from the forest statistics section at the Regional Delegation in Bata.

Non-Government Sources

Not available.

1.19.5. Risk Determination

Overview of Legal Requirements

- Decree No. 182/2018, dated 27 November, which prohibits the export of roundwood (logs) in the Republic of Equatorial Guinea. Article 1: The export of roundwood in the Republic of Equatorial Guinea is prohibited due to the need for wood to be processed within the national territory to promote industrialization. Since 1 January 2019, only processed wood may be exported. **This was repealed by the Decree No. 93/2020**, dated 26 of October 2020, which authorises, due to special circumstances (COVID-19 global pandemic), the exportation of roundwood in the Republic of Equatorial Guinea.
- Ministerial Order No. 1/2019, dated 24 May, laying down additional rules for the export of wood processed by forestry companies: In order to prevent certain companies from breaking the law and exporting roundwood of prohibited species and other species in containers, additional rules are issued for the export of wood processed by forestry companies.

In this way, containers must be filled at the port itself and not at the factory, in the presence of the inspectors designated for such shipment.

The organisations/ official bodies present during the loading of the container and who sign documents relating to the Control Act Loading Containers with Processed Wood in Port (Acta de Control de Carga de Contenedores con Madera Transformada in Puerto) are:

- one representative of the exporting company
- one representative of MAGBMA
- a representative of Customs (Export Section)
- one representative of the Ministry of National Security
- one representative of the Port Commission
- one representative of OCIPEF (Shipping Agency)
- Administration of the Port of Bata
- Shipping Agency of the Port of Bata (IMAGE SA).

A shipment cannot be started if the inspectors do not have the Shipping Guide (Guía de Embarque) and the corresponding specifications of the wood consignment to be shipped. The merchandise must be presented in bags or packages, clearly stating the following technical information: the measurements, the code, the number of the package, the initials of the company that owns the merchandise, and the code of origin. The exporting company must submit to the Director General of Forest Harvesting and Timber Commercialization (Dirección General de Explotación e industrialización Forestal) and the OCIPEF, the commercial invoice and the specification, within a period not exceeding two weeks, in order to carry out the corresponding technical/ administrative verification operations.

- Ministerial Note No. 802/15: Details of the Atributions of the different Sections of the General Directorate of Forests and Reforestation. To avoid overlapping functions, the different attributions assigned to each of the sections of the General Directorate of Forests and Reforestation are specified in this Ministerial Note. With respect to exports, the attributions are distributed among the following sections, to which the Director General of Forestry and Reforestation delegates his signature: 1) Forestry Governance Section: To draft the National Certificates of Origin for the export of wood and non-wood forest products according to the legality matrix; and 2) Section of OCIPEF (Office of Control, Information and Promotion of Forest Species).

NOTE: The Forest Governance Section issues Certificates of Origin signed by the responsible Minister, after verification of all documentation concerning the forest from where the company has extracted the timber, this includes: the authorization of the establishment of the company, Harvesting permit, transport guide, boarding guide (specification of the wood, commercial invoice, liquidation and proof of income to the bank), submission D48 form, tax solvency, export license, measurement certificate, map of the forest, phytosanitary certificate, shipping manifest.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.

Article 85. Tax obligations in the purchase and sale of forest products which apply to transactions in internal markets and businesses. The transfer of logs, crafted products, or other forest products, go through quality control in accordance with international standards applied in the region and officially adopted by the African Timber Organization. For this purpose, any individual who proceeds to sell on the domestic

market (“venta playa”) forest products from their property or from their legitimate possession, must proceed to a previous declaration to the OCIFE, for purposes of control and classification.

Article 88. The classification of wood as established in Article 79 of the Forestry Law, the most important principles of the classification rules are applied as described. Refer to the original texts adopted by the International Tropical Timber Technical Association (ATITB) and the International African Tropical Sawn Timber Association (SATA) as a reference: (a) rules for various roundwood, (b) rules for the okoume and ozigo in logs, (c) rules for sawn timber and (d) for plywood.

Article 90. Wood destined for local consumption or commercialization, whose classification is not clearly established by the mechanisms provided in article 88 of the regulations. In addition to the classification of wood quality, this will also be classified according to its potential use, which the forestry administration will establish a list of species based on the following classification:

- Class I: Species suitable for fine woodwork, musical instruments and fine veneers.
- Class II: Species suitable for carpentry work in general, doors, windows, mouldings, floors, beams, plywood, formwork, parquet etc.
- Class III: Species suitable for secondary uses, such as fibre and particle board, pulp and paper, charcoal, posts, fences etc.
- Class IV: Species that have no known use and market demand.

Article 91. Wood will only be exported following its class I-IV (See 1.16. Classification of Species, Quantities, Qualities) including the quality of the product and the group of species to which it belongs; these characteristics must appear on shipping guides and on the corresponding invoices. This activity is carried out by the OCIFE section.

Article 92.- Invoicing prices of wood for export should be in accordance with the prices of the region; in any case the invoicing price should be the FOB price, duly controlled by OCIFE.

- Decree No. 61/2007, dated 13 September, amending certain articles of Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Article 81.

Article 81. In order to guarantee industrial processing, the beneficiaries of Forest Harvesting Lease Agreement (CAAF), are obliged to process 100% of their total production. During the transition period export of roundwood is banned as of January 2008. This was repealed by the Decree No. 93/2020, dated 26 of October 2020, which authorises, due to special circumstances (COVID-19 global pandemic), the exportation of roundwood in the Republic of Equatorial Guinea.

- Decree Law No. 13/1980, dated 23 July, on Income and Customs Tariff in Equatorial Guinea. Article 1. Tariff duties are those that encumber the entry and exit of sales into

the national territory, in accordance with the requirements of this law and complementary provisions that are dictated for its development.

