

Alongside the Law

A report about the log supply for plywood and veneer exporting companies in the Amazonas state

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Executive summary

The six exporting plywood and veneer companies of the Amazonas state – Amaplac, Carolina, Cifec, Compensa, CIM and Gethal – are or have been involved with illegal logging in the past two and a half years. In 1998, they were responsible for 86,7% of the total exports of the Manaus and Itacoatiara ports, within the Amazonas state. These companies consumed 69,3% of the logs extracted in the state. All of them have fine records at Ibama between 1997 and 1999 due to consumption of logs without ATPF (Forest Products Transport Authorisation) – i.e., illegal logs. These companies were supplied with logs sold by 32 intermediaries, of which 14 also have records of involvement with the trade of illegal logs. Three of those intermediaries – known in the region as ‘timber patrons’ – are responsible for 68% of the sales to these 6 companies as registered at Ibama/AM (the branch of Ibama in the Amazonas state) in 1999.

In the first half of this year these companies already have signed contracts of about 86,000 cubic meters of logs with their intermediaries. In the same period, 67,000 cubic meters of illegal logs have been identified, resulting in fines that reach R\$ 88,000. The discovered volume of illegal logs would be much higher if Ibama’s inspection structure was stronger. The environmental agency counts on only one inspector per 4,050,000 hectares, an area equal to the size of Switzerland.

The average value of the applied fine per cubic meter of illegal logs has decreased from R\$ 18,40 in 1997 to R\$ 1,31 in 1999. The main reason is that Ibama can only fine a maximum of R\$ 4,960 per case based on its own decrees. Ibama is unable to use the Environmental Crimes Law, because it has been approved but not regulated yet. Only the regulation and enforcement of the Law (that imposes strong penalties), the strengthening of the inspection capacity, as well as the involvement of the consumers, can put an end to these illegal practises.

Introduction

This study analyses six plywood and veneer exporting companies operating in the industrial logging centres of Manaus and Itacoatiara and their logs suppliers. The documents used in this report are the Authorization for Transport of Forest Products (ATPFs) and the Forest Products Sale Documents (DVPFs) registered at Ibama in Manaus, besides Documents of Infringement due to extraction, transport or trade of forest products lacking legal documentation.

The companies are: Amaplac (part of the Malaysian group WTK), Carolina (controlled by the Malaysian group Rimbunan Hijau through its subsidiary Jaya Tiasa), Cifec (Chinese), CIM (Companhia Industrial do Amazonas, Brazilian), Compensa (controlled by the Chinese group Tiajin

Fortune Log) and Gethal, a Brazilian company with 25% of the shares owned by the German group Westag&Getalit group.

Most of these companies do not have forest management plans authorised by Ibama or own areas of forest. This means that they need to purchase logs from third parties. Only Gethal and CIM use logs from their own forest areas, but they also have to buy raw material from third parties. Gethal, which already has a small part of its production certified by the Forest Stewardship Council (FSC) using logs from Mil Madeireira, intends to enlarge its FSC certified production in 1999 with its own forestry operation. However, Gethal is still largely dependent on external supply, having log purchase contracts for 44,373.32 cubic meters in 1999 (data until July). And CIM has produced only 1,050 cubic meters in 1998 in its forest areas, far from meeting its own processing needs.

This document is a complement of “The Stolen Logs from the Tapaua river basin”, a case study about the illegal log trade which was submitted in July to the Federal Public Ministry, in Manaus.

The exporting companies

According to Ibama/AM, the plywood and veneer companies exported products for US\$ 20,485,000.00, in 1998. This meant 86,7% of the total exports of the Manaus and Itacoatiara ports in that year. The leader of the sector was Gethal with 34% of the exports, followed closely by Carolina with 28% and Amaplac with 15,1%.

