



# ITS Global

Consultants on Global Issues

## **CELCOR's anti-forestry campaign in Papua New Guinea**

### ***Part II: Analytical Review of 'Bulldozing Progress'***

ITS Global

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## Contents

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1	<b>Introduction</b>	4
2	<b>Methodology</b>	5
3	<b>The critical method in 'Bulldozing Progress'</b>	6
4	<b>Sources of evidence</b>	10
	<b>Analysis of Accusations</b>	
5	<i>Direct accusations</i>	13
	<i>Indirect accusations</i>	26
6	<b>References</b>	27

## Acronyms

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ACF	Australian Conservation Foundation
ANZ	Australia and New Zealand Banking Group Ltd
APU	Asia Pacific Unit (Australian Conservation Foundation)
AusAID	Australian Agency for International Development,
CELCOR	Centre for Environmental Law and Community Rights
COC	Chain of Custody
FCP	Forestry and Conservation Project
FIA PNG	Forest Industries Association of Papua New Guinea
FMA	Forest Management Agreement
ILG	Incorporated Land Group
ITTO	International Tropical Timber Organization
LOC	Landowner Company
NANGO	National Association of Non-government Organisations
NGO	Non-government Organization
OECD	Organization for Economic Cooperation and Development
PNG	Papua New Guinea
PNGFA	Papua New Guinea Forest Authority
RH	Rimbunan Hijau (PNG) Group Ltd
SGS	Societe du Generale Surveillance
TLTV	Timber Legality and Traceability Verification
TRP	Timber Rights Purchase

## 1. Introduction

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ITS Global was commissioned by the Rimbunan Hijau (PNG) Group<sup>1</sup> to review the report 'Bulldozing Progress', which was jointly published in August 2006 by the Australian Conservation Foundation (ACF) and the Centre for Environmental Law and Community Rights (CELCOR)<sup>2</sup>.

This is Part II of that report. It sets out the methodology employed by ITS Global to under this analysis as well as the detail of each allegation made against Rimbunan Hijau and the commercial forest industry in PNG.

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<sup>1</sup> Rimbunan Hijau (PNG) Group Ltd, is a subsidiary of Rimbunan Hijau, based in Sarawak, Malaysia. References in this report to "Rimbunan Hijau" refer to the former.

<sup>2</sup> CELCOR is a Port Moresby-based NGO that was founded in 2000. It was founded by Damien Ase, also chairman of the Papua New Guinea Eco-Forestry Forum. CELCOR is described as a 'partner' organization to ACF. It has previously campaigned against oil palm and mining developments as well as forestry developments.

## 2. Methodology

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All claims in the document were broken down into individual allegations. It was then assessed who these claims were made against, and whether these claims directly or indirectly targeted Rimbunan Hijau or another party.

The claims targeting Rimbunan Hijau were investigated more closely. First, using desk research and close scrutiny of all documentation referred to.

Where claims could not be resolved using desk research, field research and communications with landowner company representatives, law enforcement officials and Rimbunan Hijau employees were undertaken.

The claims were assessed based on the evidence presented (direct, real, documentary, expert, circumstantial and hearsay), and then tested using these criteria:

- Irrelevant – the evidence or party has no direct bearing on the claim made;
- Opinion – the evidence presented is the opinion of an individual, not a statement of fact;
- Hearsay – the evidence is hearsay, i.e. an indirect account of events;
- Character – the evidence is negative character evidence that has no bearing on the claims made.
- The testimony recorded has come from an individual or group whose full interests have not been disclosed, or are parties with declared opposition to commercial forestry or Rimbunan Hijau;
- Discredited – the document or testimony has effectively been discredited by the same source or an official source;
- Incorrect – the document or testimony is factually incorrect;
- Unverifiable – the document or testimony does not contain basic information such as dates, locations and names and therefore cannot be corroborated or verified against other documents.

Indirect claims or claims that generally imply RH's involvement are responded to where necessary or if similar claims have been aired in other campaigns against the company.

The arguments of the report were also subjected to close analysis of their attempts to implicate the company in illegal or dubious activity, identifying a series of argumentative methods employed within the report that lead to certain inferences.

### 3. The critical method in 'Bulldozing Progress'

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The report uses a number of methods in its attempt to implicate Rimbunan Hijau. The net effect of these methods when combined with a lack of substantial evidence is a report that pushes the reader to draw negative conclusions about Rimbunan Hijau. In summary:

- The report conflates Rimbunan Hijau with the entire industry and relevant government administration, making it a proxy for these external bodies;
- It uses a series spurious and indirect links between RH (standing in for the entire industry) and claims of wrongdoing;
- It relies upon hearsay and lay opinion evidence to back up these claims;
- It selectively omits vital information about events, which leaves a negative impression of RH;
- Two allegations of child and sexual abuse are without substantiation.

#### *Conflation*

The report makes little or no distinction between Rimbunan Hijau, other forestry companies, and the PNG Government institutions that are designed to regulate and monitor the forestry sector.

The executive summary and introduction only mentions one company, Rimbunan Hijau, despite other companies being mentioned throughout the report. One chapter, 'Corruption and Influence', is effectively a 'dirt file' on Rimbunan Hijau. This is despite the fact that the only concrete and verifiable evidence of wrongdoing in the report relates to Concord Pacific, an entirely different company, which arguably has a significantly worse environmental record.

There are a number of cases in the report where it is quite clear that the target of the accusations is a completely separate and easily identified logging company, but these companies are not named. This, in combination with the emphasis on RH throughout the document means there is a predisposition to infer that the companies in question are, in fact, Rimbunan Hijau.

Similarly, the ethnic backgrounds of forestry company owners are conflated throughout the report. The industry is referred to from the first page of the report as being dominated by a handful of Malaysian companies, "the largest of which is Rimbunan Hijau".<sup>3</sup> Yet there are several points throughout the report when otherwise unnamed companies are simply referred to as being "Malaysian"<sup>4</sup> – again meaning an inference can be drawn that the subject is simply the main target of the report, RH.

Contemporary figures in PNG's government and administration are not mentioned. PNG's significant forestry bodies, i.e. the Ministry for Forests, the PNG Forest Authority and the PNG Planning Authority are rarely mentioned, if at all. This is despite the fact that it is generally acknowledged that PNG's public sector has significant

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<sup>3</sup> ACF and CELCOR (2006), p.3

<sup>4</sup> Ibid. pp. 7, 26, 30

shortcomings in terms of capacity and governance.<sup>5</sup> The absence of criticism for these bodies effectively lays the blame for all shortcomings squarely upon the industry itself.