Article 4. Items are subject to this tax, the import and export of merchandise in the national territory, whatever the purpose for the individual who carries it out, even if this is the State itself, without other exemptions or bonuses that are pre-seen in the law.

Article 10. c) the value of customs for export shall be FOB in port or exit point. For products that have set the minimum export price, this will be considered as customs value for this purpose.

Article 16. d) -The liquidation of the tariff rights regarding commercial expeditions begin with the tax declaration that the taxpayer present accompanied by the conditioning elements of the operation, which are :

1. For importing: - Bill of lading, consignment note or document proving the consignment; -Declaration of Importing that authorizes the operation - Bank receipt of the deposit or guarantee of the statutory enforceable rights; -Proof of the costs of transport, insurance, and any other expense related to Importing.
2. For Exportation: -Commercial Invoice; -Declaration of Export that authorizes the operation; -Bank receipt of the deposit or guarantee of the statutory enforceable rights; -Proof of the costs of internal and other transport had on the occasion of export.

Article 18. The payment of debts settled by customs will be made in the account, under the concept of revenue and customs taxes, this will be opened by the public treasury in the bank of Equatorial Guinea. It is not authorized to lift merchandise for import or export without the interested party had present to customs, the bank receipt evidencing their corresponding payment.

- Law No. 10/2017 dated 20 November, by which Law No. 2/2007 dated 16 May, is revised and updated; and by which new tax rates are established and parafiscal levies are defined.

Article 38 states that (except for the provisions of the previous Article), payment of taxes will be required, with rates according to the following rate table: export of roundwood, first consignment: 25% of FOB price; and renewal 500,000 CFA francs annually. For processed wood, 0.5% of FOB price.

- For the sale of forest products, companies rely on Decree No. 50/1995 dated on 22 July, regulating the official export prices of roundwood in Equatorial Guinea. With these prices the taxable value of the export wood is determined, which depends on the rate law included below.

Taxes/fees for the Export of Wood ("Carta Única")			
No.	Concept	Roundwood	Processed wood
A	Export rate of roundwood and processed wood	14%	8%

1	Customs Tariff (exit fee)	14%	8%
2	Export License Fee	0.5%	0.3%
3	Official Agricultural and Forestry Chamber rate for roundwood	0.5%	0%
B	Forest Fees	4.25%	0%
4	Harvested tree	2%	0%
5	Reforestation	1%	0%
6	Forest roads	1.25%	0
C	OCIPEF Fee	1.25%	1%
D	Fixed fees (roundwood and processed)	325 CFA francs/m ³	
7	Port Administrative Commission	300 CFA francs/m ³	
8	Boarding Guide	10 CFA francs/m ³	
9	Phytosanitary certificate	10 CFA francs/m ³	
10	Transport guide	2 CFA francs/m ³	
11	EUR-1	3 CFA francs/m ³	

Description of Risk

NOTE: Decree No. 93/2020 is recently put into force and this Risk Assessment does not take the authorization to export roundwood into account while evaluating the risks. The description below states the risks related to roundwood exported prior to this Decree, while Decree No. 182/2018, dated 27 November 2018, which prohibits the export of roundwood was still valid.

- The classification of wood for export is not completely carried out as stipulated in Article 88 on ATIB and SATA of Decree No. 7/1997. Technicians do not use the appropriate score for classification because employers are known to bribe to minimum qualities (MAGBMA, 2018C).
- The classification of species is outdated, there are many current species which use was not previously known, and which are classified under a wrong class. Their usage is now known, as a result they need to be changed to their specific class, however this has not been done (MAGBMA, 2018a and 2018d).
- There are false classifications of wood for export that Companies use to reduce their quality in order to pay less taxes (MAGBMA, 2018C).

- The export of roundwood has occurred despite its ban in place between 2018- October 2020. The ban on roundwood was not respected, there were still special export authorizations for roundwood (MAGBMA, 2018a and 2019). During the consultation with interested parties, it was confirmed that the companies put roundwood in containers, hidden by transformed wood and thus the roundwood inside the container goes unnoticed.
- Illegal harvested material is exported without valid documentation, often in containers without the consent of the forest administration. They legally declare a reduced number of containers and ship more than is legally declared (MAGBMA, 2018a, 2018C and 2018d).
- Export of wood without a Certificate of Origin, when wood is harvested from a doubtful origin, the controllers, who must verify all the required documentation, are bribed (MAGBMA, 2018a, 2018b, 2018C and 2018d).
- Article 2 of Decree No. 50/1995, dated 22 July, states that official export prices will be reviewed every six months, according to the behaviour of the international market; however, at the time of writing, this has not yet been implemented (MAGBMA, 2018a).
- The official price list is limited to 80 species; companies export other species that are not listed and, for export of such unlisted species, the lowest price is used. In addition, there are no official prices for transformed products (for example, plywood) (MAGBMA, 2018a).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.19.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Illegal export without documentation or the approval of the forest administration
- 2) Illegal export of roundwood (valid for logs exported prior to 26 October, 2020)
- 3) Illegal export of roundwood logs from prohibited species

1.19.7. Control Measures and Verifiers

1) Illegal export without documentation or the approval of the forest administration

Review documents and verify (to be checked during onsite verification):

- Verify that export company holds a valid Export License.
- Verify Control Act Loading Containers with Processed Wood is valid and signed by following authorities;
 1. OCIPEF (Shipping Agency),
 2. Port Police Body,
 3. National security Body, Administration of the Port of Bata,
 4. Customs (Export Section),
 5. Consignee Agency of the Port of Bata (IMAGE SA).