Table 1

EXPORTS FROM THE PORTS OF MANAUS AND ITACOATIARA – 1998

COMPANY	plywood (m ³)	veneer (m ³)	sawn timber (m ³)	Logs (m ³)	Total products (m ³)	Exports (US\$)
AMAPLAC	16,819.50				16,819.50	3,571,000
CIM	2,312.00				2,312.00	708,000
COMPENSA	6,507.00				6,507.00	1,941,000
CIFEC	203.60				203.60	53,000
CAROLINA	5,523.10	14,122.40			19,645.50	6,161,000
GETHAL	5,573.61	16,797.90			22,371.51	8,051,000
Subtotal	36,938.81	30,920.30			67,786.11	20,485,000
<i>TOTAL of the state</i>	36,939.81	30,920.30	5,833.00	1,600.00	75,292.11	23,620,000

Source: Ibama 1999

The six companies consumed the majority of the logs produced in the Amazonas state, as shown in table 2. This table uses the conversion factors adopted by Ibama (see note 1). It is curious that in 1998 Compensa’s registered ATPFs covered only 1,858 cubic meters, although the company has processed 19,712.19 cubic meters according to Ibama. Compensa was fined in May 1999 for consuming 7,332 cubic meters of logs without documentation of origin. It was not possible to find out where the missing 10,622 cubic meters came from.

Table 2

LOG CONSUMPTION IN THE AMAZONAS STATE (SELECTED COMPANIES)

COMPANY	1997	% of the State	1998	% of the State
	Vol, (m3)		Vol, (m3)	

Amaplac S/A	34,564.12	9.27	40,878.43	13.48
Carolina	53,233.33	14.28	43,338.49	14.20
Cifec Compensados (*)	28,655.99	7.69	21,675.06	7.13
CIM - Comp, Ind, Amazônia	20,674.77	5.55	11,674.77	3.82
Compensa	34,246.26	9.19	19,712.19	6.46
Gethal S/A	80,100.49	21.49	69,408.26	22.74
Total	251,477.96	67.5%	211,477.96	69.3
<i>Total consumed in the state</i>	372,812.43	100.00	305,292.12	100.00

Greenpeace 1999 – Source: Ditec-Ibama/AM

To calculate the volume of logs consumed by the industry, Ibama uses the following conversion factors (set in its internal Edict 9638): sawn wood and veneer = 1,8 (i.e., for each cubic meter of final product 1.8 cubic meter of timber is consumed); plywood = 2 (i.e., for each cubic meter of final product 2 cubic meters of timber are consumed).¹

Given the enormous extent of illegality in the logging sector and the lack of governmental monitoring capacity, these conversion factors are practically the only tool Ibama has to estimate the industrial consumption of logs. The calculation is done by comparing the data in the receipts of processed and traded products. Nevertheless, this tool can punish the efficient companies. An example: two companies have ATPFs for 1,000 cubic meters of logs. Let's say that the company X, that has high-tech machinery and qualified workers, was able to produce, with that volume, 600 cubic meters of parquets, while the company Y could produce only 300 cubic meters of boards. By inspecting the papers of both of the companies, Ibama will assign to the company X a consumption of 1,200 cubic meters of logs (600 cubic meters of products multiplied by the conversion factor 2). As it only has ATPFs for what effectively consumed (1,000 cubic meters), the company X would have to pay a fine and eventual restoration fee over the 200 extra cubic meters. And the inefficient company Y, will not pay anything. The solution for such a problem would be the definition of specific conversion factors for each company according to its real efficiency – but this only seems to be possible when the government will be able to trust the companies. I.e., when illegality becomes no longer a trade mark of the logging sector.

The 'patrons of the wood'

Between 1998 and 1999 the six plywood and veneer exporting companies bought logs from 36 suppliers registered at Ibama. Of those suppliers, 4 are companies – Braspor, Jutahy, Maracacuera Florestal (Eidai group)² and Mil (Precious Wood) and 32 are intermediaries. Of those 32 intermediaries, 20 have contracts with the exporting companies Amaplac, Carolina, Cifec, CIM, Compensa and Gethal in 1999, as demonstrated on the ATPFs and DVPFs consulted by Greenpeace.

¹ On the recently published "Facing Destruction" report, Greenpeace adopted even more strict conversion factors, estimating the efficiency rates of the industry to between 28% and 32% for products destined to the external market and to between 34% and 40% for products for domestic consumption, according to a Amazon Institute research.