At the same time, the report uses the generic term “landowners” to refer to potentially disgruntled parties. It does not give a clear explanation of the fact that “landowners” are customary land title holders, which is based on a kinship system. Nor does it explain that these title holders have no direct or formal relationship with forestry companies. To enter into a Forest Management Agreement (FMA), landowners must form an incorporated landowner group (ILG), which form the basis for a landowner company (LOC), which can then negotiate with the PNG Forest Authority, which, in turn, negotiate with forestry companies. “Landowners” is a term that is effectively meaningless in relation to FMAs unless it is contextualized with an ILG and LOC.

In summary, the report uses Rimbunan Hijau as a proxy for both the forestry industry and for government administration of the forestry sector; it also uses “landowners” as a term which implies legal standing or direct relationship with forestry companies. The net effect is to polarize the parties between a single entity, i.e. Rimbunan Hijau, and a large set of disenfranchised landowners, ignoring the complex set of relationships that actually exists between landowners, government and the private sector.

### *Linkages*

The report attempts to link RH to social ills such as arms and drugs smuggling, drunkenness and domestic violence – and even the spread of AIDS – simply by association, or by stringing a series of unrelated claims together with no solid evidence. For example, the chapter, “Guns, Violence and Conflict” is an attempt to link the spread of illegal arms and illicit drugs to the forestry industry. It relies simply upon the speculation that “there have been fears ... that the logging industry is facilitating a trade in guns”<sup>6</sup>, supported only by accounts of gun smuggling in the transport sector and unrelated reports about lack of border controls. This, in turn, is linked to an unrelated report of a “guns for drugs” trade in the Southern Highlands. The report effectively ignores that personal security and inter-clan violence are a sad fact of life Papua New Guinea.<sup>7</sup>

### *Use of hearsay, opinion and irrelevant parties*

Almost all of the testimony used in the report to back the claims on human rights abuses relies on evidence that is either opinion or hearsay.

The first and most prominent “case study” in the report relies on the evidence of Steven Mela regarding an alleged assault. He states that he “believes” that the men who assaulted him were engaged by Rimbunan Hijau to assault intimidate him in relation to a pending court case.<sup>8</sup> No basis for these opinions is given other than that he was taking legal action against the company. No evidence is presented that links the perpetrators to the company.

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<sup>5</sup> United Nations Office of the High Commission for Human Rights, Country Report – Papua New Guinea. <http://www.ohchr.org/EN/Countries/AsiaRegion/Pages/PGIndex.aspx>

<sup>6</sup> ACF and CELCOR (2006), p. 24

<sup>7</sup> Cf. “Politician tells of buying arms” in Papua New Guinea Post-Courier, 20 April 2005, p.6

<sup>8</sup> ACF and CELCOR (2006), p. 11

Subsequent investigation by ITS Global revealed that Mr Mela's assault stemmed from a separate financial dispute between Mr Mela and his neighbour.<sup>9</sup> Investigation also revealed that despite launching legal proceedings against RH and claiming he represented the people of Vailala, Mela attempted to negotiate an out-of-court settlement with RH under which any financial terms of the settlement would remain confidential.

In another prominent case study regarding violent incident referred to in the report involving the shooting of two men at Vailala<sup>10</sup>, testimony is demonstrably hearsay. It is not established that those giving the testimony were eyewitnesses to the violent events.

Subsequent investigation indicates that their testimony and opinions are simply incorrect. The only documented incident of deaths involving the RPNGC at Hepea camp (at Vailala) took place on June 29 2001. As filed in an affidavit to the RPNGC at the time by a witness to the incident<sup>11</sup>, the incident was an attempted armed robbery of the Vailala logging camp. Seven men armed with four shotguns, a hand grenade and bush knives had attempted to rob the camp, holding five RH employees at gunpoint. Two of the men were shot and killed by Constable John Drong of the RPNGC in response to the situation.

It should also be noted that the Hepea camp had been robbed on two previous occasions. On the first occasion in 1999, an RH employee was assaulted with an axe by a gang of 11 robbers, resulting in the employee losing sight in one eye. K10,000 was also stolen. On the second occasion in 2000, a gang of nine armed robbers invaded the camp. The camp manager was kicked and beaten with gun butts; a log scaler was attacked with a bush knife and had to be airlifted to medical care. Almost all personal belongings of camp staff were stolen along with K72,000. The gang leader on this second occasion was one of the men shot during the 2001 incident.

Landowner company representatives from Vailala have also stated that the major source of roadblocks and disruptions to logging operations is in-fighting between clans, rather than protests against the logging company itself.<sup>12</sup>

The report also uses a large number of statements from "landowners" that are anonymous. While it is stated that this is done in order to protect the identities of the parties, the relationship of the landowners to the forestry industry as part of an ILG, LOC or otherwise is not identified. In short, the relationship of the sources and their relationship to the claims are often not defined.

The documentation relied upon by the report is supplied by anonymous sources, unofficial reports and draft reports. A full critique of documentary sources is given in Section 2.5.

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<sup>9</sup> Affidavit dated 31/1/2008 from Landowner company (LOC) representative

<sup>10</sup> ACF and CELCOR (2006), p. 12

<sup>11</sup> Axel Wilhelm. Statement Form 12A to Royal Papua New Guinea Constabulary (RPNGC) dated 30 June 2001. The incident was also reported in the Post Courier (Cf. Sela, Robyn. "Police Kills two in Gulf" in the Post Courier, June 4 2001, p. 4)

<sup>12</sup> As indicated in an interview conducted by ITS Global with a landowner company representative in January 2008, most if not all protests and disruptions have been between Incorporated Land Groups (ILG). Because premiums and royalties are paid on a volume basis, landowners at active logging areas may direct logs to their own ILG areas, thus increasing royalty payments to their own ILG. When this is discovered by ILGs from the active logging site, a disruption will occur.



### *Omission of details*

There are a number of points in the report where there are significant omissions of details that inevitably lead to negative inferences about RH.

For example, in an incident involving the deaths of two men at a logging camp in Manus in 2005, the report states that incident occurred as a result of a logging dispute, as reported in the *Post-Courier* newspaper.<sup>13</sup> However, follow-up reports in the same newspaper over the following weeks revealed that the dispute concerned an RH employee who was discharged for theft, and then attempted to rob the logging camp with friends and relatives armed with knives, assaulting the camp manager in the process. After firing shots in self-defence, the camp manager was hacked to death.

Similarly, in a case that attempts to link “poison fishing” with illnesses in two villages<sup>14</sup> near concessions currently held by Rimbunan Hijau, the report does not clearly state that the purported date of contamination was in either 1989 or 1992<sup>15</sup>, the date of the illnesses was 2001, and that Rimbunan Hijau only commenced operations in that area in 2002.