- Verify that there is a valid Shipping Guide by OCIPEF. And revise the application dossier to ensure required application process is fulfilled.
- Verify receipt of the payment of customs fees, and fees related to exporting timber.
- Verify the Application for boarding permits have been submitted and approved by the following authorities;
 1. Customs,
 2. Port Administration and;
 3. Regional Delegation of the MAGBMA (Forest Governance Section)
- Verify that the commercial invoice and the specification has been submitted to DGEFIM within a period not exceeding two weeks after export
- Verify the shipment manifest (Manifiesto de Embarque), signed by
 1. Customs Administration (Head of export and main administrator),
 2. Captain of the ship,
 3. Consignatory Agency (IMAGE SA).
- Compare information included in the delivery notes/transport documents against the volume measurement (re-cubage) conducted at the port of landing, as well as review the technical reports on the relocation and classification of wood.
- Compare information indicated in all required documents for exporting (Shipping Guide information versus commercial invoices, bill of lading, packing list) to verify information about species, quantities (in tonnes and volume), product type match in all of them.

Onsite verification:

- Participate in the loading of the containers and observe the procedure. Verify that all required bodies are present:
 1. one representative of the exporting company
 2. one representative of MAGBMA
 3. a representative of Customs (Export Section)
 4. one representative of the Ministry of National Security
 5. one representative of the Port Commission
 6. one representative of OCIPEF (Shipping Agency)
 7. Administration of the Port of Bata
 8. Shipping Agency of the Port of Bata (IMAGE SA).
- Check the procedure for processed wood products: merchandise must be presented in bags or packages, clearly stating the following technical information: the measurements, the code, the number of the package, the initials of the company that owns the merchandise, and the code of origin.

2) Illegal export of roundwood (valid for logs exported prior to 26 October, 2020)

Review documents and verify (to be checked during onsite verification):

- Verify that the following export documents do not include roundwood:
 - a) Commercial invoice
 - b) Packing list
 - c) Certificate of Origin
 - d) Bill of Lading
 - e) Shipping Guide

3) Illegal export of roundwood logs from prohibited species

- Do not export/import prohibited species from Eq. Guinea.

1.20. CITES

CITES permits (the Convention on International Trade in Endangered Species of Wild Fauna and Flora, also known as the Washington Convention). Note that the indicator relates to legislation existing for the area under assessment (and not e.g., the area from which CITES species are imported).

1.20.1. Applicable Laws and Regulations

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Article 60, 62. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>
- Decree No. 172/2005, dated 8 September, which regulates the trade in endangered species of wild fauna and flora in the Republic of Equatorial Guinea. Articles 4 and 7. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg167144.pdf>
- Law No. 7/2003, regulating the environment; catalogue of threatened species. articles 38 and 39. Available at: <http://extwprlegs1.fao.org/docs/pdf/mul45449.pdf>
- CITES Convention. Articles 2, 3 and 4 on the description and regulation of Appendix I and Appendix II. Available at: <https://cites.org/eng/disc/text.php>

1.20.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment.

1.20.3. Legally Required Documents or Records

- Report from the Scientific Authority on the evaluation of the species;
- Special authorizations;
- CITES certificate signed by the administrative authority.

1.20.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informes sobre la empresa PONDO S.L. Available from the Regional Delegation in Bata.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018). Informes de certificados de origen y legalidad de la madera a embarcar. Available from the Forest Governance Section at the Regional Delegation in Bata.
- CITES (2018). Cupos de exportación de especies por país. Available at: <https://www.cites.org/esp/cms/index.php/component/cp/country/GQ>
- Ministry for Agriculture, Livestock, Forests and the Environment (2019). Copias de Certificados CITES. Available from the Forest Governance Section in Bata.

Non-Government Sources

Not available.

1.20.5. Risk Determination

Overview of Legal Requirements

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.

Article 60. Due to its artisanal value or its rarity in the national territory, the logging of the species oveng (bubinga) or Guibourtia tessmannii, envila (ebano) or Diospyros crassiflora and nsonso (wengue) or Millettia laurentii, requires special authorization granted by the responsible ministry; with export of logs or sawn timber of these species being totally prohibited.

Article 62. To ensure sustainable use, trees from which non-timber commercial products are extracted cannot be used, as in the case of; biasa (Prunus africana) or trees that support plants that produce non-timber species; as in the case of topoto (black pepper).

- Decree No. 172/2005, dated 8 September, which regulates trade in endangered species of wild fauna and flora in the Republic of Equatorial Guinea. Article 4. Scientific authority and administrative authority.

Article 7. Appendix II contains the species whose trade is carried out under annual quotas.

Description of Risk

- The species Guibourtia tessmannii, Diospyros crassiflora, Millettia laurentii and Prunus africana are found in CITES Appendix II. Harvesting of these species should be carried out with special authorization granted by the responsible ministry. However, this is not always done and the timber may be marketed without special authorization (MAGBMA, 2017).
- National legislation prohibits the export of some species found in Appendix II of CITES, however these species are known to be exported illegally and with CITES Certificates. For example Guibourtia tessmannii, which recently seized containers in Bata, and are located in the port of Bata (MAGBMA, 2018 and 2019).
- The exploitation of these species is illegal, without documents or evaluation of their availability. CITES certificates are granted without availability assessment and without annual quotas (CITES Quota Database on the CITES website).
- The export of all the species mentioned in the first paragraph is prohibited both in logs and sawn timber; however, illegal exports are made in containers with the CITES certificate, signed by the CITES administrative authority (MAGBMA, 2018 and 2019).

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.20.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Species *Guibourtia tessmannii*, *Diospyros crassiflora*, *Milletia laurentii* and *Prunus africana* are exported with CITES certificate despite national export ban
- 2) CITES certificates are granted without availability assessment and without annual quotas

1.20.7. Control Measures and Verifiers

- 1) **Species *Guibourtia tessmannii*, *Diospyros crassiflora*, *Milletia laurentii* and *Prunus africana* are exported with CITES certificate despite national export ban**

Do not buy species *Guibourtia tessmannii*, *Diospyros crassiflora*, *Milletia laurentii* and *Prunus Africana* regardless the permit.