² Company fined twice during the period.

Of those 20 intermediaries, 11 have infraction records due to the involvement with exploitation, transport and/or sales of illegal logs. Considering the period 1997 – 1999 this figure raises to 14 intermediaries. An important reminder is that the registers of commercial relations between suppliers and consumer companies means ‘legal’ logs. As it was noticed by Greenpeace, the use of fraudulent ATPFs to “legalise” illegal log is common in the Amazon (see annex 5).

The largest 1999 suppliers, according to the ATPFs deposited at Ibama until June, are: the Batista family led by Orivan Antonio Lira (24,506 cubic meters contracted with Amaplac, Cifec, CIM, Compensa and Gethal), Jaime Gomes Vasconcelos (18,534 cubic meters contracted with Gethal) and Cesar Augusto das Neves (15,648.17 cubic meters contracted with Amaplac, Carolina, Cifec and Compensa). All together, they are responsible for 68% of the 1999 sales.

Table 3

LOG SELLING CONTRACTS – 1999 – (M³)							
(Registered at Ibama/AM until 15/6/1999 – ATPFs and DVPFs)							
	AMAPLAC	CAROLINA	CIFEC	CIM	COMPENSA	GETHAL	Total
<i>ORIVAN ANTÔNIO LIRA</i>	3,766.00		1,830.00	600.00		2,470.00	8,666.00
<i>RAIMUNDO BATISTA DA SILVA</i>				1,800.00	700.00	13,340.00	15,840.00
<i>JAIME G, VASCONCELOS</i>						18,534.00	18,534.00
CÉSAR AUGUSTO DAS NEVES	3,040.00	3,021.00	5,787.17		3,800.00		15,648.17
CLOVIS DA SILVA SANTOS			1,278.00	2,190.00			3,468.00
<i>EDOEL J, FERREIRA ALVES</i>		2,472.00					2,472.00
<i>ELOY DAS NEVES LOPES</i>		650.00					650.00
FLÁVIO PROCÓPIO AZEVEDO						1,500.00	1,500.00
<i>FRANCISCO B. ,PONTES</i>	968.00		517.00	1,493.00			2,978.00
FRANCISCO D, MARTINS		1,100.00					1,100.00
JOÃO ESTEFANIO A, DE LIMA		810.00					819.00
JOSE ANDRE VINHOT						520.00	520.00
MANOEL GOMES CARVALHO					600.00		600.00
NEDE FREIRE DA SILVA						3,400.00	3,400.00
NELSINDO M, CARVALHO		1,700.00	1,640.00				3,340.00
RAIMUNDO CHAGAS FILHO						1,600.00	1,600.00
RAIMUNDO NONATO SOUZA			1,320.00				1,320.00
SALOMÃO Z, ALMEIDA		240.00					240.00
SEIKI FURUIA IZUMA	1,813.00						1,813.00
THEODOR NARGEL			1,698.00				1,698.00
TOTAL	9,587.00	10,002.00	14,070.17	6,083.00	5,100.00	41,364.00	86,206.17

Greenpeace 1999 – Source: Ibama/AM

Note: *Suppliers fined for involvement with illegal timber between 1997-1999 are in red.*

Based on the documentation it is not easy to confirm the purchase of illegal logs by these companies, as the apprehensions were made during the transport between the forest and the industry. The lack of ATPF does not reveal the product’s final destination. However, both the field investigation made by Greenpeace on the Purus river (May 1999) and the analysis of the Documents of Infringement applied by Ibama in the first half of 1999 indicate that the illegal logs are mostly of tree species largely used by the plywood and veneer industry.

These species, as listed in the Documents of Infringement, are: copaiba, samauma, virola, assacu, jacareuba, louro and paricarana – soft wood of little or no use in other applications than veneer and plywood.

Only 3 exporting companies in the Amazonas state don't produce plywood or veneer – Braspor, Mil Madeireira and the MW Florestal. Of them, only Mil doesn't buy from third parties because it's fully FSC certified.