### *Lack of substantiation*

There are two points in the report dealing with particularly serious allegations that lack substantiation

The report states that a case of child sexual abuse by an expatriate worker has been documented at Panakawa and Wawoi Guavi.<sup>16</sup> The claim cites a Department of Community Development (DCD) report as its source. There is no such claim in the DCD report.

The report also claims that women are recruited into logging camps and forced to have sex with company officials and police, citing the SBS television show *Dateline* broadcast on November 3, 2004 as its source.<sup>17</sup> However, a transcript of the report contains no such claims.<sup>18</sup>

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<sup>13</sup> ACF and CELCOR (2006), p. 25

<sup>14</sup> Ibid. p. 17

<sup>15</sup> The report refers to “logging operations moving into the Vailala area”, which is 1989 for Block 1 and 1996 for Block 2 and 3, the time when logging operators allegedly poured chemicals into the river. The incident of illnesses took place in 2001.

<sup>16</sup> ACF and CELCOR (2006), p. 19

<sup>17</sup> Ibid. p. 19

<sup>18</sup> "PNG: Jungle Justice." Broadcast on November 3, 2004 by SBS Dateline. Filmed and reported by Bronwyn Adcock. A transcript of this broadcast was obtained from the New Zealand Greens party website. <http://www.greens.org.nz/campaigns/tropicaltimber/pdfs/H%20Jungle%20Justice%20-%20Dateline%20Transcript.pdf>. Accessed 14/4/08

## 4. Sources of evidence

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The report relies on desk research (i.e. documentary evidence) and testimonies from “landowners affected by forestry activities.”

### *Government documents*

Despite the claim that the report contains “an extensive review of government documents”, only three sources are official government documents. One was a general statement of environmental principles published in 1976. Another was the ‘Barnett Inquiry’ into the forestry industry held nearly two decades ago, prior to RH’s establishment in PNG. The third is the Papua New Guinea Logging Code of Practice.

### *FCP reports*

The report relies heavily upon unofficial material developed by the Reviews of the PNG forestry industry as part of the World Bank’s condition for assistance. The Project required five Reviews to be undertaken as conditions for two development loans. Three reviews were required as part of the Forest and Conservation Project (FCP).

The FCP was a controversial project that aimed to promote eco-forestry ahead of commercial forestry and entrench NGOs in forestry management.

The authors of the three reviews heavily supported the FCP goals. One author had previously jointly co-authored a report with Greenpeace; another was an anti-forestry activist.

The PNG Government withdrew from the FCP project in May 2005, and has not endorsed or adopted the Reviews. Many of the individual audit and research reports which were commissioned for the Review were not officially endorsed by the Review and have not been officially released.<sup>19</sup> Many comments in the individual project reviews were not included in the final report.

Despite this, they have been deployed at various points by anti-forestry campaigners and NGOs such as Greenpeace and the anonymous ‘Rimbunan Hijau Watch’ website as cannon-fodder in claims against the forestry industry.

The ACF report bases its findings primarily on the Department of Labour reports for Turama and Wawoi Guavi timber projects.

The Wawoi Guavi report criticizes the company for its treatment of workers, noting that living conditions were substandard and the company treated workers “like slaves.”

Yet the report was not adopted by the Review (which in turn was not endorsed by the PNG Government) and subsequently was comprehensively discredited by the Department which found the company was in full compliance with labour laws.

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<sup>19</sup> See Donald Lunen, Wawoi Guavi Timbers, Kamusi (Western Province), inspection report for the Department of Labour and Employment, PNG, 2004; Department for Community Development. Draft individual project review report – Wawoi Guavi & Panakawa. PNG, 2004; Independent Forest Review Team. Final Project Report – Wawoi Guavi Blocks 1, 2 &3 (consolidated), Western Province.

Despite this, the documents are relied upon throughout the report.

### *SBS Dateline*

Australian public broadcaster SBS aired the current affairs piece 'Jungle Justice' on the program *Dateline* in November 2004. The broadcast allege human rights abuses by police, and that police were acting on behalf of Rimbunan Hijau.

The 2004 broadcast relied almost entirely on the testimony of a former police officer who had been suspended due to corruption. SBS has since removed the transcripts and all references to these broadcasts from its website.

### *Interviews with landowners*

The report relies heavily upon "testimonies of landowners" collected by ACF and CELCOR between 2003 and 2006.

Three of these landowners – George Hoiuru, Steven Mela and Ben Harevela – are named in the report. Their statements form the basis of the report. However, several significant pieces of information are not disclosed regarding the three men:

- In 2004 Mela and George Hoiuru attempted to negotiate a project agreement with Frontier Holdings (an RH company) as landowner company Haka Rattan, but withdrew from the process. Other landowner companies then became involved and Haka Rattan ceased existence as a landowner company. Mela and Hoiuru have since launched legal proceedings against Frontier Holdings. The proceedings have not progressed far, as Mela and Hoiuru have not proved they are representing the interests of the people within the Timber Rights Purchase (TRP) area, and are yet to produce evidence they have support of people within the TRP.
- Hoiuru has attempted to lodge the claim under the auspices of landowner company Central Vailala Block 3 Ltd, but this was objected to by the directors of the company, placing further doubt on his claim to represent the landowners of the area
- Mela and Hoiuru have attempted to negotiate an out-of-court settlement over the above matter, indicating that they wished all financial details – including the monetary sum – remain confidential.<sup>20</sup>
- Ben Harevela has previously organized meetings for Greenpeace;
- Ben Harevela is not a director or shareholder of the landowner company administering the area;
- Hoiuru has according to RH staff, previously assaulted a staff member at the RH office in Port Moresby;
- The testimony of the men regarding certain incidents omits significant details. In one case, their allegation of police violence fails to mention that the violent incident refers to an armed hold-up that had taken place in the village; in another

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<sup>20</sup> Cf. :Steven Mela and George Hoiuru, "Your offer of settlement". Letter to Mr James Lau, Managing Director, Rimbunan Hijau Group of companies. 25/6/2004

their testimony fails to mention that the village in which violent incidents took place is notorious for harbouring criminals and firearms.<sup>21</sup>

The remaining statements from landowners are dated but anonymous, and in most cases the events described do not include dates or locations, company names or names of employees, nor are they substantiated with documentary evidence. It is therefore impossible to verify the precise details of the events described.

One set of sworn statements from Panakawa workers is referred to regarding pay discrepancies, but vital information such as period of tenure and employee names are not given. Again, this makes the claims impossible to verify against existing payroll documentation held by RH.