Conduct targeted timber testing: (on samples of purchased material to verify that above mentioned species are mixed into the products sourced, or substituting the species declared in trade documents). See Preferred by Natures [Thematic article No 1 on Timber Testing Techniques](#)

Review documents and verify (to be checked during onsite verification):

- Verify CITES certificate to check if prohibited species are not included
- All cross border-trade of CITES-listed species shall be documented and accompanied by the certificates issued by competent authorities (CITES Management Authorities), as well as correctly classified (type, HS custom code, species, quantities, qualities, etc.). Information (species, quantity, date, etc) on the Shipping Guide shall match the commercial invoice, packing list and phytosanitary certificate (if applicable).

Consult:

- Interview with different parties involved (businessmen, stack control agents, shipping brigades, customs, consignee agency, port administration) to check if forbidden species were not exported

- 2) **CITES certificates are granted without availability assessment and without annual quotas**

- **Avoid importing CITES species from Eq. Guinea.** CITES Conference of the Parties and the Standing Committee recommends to suspend trade of CITES species from the country.
- The annual quota for CITES protected species is not developed as required, thus it is not possible to verify if permits for CITES do not exceed those limits.

1.21. Legislation Requiring Due Diligence/Due Care Procedures

Legislation covering due diligence/due care procedures, including e.g., due diligence/due care systems, declaration obligations, and/or the keeping of trade-related documents, legislation establishing procedures to prevent trade in illegally harvested timber and products derived from such timber, etc.

1.21.1. Applicable Laws and Regulations

Not applicable. There is no legislation on Due Diligence/Due Care Procedures.

PROCESSING

1.22. Legal Registration of Business

Legislation regulating the registration of businesses and approval of scope of business and processing. The risk is that companies are operating without being in conformance with legal requirements with regard to business registration (business/sawmill license, operation visas, tax payment cards, approval, etc.).

1.22.1. Applicable Laws and Regulations

- Law No.2/2015 on 28May on Legal Regime of the General State Administration
- Law No. 2/1988, dated March 25, on the regime of installation, expansion and transfer of industries in the Republic of Equatorial Guinea (Includes modifications by Law No. 8 / 2,000, dated December 6). Articles 1-17, 30, 31, 32, 46
- Law No. 16/1995, dated June 13, regulating small and medium-sized companies in the Republic of Equatorial Guinea. Articles 1, 2, 3, 7, 8, 9, 11

1.22.2. Legal Authority

- Ministry of Justice, Worship and Penitentiary Institutions.
- Ministry of Finance, Economy and Planning.
- Ministry for Agriculture, Livestock, Forests and the Environment.

1.22.3. Legally Required Documents or Records

- Tax Identification Number (N.I.F) -Register of Companies renewed annually (Ministry of Finance, Economy and Planning).
- Business Promotion Registration Act (Acta de Registro de promoción Empresarial) (Ministry of Commerce and Business Promotion)
- Certificate of registration in the Industrial Establishment Registry Book (Certificado de inscripción en el Libro de Registro de Establecimiento Industriales) indicating the activity (Ministry of Industry). Registration in the Ministry for Agriculture, Livestock, Forests and the Environment.
- Certificate of Registration of Small and Medium Enterprises (Ministry of Commerce and Business Promotion)
- License for export-import (Ministry of Commerce and Business Promotion)(In case companies would like to export)

1.22.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017). *Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017.* Available from the Bata Regional Delegation with exit N 174/2017, on 1 November 2017.

Non-Government Sources

Not available.

1.22.5. Risk Determination

Overview of Legal Requirements

According to the final product obtained, forest industries are classified into: a) First transformation, when the final product is plank, veneer, poles and similars, b) Second transformation, when the final product is board, plywood, parquet and similar; c) Third transformation, when the final product is the finish such as furniture, accessories, component elements, boxes and similars.

Provisions contained in Law No. 2 / 1.988, on the installation, expansion and transfer of industries in the Republic of Equatorial Guinea regulates the requirements for the installation of an industrial plant for the primary or secondary transformation of wood. The timber/forestry industry is included within the category of Basic Industry for the national economy, which are those that produce consumer goods for the internal and external market using mainly domestic raw materials. (Law 2/1988-Art3).

Law No. 2 / 1.988, dated March 25, on the installation, expansion and transfer of industries in the Republic of Equatorial Guinea, modified by Law No. 8 / 2.000, dated December 6, establishes the necessary requirements that must be met for the application, processing and issuance / obtaining of authorization for the Establishment of a new industry, Expansion of Industry, Transfer of Industry or Change of Activity. In general, it is indicated that new industries may not be installed, transferred or expanded existing ones without prior favorable resolution from the Ministry of Industry, Commerce and Business Promotion. Once the installation, modification or transfer of the industry has been authorized, it will be provisionally registered in the Industrial Registry. Once the facilities are completed, the corresponding Agency of the Ministry of Industries will be notified for its inspection and issuance of the Commissioning Act. Commissioning is the act of confronting the authorized project with the facilities carried out, as well as the authorization of its operation. Once the operation of the industry has been authorized, it will be definitively registered in the Industrial Registry, sending for this purpose the copy of the Commissioning Act to the corresponding General Directorate or to the Ministry of Industry, as well as the definitive registration to the Business Promotion Department.

A specific legal framework is established for Micro, Small and Medium Enterprises (SMEs). SMEs are defined as those companies whose investment level does not exceed 500 million F.Cfas. Among the SMEs, those belonging to individuals of Equatorial Guinean nationality are classified as Micro-companies, companies whose capital stock is represented by at least 51% by nationals and within which executive management functions are exercised by nationals. The application for the establishment of a Micro, Small and Medium Enterprise will be submitted to the Tutor Department of the activity to be carried out, which will proceed to the corresponding resolution. The resolution must reflect the stipulations of the type of company and sector to which it belongs.