The log intermediaries were responsible for supplying 59,8% of the logs legally processed by the companies in 1998. Among the six companies, only Gethal has production coming from its forest management plans. Supposing that Gethal has used its own raw material to complement what it has bought from third parties, about 42,000 cubic meters of logs are still missing of the total consumption of the companies. Ibama gave a sign about what is going on after its investigation on the companies accountancy discovered 45,847.92 cubic meters of processed wood without ATPF. Among the companies, curiously, are Amaplac, Cifec and Compensa, as well as some of their suppliers: Raimundo Gomes Lobo, Joao Haley Freire da Silva, Orivan Antonio Lira and Manoel Gomes de Carvalho.

Table 4

LOGS SOLD WITH ATPF – AMAZONAS – 1998 (M³)							
(Registered at Ibama/AM)							
	AMAPLAC	CAROLINA	CIFEC	CIM	COMPENSA	GETHAL	TOTAL
SUPPLIERS							
ADENAZIO GONÇALVES SOUZA		783.00				1,613.00	2,396.00
ANTÔNIO PEREIRA BORGES		100.00					100.00
CARLOS PALMEIRA CAMPOS		100.00					100.00
CESAR A, H, DAS NEVES		800.00					800.00
CLOVIS DA SILVA SANTOS				2,710.00			2,710.00
<i>CRISTOVÃO R. FIGUEREDO</i>						3,058.35	3,058.35
<i>EDOEL JOSÉ FERREIRA</i>		2,040.42					2,040.42
EMPRESA JUTAHY	1,143.00	2,732.00					3,875.00
<i>FRANCISCO BELMINO PONTES</i>	4,361.00						4,361.00
FRANCISCO DEJACIR MARTINS		4,420.00					4,420.00
FRANCISCO TOGO SOARES		2,921.00				677.00	3,598.00
<i>HONORATO F, DE MELO FILHO</i>	6,470.00	3,396.56	1,210.00	3,395.00	1,858.00		16,329.56
JANAINA SOCORRO ARAUJO		1,500.00		4,000.00			5,500.00
JOÃO ESTEFANIO A, DE LIMA		2,352.00				1,240.00	3,592.00
JOSÉ CASTRO DA SILVA						2,382.00	2,382.00
MADEIREIRA SOARES		300.00					300.00
<i>MARACACUERA FLORESTAL</i>			3,900.00				3,900.00
<i>NEDE FREIRE DA SILVA</i>						1,249.00	1,249.00
NELSINDO M,CARVALHO		3,655.00	500.00				4,155.00
OSCAR DA COSTA GADELHA						4,567.86	4,567.86
<i>RAIMUNDO BATISTA DA SILVA</i>	9,887.00	19,964.64	7,465.98			8,225.40	45,543.02
RAIMUNDO CHAGAS FILHO						1,705.00	1,705.00
SEIKI FURUIA IZUMA	4,000.00	2,500.00	1,537.00				8,037.00
VALDENOR CAMPOS DA COSTA						1,082.00	1,082.00
ZACARIAS DE SOUZA BARBOSA						366.00	366.00

TOTAL	25,861.00	47,564.62	14,612.98	10,105.00	1,858.00	26,165.61	126,167.21
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Greenpeace 1999 – Fonte: Ditec – Ibama/AM

. Note: *Suppliers fined for involvement with illegal timber between 1997-1999 are in red.*

The fines against companies and patrons

To set the profile of loggers and companies, Greenpeace studied the Documents of Infringement issued by Ibama in 1997, 1998 and the first half of 1999, considering only volumes of logs higher than 100 cubic meters. In this period, Ibama/AM issued 85 fines to loggers and companies - for exploitation, purchase, sale, transport and processing of timber without ATPFs – i.e., illegal log.

The total charges of the period was R\$ 1,921,462.96, corresponding to 169,692.61 cubic meters of illegal wood. However, the government did not get all this money as in many cases the companies go to the court to dispute the fines. It was the case, for instance, of the two highest fines: R\$ 532,960.00 applied in July 1997 to Gethal; and R\$ 432,515.00 applied in June of the same year to Carolina. Both refer to an inspection of submerse logs deposits. The cases are still in the Justice.