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<sup>21</sup> A confidential communication to the Southern Command Task Force on September 23, 2001 names 13 people wanted by PNG authorities residing at Paevera village. The suspects were wanted in relation to rape, drugs, firearms and robbery offences.

## 5. Analysis of accusations

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### 5.1 Direct Accusations

Page	Accusation	Evidence	Background / Critique of Evidence	Response
11	Steven Mela accuses RH of hiring men to assault him, with the aim of having him give up court proceedings against RH	Interview with Steven Mela, conducted by CELCOR/ACF	In 2004 Mela and George Hoiuru attempted to negotiate a project agreement with Frontier Holdings as landowner company Haka Rattan, but withdrew from the process. Other landowner companies then became involved. Haka Rattan subsequently ceased existence as a landowner company. Mr Mela and Mr George Hoiuru have launched legal proceedings against Frontier Holdings challenging the legal status of the Timber Permit for Vailala Block 2 and 3. The proceedings have not progressed past the substantive stage, as Mela and Hoiuru have not proved they are representing the interests of the people within the Timber Rights Purchase area, and are yet to produce evidence they have support of people within the TRP. Mela and Hoiuru additionally attempted to negotiate an out-of-court settlement over the matter, and that they wished all financial and other details of the settlement to remain confidential. <sup>22</sup> The company has not agreed to the settlement.	Mr Mela's speculation that RH hired men to assault him is without substantiation. An affidavit given by a landowner company representative states that Mr Mela's account of the events is without substantiation, and that Mr Mela has in fact recounted this series of events as not being accurate. <sup>23</sup> The affidavit also states that the assault referred to by Mr Mela concerned a private debt between Mr Mela and his neighbour.

<sup>22</sup> Cf. Steven Mel and George Hoiuru, "Your offer of settlement". Letter to Mr James Lau, Managing Director, Rimbunan Hijau Group of companies. 25/6/2004

<sup>23</sup> Affidavit dated 31/1/2008 from LOC representative

Page	Accusation	Evidence	Background / Critique of Evidence	Response
11	Intimidation of landowners and employees at Wawoi Guavi by the Police Task Force, as directed by RH	Tom Diwai Vigus, Report to the Independent Review committee into the operations of the RPNGC	Although the PNG Department of Planning and Monitoring report supports the claims, it was compiled by Tom Diwai Vigus (a team leader of the IRT) as a part of the World Bank-initiated FCP (FCP, 2001-2005). The IRT process was mandated by the World Bank loan conditions and funded by the Bank. The team included an 'ecological economist' associated with Greenpeace and the World Bank employed an anti-forestry activist as a 'PNG Forest and Environment' specialist to conduct meetings with industry stakeholders. Reports on labour conditions produced by the Team were later officially reviewed by the Department of Labour, finding significant errors. The reports produced by the Review Team came under criticism from PNG political circles for being predisposed to serving the interests of environmental NGOs. <sup>24</sup> Whilst draft IRT reports were circulated, the PNG government did not approve them and withdrew from the project in 2005. <sup>25</sup>	The report does not provide complete information on the relationship between the private sector and law enforcement bodies in PNG. A 2004 report on the Royal Papua New Guinea Constabulary (RPNGC) indicates that the body is chronically under-funded and unable to respond quickly to crimes in remote areas. Subsequently the RPNGC has resorted to the use of reserves and auxiliaries to fill the enforcement vacuum. Some of these operations are legally funded by the private sector as a means of safeguarding against external criminal activity. <sup>26</sup>

<sup>24</sup> Cf. PNG Forest Industries Association (PNGFIA), "FIA submission – Draft Observations and Recommendations Report, May 2004". Port Moresby, 2004.

Axel Wilhelm (Manager – Environmental Policy, Rimbunan Hijau Group, PNG), "Re: LumberBank New Zealand Limited". Letter to Mr Glaister Ennor, Barristers Solicitors & Notary Public, Auckland, New Zealand, 6 April 2004, p.6-7.

<sup>25</sup> Hon. Michael Ogjo, MP, "Open Letter to Mr Sasa Zibe Kokino, Chairperson of the Papua New Guinea Eco-Forestry Forum", Ministry of Forests, Papua New Guinea.

<sup>26</sup> Government of Papua New Guinea and the Insitute of National Affairs. 'Report of the RPNGC Administrative Review Committee to the Minister for Internal Security'. 2004

Page	Accusation	Evidence	Background / Critique of Evidence	Response
11	Intimidation of landowners and employees at Panakawa by the Police Task Force, as directed by RH	PNG: Jungle Justice, broadcast on 3 November 2004 by SBS Dateline. Filmed and reported by Bronwyn Adcock.	The 2004 SBS Dateline report predominantly relies on the testimony by Emmanuel Bani, a former member of the Southern Command Taskforce, regarding the actions of police in the Wawoi Guavi concession. PNG Prime Minister Sir Michael Somare had stated that Mr Bani was previously suspended from the police force for corrupt activity <sup>27</sup> involving drug smuggling with criminal gangs in Australia. Bani subsequently fled PNG. <sup>28</sup> SBS has removed both transcripts and all references to these broadcasts for “legal reasons.”	Rimbunan Hijau has denied the charges, and has produced documents <sup>29</sup> which indicate that the company goes to great lengths in order to improve the law and order situation in PNG, in collaboration with the local government and the police force. This included satisfying a governmental request for financial and logistical support, in order to establish police presence at the Ihu district, Gulf Province.

<sup>27</sup> The National, (Port Moresby), November 26, 2004.

<sup>28</sup> Mark Forbes, “Guns for drugs and gold as PNG trafficking revs up” in the Sydney Morning Herald, December 11 2004. <http://www.smh.com.au/news/World/Guns-for-drugs-and-gold-as-PNG-trafficking-revs-up/2004/12/10/1102625536650.htm>

<sup>29</sup> J. Andrew (Assistant Commissioner, Southern Division Command, RPNGC), “Deployment to Purari / Escort on MV Swift II, 17/1/2001”. Letter to Rimbunan Hijau (PNG), 16 January 2001.

Zaidul B Jahar (Administration Manager, Rimbunan Hijau PNG), “Unethical conduct of duty police personnel at Terebau Camp, East Kikori”. Letter to the Divisional commander, Southern Division Command, RPNGC, 17 April 2001.

J. Biamaga (SDHQ Task Force Commander), “Arrest Brief?”. Letter to CSP John Marru, Acting Commander, Southern Division Headquarters, 29 April 2001.

J. Andrew (Assistant Commissioner, Southern Division Command, RPNGC), “Re: Request assistance to airlift eight (8) drug suspects from Baimuru to Kerema”. Letter to Rimbunan Hijau (PNG), 3 May 2001.