Description of Risk

- According to forest inspection reports (MAGBMA, 2017), illegal forestry companies have been found in forests, without the documentation required by the State administration, which extract wood in forests without documentation in accordance with village councils.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not consistently upheld by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.22.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Forestry companies operating without registry documentation required by the state government, logging in forests without proper documentation from the villages' council

1.22.7. Control Measures and Verifiers

Review and verify documents:

- Verify that the companies involved in the supply chain are properly registered and authorized to conduct their activities in the country. Check these documents:
 - a. Legalization and Registration of the statutes of the company in the Notary
 - b. Tax Identification Number (NIF)
 - c. Registration in the corresponding Department (according to the company's corporate purpose)

1.23. Environmental Requirements for Processing

Legislation regulating environmental requirements for the timber processing industry, such as air quality, water and wastewater management, use of chemicals, and other requirements relevant for the environment and ecosystem services.

1.23.1. Applicable Laws and Regulations

- Law No. 7/2003, dated 27 November, regulating the environment in Equatorial Guinea. From Article 60 to Article 70, and from articles 126 to 142. Available at: http://www.vertic.org/media/National%20Legislation/Equatorial_Guinea/GQ_Ley_7-2003_Medio_Ambiente.pdf
- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea, articles 73 and 74. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqg199366.pdf>

1.23.2. Legal Authority

- Ministry for Agriculture, Livestock, Forests and the Environment.

1.23.3. Legally Required Documents or Records

- Environmental license

- Environmental impact assessment report

1.23.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017). *Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017*. Available at the Bata Regional Delegation with exit N 174/2017, on 1 November 2017.

Non-Government Sources

Not available.

1.23.5. Risk Determination

Overview of Legal Requirements

- Law No. 7/2003, dated 27 November, regulating the environment in Equatorial Guinea. Articles 60 to 70 cover the pollution of forests, soils and water which prohibits toxic waste and provides authorization for its uses, granted by the Ministry of Environment. This environmental law also provides for environmental impact assessments, granting of environmental licenses for harvesting and wood processing activities (articles 49–60), as well as environmental impact assessments, the granting of environmental licenses for specific industrial processing activities including furniture manufacturers, sawmills, producers of veneers, plywood and other types of boards and panels, with production greater than 1 tn tonne per day.(articles 126 to 139).
- Law No. 1/1997, dated 18 February, on the use and management of the forests in Equatorial Guinea. Article 73, requires that the establishment of an industrial plant for primary or secondary wood processing shall comply with the provisions contained in Law No. 2/1988, dated 25 March, on the installation, expansion and transfer of industries in the Republic of Equatorial Guinea, without prejudice to the control that the responsible ministry establishes over the raw material in coordination with other departments involved.

Article 74. With the purpose to reduce the high percentage of the waste that is currently registered in farms and forest industries of first transformation, the beneficiaries of the Forest Harvesting Lease Agreement (CAAF) will take necessary measures for the complete utilization of the wood, the project which includes the mentioned measures needs to to be submitted at the end of the first year of signing the contract of the forest concession.

Description of Risk

- Companies often develop wood processing industries without prior evaluations of the environmental impacts. Often these evaluations are not available, which implies that the company does not have environmental licenses, therefore measures to mitigate the environmental impacts such as air, water and toxic waste contamination are not undertaken (MAGBMA, 2017).
- The companies do not implement to ensure the complete utilization of wood which causes excessive wood being wasted that are often burnt increasing to air pollution (MAGBMA, 2017). This a legal violation against Law No. 1/1997, Article 74.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.23.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Installation of industries without conducting an environmental and social impact assessment, which implies the absence of an environmental license
- 2) There is an excessive waste of wood during the processing, which is burned

1.23.7. Control Measures and Verifiers

- 1) ***Installation of industries without conducting an environmental and social impact assessment, which implies the absence of an environmental license***

See indicator 1.10 Environmental requirements

- 2) ***There is an excessive waste of wood during the processing, which is burned***

Onsite verification:

- Visits to industries to observe excessive waste utilization

1.24. Processing Requirements

Legislation regulation processing of the timber processing industry, such as transformation process thresholds, location of processing, conformance of processing equipment, processing quotas, etc.

1.24.1. Applicable Laws and Regulations

- Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea, articles 35, 38, 72, 74, 75. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqq199366.pdf>
- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Articles 67 and 80. Available at: <http://extwprlegs1.fao.org/docs/pdf/eqq199366.pdf>
- Decree No. 61/2007, dated 13 September, amending certain articles of Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997. Articles 1 and 81. Available at: <http://www.fao.org/faolex/results/details/en/c/LEX-FAOC199368>
- Decree No. 182/2018, dated 27 November, prohibits the export of roundwood from the Republic of Equatorial Guinea. Article 1. Available at: <https://minhacienda-gob.com/wp-content/uploads/2020/06/MATERIA-FORESTAL.pdf>

1.24.2. Legal Authority

- Ministry of Agriculture, Livestock, Forests and the Environment.

1.24.3. Legally Required Documents or Records

- Commitment to processing. Presented in the form of a certificate issued by a notary.
- Wood transformation project to be submitted in the first year to the signing of the lease contract for logging.
- Authorization for the installation of the forestry industry.

1.24.4. Sources of Information

Government Sources

- Ministry for Agriculture, Livestock, Forests and the Environment (2017). Informe de la Comisión para la verificación del cumplimiento del Decreto Presidencial n 7/2017. Available from the Bata Regional Delegation with exit N 174/2017, on 1 November 2017.
- Ministry for Agriculture, Livestock, Forests and the Environment (2018). Informes de la section de Estadística forestal. Available from the Bata Regional Delegation.