According to the existing legislation, the companies and loggers punished by Ibama must also pay for the forest restoration. The infractor can reforest or pay a tax of R\$8.00 per illegal cubic meter. Usually, the companies prefer to pay than to reforest, because it is cheaper. The money from forest restoration would reach R\$ 1,357,540.90, increasing the final amount of the penalties to R\$ 3,279,003.84 in the studied case.

The analysis of fines values and volumes – a complete list can be found on annex 1 – reveals interesting facts:

- 1) The average fine per cubic meter is decreasing year after year, as Graphic 1 shows. In 1997, it was R\$ 18.40/m³, dropping to R\$ 8.20/m³ in 1998 and to R\$ 1.31/m³ in the first half of 1999. The main reason is the fact that the Environmental Crimes Law, approved by the Congress and sanctioned with vetoes by the president of the Republic, has not been still fully regulated. Unable to apply the Law penalties, Ibama bases its work on internal decrees in order to avoid the infractor disputing the fine in the Justice.
- 2) The maximum fine applied in the first half of 1999, based on Ibama's decrees, was equal to R\$ 4,960.00. This was the amount charged to the Chinese company Compensa, in May 1999, for 5,772 cubic meters of log without confirmation of origin – the same amount charged to the extractor Manoel Gomes de Carvalho, in the same month, for transport/commerce of 810.50 cubic meters of wood without ATPF. In 1997, due to a smaller volume (750 cubic meters) the Portuguese Braspor company was fined in R\$ 20,000.
- 3) The small price of the average fined cubic meter – R\$ 1.31 – added to the forest restoration rate, increases the cost of the illegal log to R\$ 9.31 per cubic meter (plus extraction and transport costs). The ribeirinhos of the Purus River Basin sell to their

patrons a cubic meter of copaiba – (*Copaifera sp*), the species the most traded in the current season – for R\$ 8 to R\$ 12, according to Greenpeace investigations. The same species was bought by Compensa, in the first half of 1999, by the average price of R\$ 40 per cubic meter delivered at the company's yard in Manaus. As the transport costs by river are very low, the extractor's profit margin is high enough to compensate any risk of being apprehended by Ibama. And more: if the intermediary is caught in a Ibama inspection (what is not usual) he will be nominated the "legal guardian" of the logs. This timber should be kept by the person or company in charge of it, for future submission to the Justice. Commonly, the logs left under the legal guard of loggers disappear (see annex 2).

- 4) The inspection does not act homogeneously, as graphic 2 shows. This is a consequence of Ibama's budget difficulties and to the Union cash flow. In 1998, as example, Ibama/AM punished only 16 third parties and logging companies (for volumes higher than 100 cubic meters of logs), while 39 fines have been applied in 1997 and 30 fines in the first half of 1999. The loggers did not change their practises in 1998 – they kept making use of illegal forest products, as it was indicated on an investigation carried out on the accountancy of 8 companies and 4 big patrons in May 1999. All of them were charged by consuming and trading logs without ATPF. Within the implicated are the companies Amaplac, Cifec and Compensa and the patrons Orivan Lira, Raimundo Lobo and Manoel Gomes de Carvalho. The majority of this wood (the final figure reached 45,847.92 cubic meters) was already consumed by that time. As May was the beginning of 99's season, the facts lead to believe that this illegal logs were purchased in 1998.
- 5) The fines per se do not solve the problem - as even if caught more than once, companies and intermediaries continue to trade illegal logs. It is evident that only stronger penal actions plus higher fines can change the scenario of illegality of the extraction, transport and trading of logs. The Environmental Crimes Law, once regulated, will be an useful tool to restrain this damaging practise to both the environment and the public safes.
- 6) The analysis of the fines applied in 1999 (see table 5) shows that in a few months period of time Ibama/AM identified the consumption or apprehended 67,827.92 cubic meters of illegal logs, punishing many companies and extractors. An inspection on the companies accountancy in April proved that 3 of them consumed illegal logs: Amaplac (2,715.2 cubic meters without ATPF), Compensa (1,460 cubic meters without ATPF) and Cifec (2,941.8 cubic meters without ATPF).