J. Biamaga (SDHQ Task Force Commander), “Transportation arrangements for a news reporter and Task Force member”. Letter to Rimbunan Hijau (PNG), 28 January 2002. 14 – Hon. Charles Maiu, MPA (Deputy Governor, Gulf Province, PNG). Untitled letter to Mr. Axel Wilhelm, Rimbunan Hijau (PNG), 2 February 2004.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
12	Steven Mela, George Hoioru and Ben Harevela claim that a Logging and Marketing Agreement (LMA) did not include promised benefits.	Interview with Mela, Hoioiru and Harevela, conducted by ACF	The LMA is signed between the forestry contractor (Frontier Holdings Limited) and representative landowner companies (Central Vailala Block 3 Ltd, Vailala Block 3 Popo Holdings Limited, Opuma Resources Limited, Uhe Resources Limited, Kero Miro Resources Limited). As stated above, the landowner company Haka Rattan (of which Mela and Hoioiru were a part of) withdrew from the process and the two men are yet to produce evidence stating they represent people within the TRP. Ben Harevela is not part of any landowner companies in the area. Mr Hoioru had previously attempted to launch legal action against Frontier Holdings Limited on behalf of Central Vailala Block 3 Ltd, of which he is a director. This legal action was taken without the consent of the other directors, and consequently the company withdrew the action. The claim that infrastructure developments were not included in the agreement is opinion. Frontier Holdings Limited has spent more than K4.8 million on social infrastructure developments in the Vailala Block 2&3 TRP. This includes aid posts, school buildings, community housing, police station, two airstrips, water supply, and portable sawmills for community forestry by non-employee landowners.	As evidenced by the response to Steven Mela's claims on page 11, Mela and Hoioru have no legal claim to represent the people within the TRP. Previous negotiations by Mela and Hoioru are irrelevant to the legal, existing agreement between Frontier Holdings Limited and the representative landowner companies. Similarly, Ben Harevela's involvement in this claim is irrelevant.  Approximately 30 per cent of all LMAs are in dispute at any one time. <sup>30</sup>

<sup>30</sup> PNGFIA, personal communication, 11/4/08



Page	Accusation	Evidence	Background / Critique of Evidence	Response
12	Three landowners (Steven Mela, George Hoiuru and Ben Harevela) claim that RH directed the Southern Command Task Force to intimidate landowners at Vailala protesting against project agreement conditions and that the police shot two men as a consequence.	Interview with Mr Mela, Hoiuru and Harevela	The testimony is without substantiation. The date of the protests is not established, nor is it established that the three interviewees were eyewitnesses to the events. <sup>31</sup>	The only documented incident of deaths involving the RPNGC at Hepea took place on June 29 2001. As filed in an affidavit to the RPNGC at the time by a witness to the incident, <sup>32</sup> the incident was in fact an attempted armed robbery of the Vailala logging camp. Seven men armed with four shotguns, a hand grenade and bush knives had attempted to rob the camp, holding five RH employees at gunpoint. Two of the men were shot and killed by Constable John Drong of the RPNGC in response to the situation. See above for the history of the "witnesses". Landowner company representatives from Vailala have also stated that the major source of roadblocks and disruptions to logging operations is in-fighting between clans, rather than protests against the logging company itself. <sup>33</sup>

<sup>31</sup> Interview with landowner company representative January 2008

<sup>32</sup> Axel Wilhelm. Statement Form 12A to Royal Papua New Guinea Constabulary (RPNGC) dated 30 June 2001. The incident was also reported in the Post Courier (Cf. Sela, Robyn. "Police Kills two in GulP" in the Post Courier, June 4 2001, p. 4)

<sup>33</sup> As indicated in an interview conducted with a landowner company representative in January 2008, most if not all protests and disruptions have been between Incorporated Land Groups. Because premiums and royalties are paid on a volume basis, landowners at active logging areas may direct logs to their own ILG areas, thus increasing royalty payments to their own ILG. When this is discovered by ILGs from the active logging site, a disruption will occur.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
12	RH hired RPNGC to intimidate landowners	Interview with Mr Ben Harevela	Mr Harevela's testimony (also presented as "video testimony" on the ACF website) lack substantiation. <sup>34</sup>  The 1999 incident refers to the RPNGC responding to a request for the arrest of Mr Haihavu Kori Kaiks. <sup>35</sup> Kaiks was charged with the murder of Australian geologist Philip Plibersek and subsequently escaped and was in hiding at the Paevera village.	Rimbunan Hijau has denied the charges, and has produced documents <sup>36</sup> which indicate that the company goes to great lengths in order to improve the law and order situation in PNG, in collaboration with the local government and the police force. This included satisfying a governmental request for financial and logistical support, in order to establish police presence at the Ihu district, Gulf Province.
12	RH destroyed a cultural site at Paevera village	Interview with Mr Ben Harevela	Claim lacks substantiation	RH has denied the charges.
12	RH has not been forthcoming with infrastructure developments in the project agreement area	Information passed to Mr Ben Harevela, recounted to ACF/CELOCR	Claim lacks substantiation	RH has produced documents that demonstrate RH's commitment to project agreements that include significant infrastructure developments in both Vailala project areas, including more than K8.3 million on social infrastructure (including aid clinics, school buildings and a market building).

<sup>34</sup> Cf. [http://www.acfonline.org.au/default.asp?section\\_id=152](http://www.acfonline.org.au/default.asp?section_id=152)

<sup>35</sup> Affidavit dated 31/1/2008 from LOC representative

<sup>36</sup> J. Andrew (Assistant Commissioner, Southern Division Command, RPNGC), "Deployment to Purari / Escort on MV Swift II, 17/1/2001". Letter to Rimbunan Hijau (PNG), 16 January 2001.  
Zaidul B Jahar (Administration Manager, Rimbunan Hijau PNG), "Unethical conduct of duty police personnel at Terebau Camp, East Kikori". Letter to the Divisional commander, Southern Division Command, RPNGC, 17 April 2001.

J. Biamaga (SDHQ Task Force Commander), "Arrest Brief?". Letter to CSP John Marru, Acting Commander, Southern Division Headquarters, 29 April 2001.

J. Andrew (Assistant Commissioner, Southern Division Command, RPNGC), "Re: Request assistance to airlift eight (8) drug suspects from Baimuru to Kerema". Letter to Rimbunan Hijau (PNG), 3 May 2001.