Non-Government Sources

Not available.

1.24.5. Risk Determination

Overview of Legal Requirements

Law No. 1/1997, dated 18 February, on the Use and Management of Forests in Equatorial Guinea. Article 35, paragraph 4. Processing Commitment. It will be presented in the form of a certificate issued by a notary, in which the beneficiary of the Forest Harvesting Lease Agreement (CAAF) commits to the industrial processing of a minimum of 60% of its total production of roundwood, after the first year of the signing of the Forest Harvesting Lease Agreement (CAAF).

Article 38. The duration of the Forest Harvesting Lease Agreement (CAAF) for forest use and processing will depend on the areas to be granted as follows:

- a. Short-term: Duration of five years, renewable. Maximum area of 10,000 ha. Transformation by the owner or a third party.
- b. Medium-term: Duration of 10 years, renewable. Area between 10,001 ha and 30,000 ha. Requires an industrial plant for primary processing.
- c. Long-term: Duration of 15 years, renewable. Are between 30,001 ha and 50,000 ha. Requires an industrial plant for primary and secondary processing.
- d. Notwithstanding the fact that the company may opt for any of the three forms of the CAAF, this will be exclusive for nationals.

Article 72. In order to obtain a greater added value of forest products, to develop permanent sources of work, and increased industrial development of Equatorial Guinea, the State will promote the establishment of industrial plants for primary and secondary processing of timber and non-timber forest products.

Article 74. With the purpose to reduce the high percentage of the waste that is currently registered in the farms and forest industries of first transformation, the beneficiaries of the forest leasing utilization contracts will take necessary measures for use of the wood in totality, this project will be presented at the end of the first year of the signing of the use agreement.

Article 75. The State will promote and support the installation of small forest industries, in the rural environment, in order to generate sources of work and the supply of raw material at reasonable costs, for the construction of houses and other traditional uses.

- Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.

Article 67. Forestry companies that establish small forest industries in the rural environment with the consequent creation of jobs for these populations and execute non-contractual social works in said environment will receive support from the State.

Article 80. For the purposes of this regulation, industrial processing means the transformation of the natural state of forest products. According to the final product obtained, forest industries are classified as:

- a. First transformation, when the final product is a plank, sheet, post and the like;
 - b. Second transformation, when the final product is a board, plywood, parquet and the like;
 - c. Third transformation, when the final product is the finish as furniture, accessories, component elements, boxes and the like.
- Decree No. 61/2007, dated on September 13th, amending certain articles of Decree No. 97/1997, dated 12 August, for the approval of regulations for the Law on the Use and Management of Forests in Equatorial Guinea; or the regulation that implements the Forest Law No. 1/1997.

Article 1, Articles 2, 81 and 83 the Regulations for the Application of the Law on Forest Use and Management are amended.

Article 81. In order to guarantee industrial processing, the beneficiaries of Forest Harvesting Lease Agreement (CAAF), are obliged to process 100% of their total production. During the transition period export of roundwood is banned as of January 2008. This was repealed by the Decree No. 93/2020, dated 26 of October 2020, which authorises, due to special circumstances (COVID-19 global pandemic), the exportation of roundwood in the Republic of Equatorial Guinea.

Description of Risk

- Forestry law classifies in Article 38, the types of industries to be developed according to the area of the forest, however this often does not apply. No forest concessions should be developed without the prior establishment of either a first or second transformation

industry, however often companies operate without the development of an industry (MAGBMA, 2017).

- Decree No. 61, prohibits the export of roundwood, however it is known that exports continue illegally, including the export roundwood inside containers alongside processed wood (MAGBMA, 2018).
- Although, second transformation of wood processing occurs, third transformation is not obtained and therefore complete utilization is not undertaken as required by article 74 of the Decree No. 91/1997 (MAGBMA, 2018).
- During interviews with interested parties it is indicated that since the Forestry Law was enacted in 1997, no company has come to transform 60% of its production, nor does it promote third transformation of wood products.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.24.6. Risk Designation and Specification

National forest (Forest Concessions), Privately owned forest, Community forest – Specified:

- 1) Companies operate without development of an industry

1.24.7. Control Measures and Verifiers

Review and verify documents:

- Review forest concession application reports to see if industrialization projects are implemented.
- Review statistic reports covering forest processing industries to verify the coefficient of use of the roundwood of each company.

Onsite verification

- Visit to forest processing industries and their wood stacks to check the volume transformed and the machinery used

1.25. Health and Safety in the Timber Processing Sector

Legally required personal protective equipment for people involved in the timber processing sector.

The health and safety requirements that shall be considered relating to the processing/factory (not office work, or other activities less related to the actual processing). Risk relates to situations/areas where health and safety regulations are consistently violated to such a degree that puts the health and safety of workers at significant risk at any step of primary and secondary processing.

Please see indicator **1.11 Health and Safety**. Legislation and risks related to the processing sector are similar to what has been identified for the forest level in indicator 1.11.

1.26. Legal Employment in The Timber Processing Sector

Legal requirements for employment of personnel involved in the timber processing sector including requirement for contracts and working permits, requirements for obligatory insurances, requirements for competence certificates and other training requirements, and payment of social and income taxes withhold by employers. Furthermore, the points cover observance of minimum working age and minimum age for personnel involved in hazardous work, legislation against forced and compulsory labour, and discrimination and freedom of association. Risk relates to situations/areas where systematic or large-scale non-compliance with labour and/or employment laws. The objective is to identify where serious violations of the legal rights of workers take place, such as forced, underage or illegal labour.

Please see indicator **1.12 Legal employment**. Legislation and risks related to the processing sector are similar to what has been identified for the forest level in indicator 1.12.