Table 5

1999 FINES (until 15th of June)				
	Volume (m3)	Species	Fine	Date
IND.COM.EXP.MAD.STA LUCIA	700.000	DIV	4,960.00	Apr-99
ECO-BRASIL HOLANDA ANDIRA		ACUAR	4,960.00	Apr-99
JOSE D'AVILA TOMAZ	364.651	DIV	2,700.00	Apr-99
MADEIREIRA ALMEIDA	377,671	DIV	500.00	Apr-99
MAUA MAD. IND. LTDA	3,626.070	DIV	4,960.00	Apr-99
MARUPA INDUSTRIAL	6,737.829	DIV	4,960.00	Apr-99

MARUPA INDUSTRIAL	845.192	DIV		Apr-99
MARUPA INDUSTRIAL	162.699	DIV	1,500.00	Apr-99
AMAPLAC S/A	2,715.202	DIV	4,960.00	Apr-99
CIFEC COMPENSADOS	2,941,872	DIV	4,960.00	Apr-99
JANIO GOMES BERGER	102.000	DIV	980.00	May-99
MANOEL GOMES DE CARVALHO	(810.500)	DIV	4,960.00	May-99
JOAO HALEY FREIRE DA SILVA	(1,000.000)	DIV	4,960.00	May-99
COMPENSA	1,460.000	DIV	4,960.00	May-99
COMPENSA	5,772.000	DIV	4,960.00	May-99
RAIMUNDO GOMES LOBO	2,599.000	DIV	4,960.00	May-99
RAIMUNDO GOMES LOBO	16,228.599	DIV	4,960.00	May-99
ORIVAN ANTONIO LIRA	1,438.430	DIV	1,800.00	May-99
NEDE FREIRE DA SILVA	656.956	DIV	1,000.00	Jun-99
MADEIREIRA ENTRERIOS LTDA	424.500	MULAT	3,000.00	Jun-99
CAIO MARIO CASTRO DUARTE	951.000	ASS/COP	888.00	Jun-99
RAIMUNDO GOMES LOBO	2,497.000	DIV	2,495.00	Jun-99
PH IND COM (RONDONIA)	1,268.400	DIV	4,960.00	Jun-99
RAIMUNDO BATISTA DA SILVA	4,014.694	MUI/SAM/COP	3,000.00	Jun-99
EXTRAMAR EXT. MAD. REGIONAIS	975.000	DIV	700.00	Jul-99
EXTRAMAR EXT. MAD. REGIONAIS	1,291.000	DIV	3,873.00	Jul-99
ORIVAN ANTONIO LIRA	3,711.260	DIV	3,000.00	Jul-99
ANTONIO MALVEIRA GOMES	4,362.390	ASS		Jul-99
ELOY DAS NEVES LOPES				Jul-99
JAIME GOMES VASCONCELOS	3,415.000	ASS		Jul-99
Total	67,827.925		88,916.00	

Glossary: Acuar: acuaricuara; Div – various species; Mulat – mulateiro; Ass: assacu; Cop: copaíba; Sam: samaúma; Mui: muiracatiara;

Table 6

**COMPANIES: THE 10 HIGHEST FINES IN VOLUME OF ILLEGAL LOG
(1997 to June 1999)**

COMPANIES	Volume (m ³)	Fine (R\$)
GETHAL	32,481.198	558,160.00
CIFEC	23,586.326	211,394.00
CAROLINA	15,526.000	463,468.50
MARUPA INDUSTRIAL	7,745.720	6,400.00
COMPENSA	7,232.000	9,920.00
BRASPOR	489.000	102,970.00
MAUA MAD. IND. LTDA	3,626.070	4,960.00
CIM	3,593.219	68,864.00
AMAPLAC S/A	2,715.202	4,960.00
ESTALEIRO NOE (Tefé)	2,363.000	9,471.00

Greenpeace 1999 – Source: Dicof-Ibama/AM

The fines champions

All six plywood and veneer exporting companies – Amaplac, Cifec, CIM, Compensa, Carolina and Gethal – are listed among the top ten fines for illegal processed logs in the Amazonas state between 1997 and 1999 (table 6). Gethal and Carolina also lead in terms of

value, although they went to the Justice against Ibama for the fines of 1997. Gethal, at least, is publicly declaring it's intention of being fully certified by the year 2000.