J. Biamaga (SDHQ Task Force Commander), "Transportation arrangements for a news reporter and Task Force member". Letter to Rimbunan Hijau (PNG), 28 January 2002. 14 – Hon. Charles Maiu, MPA (Deputy Governor, Gulf Province, PNG). Untitled letter to Mr. Axel Wilhelm, Rimbunan Hijau (PNG), 2 February 2004.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
14	In 1999 landowners complained about the conduct of RPNGC officers stationed at Kamusie; RH company managers have been witnessed accompanying officers on official duties. It is also reported that a Parliamentary Accounts Committee has called for an investigation into human rights abuses at logging camps. The implication is that RH is complicit in the actions of these officers.	Two newsletters, <i>Independent Pes</i> and <i>Komuniti Bus Nius</i> .	The “witness reports” are sourced from commentary attributed to “Independent Pes”, a newsletter supposedly published in PNG. An extensive search of the University of Papua New Guinea’s library, and online resources could not locate this source. Similarly, the Parliamentary accounts report is sourced from “Komuniti Bus Nius”, which was unable to be located through the University of PNG library or online.	As stated above, the private sector legitimately provides support to law enforcement agencies throughout PNG. In this regard, private sector managers accompanying police officers on official duties is to be expected.
17	A former worker from the Panakawa sawmill claims that her pay (and the pay of other employees) was withheld by camp managers during her tenure, and that she and others are still owed money by the company.	Sworn statement (or affidavit) from Panakawa worker.	As the worker is unnamed in the report and her period of employment is not stated, it is impossible to verify the nature of the complaint and/or the outstanding sum in question against Rimbunan Hijau’s payroll records. As the statement is not corroborated by other employees, it is also impossible to verify any outstanding sums.	There are no outstanding formal complaints or requests the company for outstanding salary amounts from former Panakawa workers. It should, however, be noted, that the camps use an accounts system for the camp store which sells sundry items and foodstuffs in addition to supplied meals, which employees are not charged for. <sup>37</sup> A DOL report has also noted that there are no underpayments of wages. <sup>38</sup>
17	Claim that there have been numerous claims of sexual abuse in logging camps.	SBS Dateline, 3/11/04	There are no allegations of sexual abuse in the report.	The claim has no basis.

<sup>37</sup> Lohia Bodibo, Aloyisus Aoa, Moses Make, *General labour inspection – Kamusi and Panakawa logging camps, general labour inspection report prepared for the Department of Labour and Employment*, PNG, 2004,1-8.

<sup>38</sup> Ibid.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
17	A former worker from Panakawa claims that an RH employee facilitates sexual activity between non-employee women from the area and other RH employees. The worker also claims that the RH employee committed incest with his sister.	A sworn statement (or affidavit) from Panakawa worker.	The person making the accusation is not named; names, dates and locations are not supplied. Therefore it is impossible to substantiate the claim against any company records or disciplinary action taken by the company.	RH flatly denies that any of its employees have taken part in the listed activities. It has previously stated it “maintains an employment policy regulating the co-habitation of single status employees and employees with dependants without discrimination of race... intimate interrelations are not tolerated at any time... disciplinary measures are applied in case of offences... breaches of these employment conditions are consequently followed by termination of contract without discrimination of gender or race.” <sup>39</sup>
17	Lack of training arrangements and skills transfer contrary to requirements of National Training Policy.	Inspection report of the Kamusi sawmill operation by Donald Lunen for the Department of Labour and Employment, commissioned as part of the IRT review of existing logging projects	<p>This report was not adopted by the Review and subsequently was comprehensively discredited by the Department which found the company was in full compliance with labour laws.</p> <p>The report was compiled by Tom Diwai Vigus (a team leader of the IRT) as a part of the World Bank-initiated FCP (FCP, 2001-2005). The IRT process was mandated by the World Bank loan conditions and funded by the Bank. The team included an ‘ecological economist’ associated with Greenpeace and the World Bank employed an anti-forestry activist as a ‘PNG Forest and Environment’ specialist to conduct meetings with industry stakeholders. The reports produced by the Review Team came under criticism from PNG political circles for being predisposed to serving the interests of environmental NGOs.<sup>40</sup> Whilst draft IRT reports were circulated, the PNG government did not approve them and withdrew from the project in 2005.<sup>41</sup> In summary, the reports cannot be considered balanced or impartial</p>	A subsequent DOL report <sup>42</sup> has discredited the claims, stating that “the workers are trained in their respective field of work. After training a letter of recognizing is issued to the worker... those who complete training are not only recognized but are also recommended for pay increases”. The report also states that the training of PNG nationals is hindered by their tendency to “abandon employment at will.”

<sup>39</sup> James Lau (Managing Director, Rimbunan Hijau Group, PNG), “Re: Draft observations and recommendations report/Responses from Rimbunan Hijau (PNG) Ltd”. Letter to Mr. Ben Everts, Review of Current Logging Projects, PNG, 6 August 2004, p.10.

<sup>40</sup> PNG Forest Industries Association (PNGFIA), “FIA submission – Draft Observations and Recommendations Report, May 2004”. Port Moresby, 2004.

Axel Wilhelm (Manager – Environmental Policy, Rimbunan Hijau Group, PNG), “Re:LumberBank New Zealand Limited”. Letter to Mr Glaister Ennor, Barristers Solicitors & Notary Public, Auckland, New Zealand, 6 April 2004, p.6-7.

The National, (Port Moresby), November 26, 2004.

Hon. Michael Ogio, MP, “Open Letter to Mr Sasa Zibe Kokino, Chairperson of the Papua New Guinea Eco-Forestry Forum”, Ministry of Forests, Papua New Guinea.

<sup>41</sup> Axel Wilhelm (Manager – Environmental Policy, Rimbunan Hijau Group, PNG), “Re: Greenpeace Report / Partners in Crime”. Letter to Mr. Ahmad Loman, Ministry of Plantation Industries and Commodities, Malaysia, 24 November, 2005, pp.6, 11.