Annex I. Timber source types

The table **Timber Source Types in Equatorial Guinea** identifies the different types of sources of timber it is possible to find in the country of origin.

“Timber Source Type” is a term used to describe the different legal sources of timber in a country, in order to allow a more detailed specification of risk. The Timber Source Type is used to clarify:

- which types of forest timber can be legally sourced;
- what the legal requirements are for each source type, and
- if there are risks related to certain source types and not others.

Timber Source Type can be defined by several different characteristics. It may be based on the actual type of forest (e.g., plantation or natural), or other attributes of forests such as ownership, management regimes or legal land classification. In this context Timber Source Types are defined and discerned using the following characteristics:

- Forest type**—refers to the type of forest such as plantations or natural tropical forest, or mixed temperate forest. Often the clearest differentiation is between natural forest and plantations.
- Spatial scale (Region/Area)**—relating to meaningful divisions of a nation. However, in some cases the assessment may be carried out at national level where that allows the risk assessment to establish risk at a meaningful level. e.g., a small country with uniform legislation and a uniform level of risk in all areas of the country, as national level assessment may be enough. In case there are significant differences in the legal framework or legality risks between different types of ownership (e.g., public forest, privately owned forest, industrial forest), between different types of forest (e.g., natural forest and plantations) and/or between different geographical regions the conformance risk evaluation shall specify these differences when specifying the risk and apply the appropriate control measures.
- Legal land/forest classification**—refers to the legal classification of land. Focus is on land from where timber can be sourced, and this could entail a number of different legal categories such as e.g., permanent production forest, farm land, protected areas.
- Ownership**—Ownership of land may differ in a country and could belong to the State, be private, be communal, etc. Ownership of land obviously has impacts on how land can be managed and controlled.
- Management regime**—Independently of the ownership of the land, the management of forest resources may differ between areas. Management may also be differentiated as private, state, communal or other relevant type.
- License type**—Licenses may be issued to different entities with a range of underlying requirements for the licensee. A license might be issued on a limited area, limited period of time and have other restrictions and obligations. Examples could be a concession license, harvest permit, communal forestry permit, e

TIMBER SOURCE TYPES IN EQUATORIAL GUINEA						
Forest type	Region/ Area	Legal Land Classification	Ownership	Management regime	License/Permit Type	Description of source type
Natural Forest	Privately owned forests (Continental region)	Production domain	Private	Private	<p>Harvesting permit /Title of ownership:</p> <p>It is requested by the owner of the privately owned forest to the Ministry for Agriculture, Livestock, Forests and the Environment. It is granted through a harvesting permit approved by the responsible ministry after having carried out the corresponding studies; and granted and signed by the President of the Republic. Before exploiting the forest plot or authorizing a third party to exploit it.</p> <p>To request a harvesting permit, the owner must have the title deed to the plot granted by the President of the Republic.</p>	<p>Small areas of natural or re-established forests, located within the boundaries of silvo-agricultural or rustic farms, and for which harvesting requires an authorization granted by the Forest Administration.</p> <p>The harvest can be undertaken by the forest owner, or by an authorized third party.</p>

					In case of being operated by an external company, it is also necessary to have a tree purchasing contract signed by the owner of the plot, with the approval of the Director General of Forest Harvesting and Timber Commercialization (DGEFIM), in the insular region and the Regional Delegation in the continental region. In order to obtain approval, the forest use authorization granted to the owner of the plot must first be submitted.	
	Communal forests (Continental region)	Production domain	Local community	Private /Community	Harvesting permit /Certificate of recognition of the communal forest: Harvesting permit approved by the Ministry, and granted and signed by the President of the Republic. Before being able to request permission for harvesting, the certificate of recognition of the communal forest (signed by the President of the	Natural forests or reforested areas that the State recognizes, delimits and grants in permanent use cession to rural communities. The State grants a community the permanent use of forests. A community that wishes to obtain communal forests first presents its last census to INDEFOR-AP. Then, after the area is calculated, 4 hectares per head of family , INDEFOR-AP establishes the delimitation of

					<p>Republic) must be available.</p>	<p>the proposed communal forest and sends the delimitation with the written request of the community to the Ministry for Agriculture, Livestock, Forests and the Environment Regional Delegation, who submits the title to the minister to sign (the president of the Republic must also sign).</p> <p>The community can then exploit this forest or authorize a third party to exploit it through a simple contract, signed by the president of the village council and the forestry company, with the approval of the forest administration.</p> <p>The remuneration for the right to take advantage of the wood in the communal forests is done in kind, i.e. through social works undertaken by forestry companies in the communities surrounding the concessions in the national forests. The communal forest is granted to the community permanently, but the surface of this attribution is recalculated every 10 years depending on the census, which allows the communal forest to</p>
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						expand according to the population growth of the community.
	National forests (Continental region)	Production domain	State	Private	<p>Type of permit: Forest concessions through Forest Harvesting Lease Agreement (CAAF) It is requested by the beneficiary from the Ministry of Forests to request the signature of the President of the Republic. In Article 38, of Law No. 1/1997, the CAAF model to be used, including its duration and the concessional areas are indicated as follows:</p> <p>a) Short-term: Duration of five years, renewable. Maximum area of 10,000 ha. Processing by the owner or a third party.</p> <p>b) Medium-term: Duration of 10 years, renewable. Area between 10,001 ha and 30,000 ha. An industrial plant for primary processing of the wood is required.</p>	Surfaces of natural or repopulated forests, which the State reserves for itself, being able to take advantage of directly and exclusively or through third parties with economic capacity for the extraction, processing and export of wood.