Table 7

**'PATROES': THE 10 HIGHEST VOLUMES OF REGISTERED ILLEGAL LOGS
(1997 to June 1999)**

	VOLUME (M ³)	FINES (R\$)
RAIMUNDO GOMES LOBO	21,324.599	12,415.00
RAIMUNDO BATISTA DA SILVA	7,706.810	85,960.00
WALDEMAR OLIVEIRA MORAES NETO	5,246.000	20,987.00
ORIVAN ANTONIO LIRA	5,149.690	4,800.00
ANTONIO MALVEIRA GOMES	4,362.390	
RAIMUNDO NONATO SOUZA DOS SANTOS	3,806.000	66,590.00
JAIME GOMES VASCONCELOS	3,415.000	
DUCIVALDO MESQUITA DE OLIVEIRA	2,000.000	20,000.00
MANOEL FLORENCIO NUNES	1,714.000	4,960.00
HONORATO FERNANDES DE MELO FILHO	1,505.000	9,920.00

Greenpeace 1999 – Fonte: Source-Ibama/AM

The list of suppliers involved with the higher volumes of illegal logs is led by Raimundo Gomes Lobo, who sells timber to the Chinese company Comensa. Lobo received 3 Documents of Infringement (DI) between 1997 and 1999. After him comes the Batista family; led by Orivan Antonio Lira since his brother Raimundo Batista da Silva was killed last year. The Batista had 6 DI between 1997 and June 1999 for 12,856,5 m³ of logs without ATPFs. Orivan Antonio Lira is known as the “big patron” of the Purus River Basin. The Batista sells to Amaplac, Cifec, CIM, Compensa and Gethal. Other intermediaries were charged more than once: Raimundo Nonato (4 DIs), Edoel Jose Ferreira, Eloy das Neves Lopes, Honorato Fernandes de Melo Filho and Manoel Gomes de Carvalho (all of them with 2 Documents of Infringement each).

Conclusions and Greenpeace demands

This report exposes showed that the six companies exporting plywood and veneer in the Amazonas state have been fined by Ibama/AM for being involved with illegal timber in the last two and a half years. Of the 32 intermediaries that supply this companies according to Ibama ,14 have records of punishments related to illegal logging.

The majority of the illegal logs identified by Ibama in the current season is wood typically used for plywood and veneer production – the main wood products exported by the Amazonas state. The legal and institutional fragility of the institutions in charge of controlling the timber industry contributes to the existence of the illegal timber market, while the low costs of the applied fines and the lack of strong punishment to the infractors are an invitation to the maintenance of this illegality.

Because of this, Greenpeace demands:

- **Priority for the proper regulation of the Environmental Crimes Law.** The Ministry of Environment must constitute immediately a Working Group with the participation of the Civil Society with the main objective of elaborating a proposal for the Environmental Crimes Law regulation and its administrative sanctions. This Working Group must have a defined timetable to present its proposals, as well as the Ministry of the Environment must assume the compromise of making public the Ministry Decree to regularise the Law as soon as the working group concludes its mission.
- **The improvement of the working conditions and structure of Ibama:** the federal government must make all the necessary efforts to improve the main controlling organ, Ibama, so it can effectively accomplish its mission on inspecting and controlling the logging activity in the Amazon.
- **A detailed inventory of the Amazon logging sector,** including owned forest areas, profits, size, production, productive capacity, kind of products, equipment, owners, number of employees and their legal situation, suppliers, origin of the logs and exploitation methods.
- **Business commitment** – The processing companies must assume a public compromise of only buying legal timber . The companies must demand from its suppliers the respect to the environmental legislation and also define a short term calendar to adhere to independent entities certification standards, as FSC.