<sup>42</sup> Lohia Bodibo, Aloysius Aoae, Moses Make, General labour inspection – Kamusi and Panakawa logging camps, general labour inspection report prepared for the Department of Labour and Employment, PNG, 2004.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
17	Lack of occupational health and safety requirements at operations	Inspection report of Turama by the Department of Labour and Employment, commissioned as part of the IRT review of existing logging projects	This report was not adopted by the Review and subsequently was comprehensively discredited by the Department which found the company was in full compliance with labour laws.	Rimbunan Hijau advised that it had purchased safety equipment but that occupational health and safety practices were a challenge in PNG. <sup>43</sup> The company has also stated its commitment to ongoing improvements in its occupational safety practices. <sup>44</sup>
17	Workplace deaths; non-repatriation of deceased workers	Interview with landowner conducted by CELCOR/ACF	No dates are given. No locations are given. No logging company is named. No names of deceased are given. There is no basis for the claim that medications run out – the landowner would have no knowledge of logistical operations. The claim is therefore speculative.	There have been similar accusations made against the company at other sites that are not true. A review by the Department of Labour and Employment found the company's record on labour issues was good and a letter from the Minister for Labour and Industrial relations advised the first report was "biased". <sup>45</sup>
18	Disregard of health and safety requirements for loading of veneer on to transport vessels.	Sworn statement from former Panakawa worker	No names are supplied, nor are any dates, making it impossible to verify how much timber was consigned to various vessels for transport against RH's transport records.	The claim that SGS personnel were either at Panakawa or were monitoring veneer shipments is incorrect. SGS is only contracted by the PNG Government to monitor log exports – not processed shipments. The claim that barges are overloaded when PNGFA staff are not present is incorrect. PNGFA staff monitor shipping volumes both at barge points, and once again at port alongside PNG Customs officials and must be consistent with the processors' export permit.  FIA PNG has previously recommended that PNGFA processing records become part of SGS monthly reports on export volumes.

<sup>43</sup> ITS Global field visit to PNG, 16 March 2006.

<sup>44</sup> James Lau (Managing Director, Rimbunan Hijau Group, PNG), "Re: Draft observations and recommendations report/ Responses from Rimbunan Hijau (PNG) Ltd". Letter to Mr. Ben Everts, Review of Current Logging Projects, PNG, 6 August 2004, p.9

<sup>45</sup> Messers Lohia Bodibo, Aloysius Aoae, Moses Make, *General labour inspection – Kamusi and Panakawa logging camps*, report prepared for the Department of Labour and Employment, PNG, 2004. 106 Minister for Labour and Industrial Relations, "The World Bank Commissioned Labour Inspection Report Dated 21st March 2004, Letter to Rimbunan Hijau Group of Companies, 29 October 2004.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
18	Poor living conditions for workers at Wawoi Guavi	Inspection report of the Kamusi sawmill operation by Donald Lunen for the Department of Labour and Employment, commissioned as part of the IRT review of existing logging projects	This report was not adopted by the Review and subsequently was comprehensively discredited by the Department which found the company was in full compliance with labour laws.	A subsequent DOL report stated that “the employees are supplied with free accommodation, water, and electricity. One condition for an employee... is that extended families must not stay with employee whom the accommodation was issued for. Apparently the workers do not comply with this condition... we physically witnessed employees have invited and entertained their extended families... this therefore has caused overcrowding.” <sup>46</sup>
18	Non-payment of overtime	Department for Community Development. Draft individual project review report – Wawoi Guavi & Panakawa, PNG, 2004.	It is unclear who conducted the report for the Department for Community Development (DCD), as the author(s) are unnamed. The report sought no input from the company or the workers, instead relying on “meetings/discussions with landowners, forest resource owners and the community at large.”	A subsequent DOL report <sup>47</sup> stated that “there are no underpayments of wages because all wage rates are over and above the current determined minimum wage... both the workers and company representatives did agree that wages and salaries for all the workers increase by a certain percent in the first month of every year... all employees are paid annual leaves for two weeks after they have completed twelve months continuous services with the company... there is no deduction made for food provided by the company to its workers.” The DOL report also stated that the company pays 2 to 3 times above the average for forest workers. Research by ITS Global also indicates that RH’s average wage is at least double the PNG minimum wage.
18	Use of police by company to abuse and suppress employees amounting to “a Violation of human rights”.		See above for critique of the DOL reports.  The “violation of human rights” charge was not adopted by the final report of the team in its main report, not in its eight appendices. The review, in turn, was not adopted by the PNG Government. .	

<sup>46</sup> Lohia Bodibo, Aloysius Aoae, Moses Make, General labour inspection – Kamusi and Panakawa logging camps, general labour inspection report prepared for the Department of Labour and Employment, PNG, 2004.

<sup>47</sup> Lohia Bodibo, Aloysius Aoae, Moses Make, General labour inspection – Kamusi and Panakawa logging camps, general labour inspection report prepared for the Department of Labour and Employment, PNG, 2004.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
18	Violation of Employment of Non-Citizens Act; exaggeration of position titles for the employment of non-citizens.	Donald Lunen, Wawoi Guavi Timbers, Kamusi (Western Province), inspection report for the Department of Labour and Employment, PNG, 2004.	The claim is without substantiation. The Department of Labour (DOL) review was conducted by a single employee of the department, and formed a part of the World Bank FCP. The statements made in the report were subsequently discredited in a letter written by the Minister for Labour and Industrial relations, to Rimbunan Hijau <sup>48</sup> , which stated that the report was 'biased' and did not 'accurately reflect the actual position in the Wawoi Guavi Timber Co'. The Minister also stated that Wawoi Guavi Timber Company's operations were in compliance with all relevant laws.	A subsequent DOL report <sup>49</sup> has discredited the claims, stating that "the 54 non citizens employed all have valid work permits ..."
19	"Foreign workers" employed by the company had abandoned women after fathering children with them.	Donald Lunen, Wawoi Guavi Timbers, Kamusi (Western Province), inspection report for the Department of Labour and Employment, PNG, 2004.	The Department of Labour (DOL) review was conducted by a single employee of the department, and formed a part of the World Bank FCP. The statements made in the report were subsequently discredited in a letter written by the Minister for Labour and Industrial relations, to Rimbunan Hijau <sup>50</sup> , which stated that the report was 'biased' and did not 'accurately reflect the actual position in the Wawoi Guavi Timber Co'. The Minister also stated that Wawoi Guavi Timber Company's operations were in compliance with all relevant laws.	RH has denied the claims, stating that it "maintains an employment policy regulating the co-habitation of single status employees and employees with dependants without discrimination of race... intimate interrelations are not tolerated at any time... disciplinary measures are applied in case of offences... Furthermore, single status employees are to maintain their single status during the term of contract. breaches of these employment conditions are consequently followed by termination of contract without discrimination of gender or race." <sup>51</sup>

<sup>48</sup> Messers Lohia Bodibo, Aloyisus Aoae, Moses Make, *General labour inspection – Kamusi and Panakawa logging camps*, report prepared for the Department of Labour and Employment, PNG, 2004. 106 Minister for Labour and Industrial Relations, "The World Bank Commissioned Labour Inspection Report Dated 21st March 2004, Letter to Rimbunan Hijau Group of Companies, 29 October 2004.