					<p>c) Long-term: Duration of 15 years, renewable. Are between 30,001 ha and 50,000 ha. Requires an industrial plant for primary and secondary processing.</p> <p>d) Notwithstanding the fact that any of the above three options of the Forest Harvesting Lease Agreement for forest use may be chosen, this is exclusive to nationals.</p>	
	<p>Conservation and protection forests (continental and island regions)</p>	<p>Protected areas</p>	<p>State</p>	<p>Conservation or Protection domain (National Parks, Scientific Reserves, Natural Reserves, Natural Monuments)</p>	<p>Type of permit: Management plan of the protected area, for its preparation, INDEFOR and its partners make different biological, socio-economic, cartographic and topographic studies, zoning of the area, objectives and actions to be implemented in a period of 5 years. The document is prepared, technically and politically validated and applied.</p>	<p>Forestry companies no longer operate within protected areas in order to ensure "the conservation of flora, soil and water, with the objective of protecting land, road infrastructure, villages, as well as guaranteeing the use of water for human consumption, agricultural and industrial". (Art. 15- Law No. 1/1997).</p>

Annex II. List of key terms in English and Spanish

Source types:

- Communal forest - Bosque communal
- National forest - Bosque nacional
- Privately owned forest - Parcela forestal

Documents:

Privately owned forest:

- Harvesting permit - Autorización de Apeo
- Property title for privately owned forests – Título de propiedad para las parcelas forestales
- Tree purchasing contract - Contrato de Compra de árboles

Communal forests:

- Certificate of recognition of the communal forest - Certificado de Reconocimiento de Bosque Comunal
- Harvesting permit - Autorización de Apeo
- Tree purchasing contract - Contrato de compra de madera en el bosque communal

National forest:

- Forest Harvesting Lease Agreement - Contrato de Arrendamiento por Aprovechamiento Forestal (CAAF)
- Measurement certificate (forest delimitation certificate) - Certificado de medición.

General:

- Application for boarding permits – Solicitud de Autorizaciones de embarque
- Bill of Lading - Conocimiento de embarque marítimo
- Business Promotion Registration Act - Acta de Registro de promoción Empresarial
- Certificate of Origin - Certificado de Origen
- Certificate of registration in the Industrial Establishment Registry Book - Certificado de inscripción en el Libro de Registro de Establecimiento Industriales)
- Certificate of Registration of Small and Medium Enterprises - Certificado de registro de pequeñas y medianas empresas
- Commercial invoice - Factura comercial
- Control Act Loading Containers with Processed Wood in Port - Acta de Control de Carga de Contenedores con Madera Transformada en Puerto
- Employment Contract - Contrato de Trabajo
- Environmental Impact Assessment - Evaluación de Impacto Ambiental
- Environmental impact assessment report - Informe de Evaluación de Impactos Ambientales
- Environmental license - Licencia Medioambiental
- Export license for processed wood, valid. and renewable annually-Licencia exportación para madera transformada válida y renovable anualmente
- Forest management plan - Plan de Manejo Forestal
- Forest tax solvency - Solvencia Tributaria forestal

- License for export-import - Licencia Importación/Exportación
- Minimum Tax Fee - Cuota Mínima Fiscal (CMF)
- Personal Identification Document - Documento de Identidad Personal (DIP)
- Phytosanitary certificate - Certificado fitosanitario
- Shipping Guide - Guía de Embarque
- Shipping Guide (Guía de Embarque)
- Tax Identification Number - Número de Identificación Fiscal (NIF)
- Timber processing commitment-Manifesto Act - Compromiso de procesamiento Industrial
- Transport guide - Guía de transporte

Legal Authorities:

- Director General of Forest - Director General de Producción Forestal
- Director General of Forest Harvesting and Timber Commercialization - Director General de Explotación Forestal e Industrialización de la Madera (DGEFIM)
- General Directorate of Forests and Reforestation - Dirección General de Bosques y Repoblación Forestal
- Ministry for Agriculture, Livestock, Forests and the Environment- Ministerio de Agricultura, Ganadería, Bosques y Medio Ambiente de Guinea Ecuatorial (MAGBMA)
- Ministry of Finance, Economy and Planning (Public Treasury) - Ministerio de Hacienda, Economía y planificación (Tesoro Público)
- Ministry of Fishery and Water Resources - Ministerio de Pesca y Recursos Hídricos (MPRH)
- Ministry of Labour, Employment Promotion and Social Security - Ministro de Trabajo, Fomento de Empleo y Seguridad Social (MTFESS)
- National Institute for Forest Development and Management of Protected Areas - Instituto Nacional de Desarrollo Forestal y Manejo del Sistema de Áreas Protegidas (-AP)
- National Social Security Institute - Instituto Nacional de Seguridad Social de Guinea Ecuatorial (INSESO)
- National Social Security Institute of Equatorial Guinea - Instituto Nacional de Seguridad Social (INSESO)
- Office of Control, Information and Promotion of Forest Species - Oficina de control, Información y Promoción de las Especies Forestales (OCIPEF)
- The General Directorate of the Forest Guard - La Dirección General de La Guardería Forestal (GF)
- **The Head of State (President of the Republic)- Presidencia del Gobierno (President de la República)**

Others:

- Environmental impact assessment report - Informe de Evaluación de Impactos Ambientales
- Environmental license - Licencia Medioambiental
- Minimum Tax Fee - Cuota Mínima Fiscal (CMF)
- Personal Identification Document - Documento de Identidad Personal (DIP)
- Tax Identification Number - Número de Identificación Fiscal (NIF)
- Value Added Tax (VAT) – Impuesto sobre el Valor Añadido (IVA)

About LIFE Legal Wood

[LIFE Legal Wood](#) is an initiative that aims at supporting timber-related companies in Europe with knowledge, tools and training in the requirements of the EU Timber Regulation. Knowing your timber's origin is not only good for the forests, but good for business. The initiative is funded by the LIFE Programme of the European Union.



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