<sup>49</sup> Lohia Bodibo, Aloyisus Aoae, Moses Make, *General labour inspection – Kamusi and Panakawa logging camps*, general labour inspection report prepared for the Department of Labour and Employment, PNG, 2004.

<sup>50</sup> Messers Lohia Bodibo, Aloyisus Aoae, Moses Make, *General labour inspection – Kamusi and Panakawa logging camps*, report prepared for the Department of Labour and Employment, PNG, 2004. 106 Minister for Labour and Industrial Relations, "The World Bank Commissioned Labour Inspection Report Dated 21st March 2004, Letter to Rimbunan Hijau Group of Companies, 29 October 2004.

<sup>51</sup> James Lau (Managing Director, Rimbunan Hijau Group, PNG), "Re: Draft observations and recommendations report/Responses from Rimbunan Hijau (PNG) Ltd". Letter to Mr. Ben Everts, Review of Current Logging Projects, PNG, 6 August 2004, p.10.

Page	Accusation	Evidence	Background / Critique of Evidence	Response
19	Recruitment of women by plane, then forced to have sex with company officials and police.	PNG: Jungle Justice, broadcast on 3 November 2004 by SBS Dateline. Filmed and reported by Bronwyn Adcock.	The claim is not substantiated. A transcript of the Jungle Justice report <sup>52</sup> does not contain any allegations of forced sex.	No response required.
19	Female workers being forced to have sex with male expatriate workers	Department for Community Development. Draft individual project review report – Wawoi Guavi & Panakawa, PNG, 2004.	It is unclear who conducted the report for the Department for Community Development (DCD), as the author(s) are unnamed. The report sought no input from the company or the workers, instead relying on “meetings/discussions with landowners, forest resource owners and the community at large.”	RH has denied the claims, stating that it “maintains an employment policy regulating the co-habitation of single status employees and employees with dependants without discrimination of race... intimate interrelations are not tolerated at any time... disciplinary measures are applied in case of offences... breaches of these employment conditions are consequently followed by termination of contract without discrimination of gender or race.” <sup>53</sup>
19	Child abuse by an expatriate worker at a logging site	Department for Community Development. Draft individual project review report – Wawoi Guavi & Panakawa, PNG, 2004.	The claim is not substantiated. A thorough and close reading of the document does not reveal any cases of sexual child abuse being recorded.	No response required
25	Waterways were damaged by logging operations at Vailala	Interview with local landowner	This evidence is comment by an individual that two other men were unhappy with damage to waterways.	RH has produced a number of documents <sup>1</sup> from PNGFA and Department of Environment and Conservation (DEC), which verify its compliance with the Forestry Act and the Logging Code of Practice DEC has reported that, occasional minor divergences from the norm are promptly dealt with by the company

<sup>52</sup> "PNG: Jungle Justice." Broadcast on November 3, 2004 by SBS Dateline. Filmed and reported by Bronwyn Adcock. A transcript of this broadcast was obtained from the New Zealand Greens party website. <http://www.greens.org.nz/campaigns/tropicaltimber/pdfs/H%20Jungle%20Justice%20-%20Dateline%20Transcript.pdf>. Accessed 14/4/08

<sup>53</sup> James Lau (Managing Director, Rimbunan Hijau Group, PNG), “Re: Draft observations and recommendations report/Responses from Rimbunan Hijau (PNG) Ltd”. Letter to Mr. Ben Everts, Review of Current Logging Projects, PNG, 6 August 2004, p.10.



Page	Accusation	Evidence	Background / Critique of Evidence	Response
26	Violation of Employment of Non-Citizens Act; exaggeration of position titles for the employment of non-citizens.	Donald Lunen, Wawoi Guavi Timbers, Kamusi (Western Province), inspection report for the Department of Labour and Employment, PNG, 2004.	Critique of this is effectively a repeat of claims made elsewhere in the report. The Department of Labour (DOL) review was conducted by a single employee of the department, and formed a part of the World Bank FCP. The statements made in the report were subsequently discredited in a letter written by the Minister for Labour and Industrial relations, to Rimbunan Hijau (1), which stated that the report was 'biased' and did not 'accurately reflect the actual position in the Wawoi Guavi Timber Co'. The Minister also stated that Wawoi Guavi Timber Company's operations were in compliance with all relevant laws.	A subsequent DOL report has discredited the claims, stating that "the 54 non citizens employed all have valid work permits ..."
26	Recruitment of Indonesian sex workers for logging camps.	Department for Community Development. Draft individual project review report – Wawoi Guavi & Panakawa, PNG, 2004.	The claim is not substantiated. It is unclear who conducted the report for the Department for Community Development (DCD), as the author is not named. The report sought no input from the company or the workers, instead relying on "meetings/discussions with landowners, forest resource owners and the community at large."  This report was not adopted by the Review.	RH has denied the claims, stating that it "maintains an employment policy regulating the co-habitation of single status employees and employees with dependants without discrimination of race... intimate interrelations are not tolerated at any time... disciplinary measures are applied in case of offences... breaches of these employment conditions are consequently followed by termination of contract without discrimination of gender or race." <sup>54</sup>

<sup>54</sup> James Lau (Managing Director, Rimbunan Hijau Group, PNG), "Re: Draft observations and recommendations report/Responses from Rimbunan Hijau (PNG) Ltd". Letter to Mr. Ben Everts, Review of Current Logging Projects,

## 5.2 Indirect accusations

Another 25 allegations about the industry at large are made in the CELCOR/ACF report. They are supported with little or no substantiation.

Page	Claim	Page	Claim	Page	Claim
16-17	Engagement in environmentally destructive practices.	22	Bribery of PNG government officials	24	Complicity in drug smuggling.
14 (4)	Obtaining timber rights without consent. .	22	Intimidation of those involved in reform efforts	24	Complicity in gun smuggling
12	Landowners beaten at roadblock at behest of logging company	22	Bribery of officials	24	Possession by logging operator of guns and pornography
17	Destruction of grave area by logging company	22	Assault of NGO workers	24	Illegal logging
17	Claim that logging employees force women to have sex, and then abandoned once pregnant.	22	Intimidation of Australian journalist Bronwyn Adcock following her report on forestry in PNG for SBS television.	25	Logging company employee shooting of mediator
17	Denial of medical assistance or compensation after workplace injury	23	Illegal extensions granted by PNGFA	26	Use of army officials in Indonesia for intimidation, assault and rape.
21-22, 23	Engagement in illegal logging	23	Obtaining timber rights without consent. .	26	Facilitation of illegal logging in Indonesia
23	Interference in process by Prime Minister Somare	23	Ministerial interference	26	Use of vessels from Indonesia carrying merbau logs
26	Illegal use of transport				

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