Annex 1 – The fines

FINES ISSUED BY IBAMA/AM - 1997 TO JULY 1999				
(volumes over 100 m3 of logs)				
COMPANIES	Volume (m³)	Predominant species	Fine	Date
AMAPLAC S/A	2.715,202		4.960,00	Abr - 99
BRASPOR	4.148,000		82.970,00	Ago-97
BRASPOR	750,000	Div	20.000,00	Fev-97
CAROLINA	13.529,000	Div	432.515,00	Jun-97
CAROLINA	1.997,000	Ass	30.953,50	Jul-98
CIFEC COMPENSADOS	17.143,461	Div	171.434,00	Set-97
CIFEC COMPENSADOS	2.941,872	Div	4.960,00	Abr-99
CIFEC DA AMAZONIA	3.500,993	Div	35.000,00	Set-97
CIM	500,000	Ass	7.000,00	Jan-97
CIM	3.093,219	Div	61,864,00	Set-97
COMPENSA	1.460,000	Div	4,960,00	Mai-99
COMPENSA	5.772,000	Div	4,960,00	Mai-99
ECO-BRASIL HOLANDA ANDIRA	1500 toras	Acuar	4,960,00	Abr-99
ESTALEIRO NOE (TEFE)	2.363,000	Div	9,471,00	Nov-97
EXTRAMAR EXT. MAD. REGIONAIS	975,000	Div	700,00	Jul-99
EXTRAMAR EXT. MAD.REGIONAIS	1.291,000	Div	3,873,00	Jul-99
GETHAL	1.260,000	Ass	25,200,00	Jun-97
GETHAL	26.648,198	Div	532,960,00	Jul-97
IND.COM.EXP.MAD. STA LUCIA	700,000	Div	4,960,00	Abr-99
MADEIREIRA ALMEIDA	377,671	Div	500,00	Abr-99

MADEIREIRA ENTRERIOS LTDA	424,500	Mulat	3,000,00	Jun-99
MARACACUERA FLORESTAL	1.000,280	Vir	15,000,00	Jul-97
MARACACUERA FLORESTAL	289,700	Jacba/Lou	4,960,00	98
MARUPA INDUSTRIAL	6.737,829	Div	4,960,00	Abr-99
MARUPA INDUSTRIAL	845,192	Div	PENAL	Abr-99
MARUPA INDUSTRIAL	162,699	Div	1,500,00	Abr-99
MAUA MAD. IND. LTDA (Waldemar Moraes)	3.626,070	Div	4,960,00	Abr-99
MIL MADEIREIRA	120,000	Acuar	1,000,00	Mar-98
NADER MADEIRAS ENTRERIOS LTDA	598,050	Mulat	9,269,00	Out-97
PH IND COM (RONDONIA)	1.268,400	Div	4,960,00	Jun-99
SERRARIA JUNIOR LTDA	122,000	Div	1,952,00	Out-98
SERRARIA JUNIOR LTDA	2.715,202	Div	4,960,00	Abr-99
TEFE IND.COM.MADEIRAS	832,660	Ass/Parn	4,960,00	Jul-98
EXTRACTORS	VOLUME (M³)	Predominant species	Fine	Date
ANTONIO MALVEIRA GOMES	4.362,390	Ass	PENAL	Jul-99
CAIO MARIO CASTRO DUARTE	951,000	Cop/Ass	888,00	Jun-99
CRISTOVAO COSSENO FIGUEIREDO	400,000	Jacba	800,00	Ago-98
DUCIVALDO MESQUITA DE OLIVEIRA	2.000,000	Sam	20,000,00	Jul-97
DULCINEIA GONCALVES VASQUES	200,000	Jacba	1,200,00	Ago-98
EDOEL JOSE FERREIRA ALVES	473,000	Sam	13,901,46	Jun-97
EDOEL JOSE FERREIRA ALVES	894,000	Ass	17,880,00	Jun-97
ELOY DAS NEVES LOPES	1.337,000	Sam/Ass	22,740,00	Jun-97
ELOY DAS NEVES LOPES	(*)			Jun-99
FRANCISCO BELMINO PONTES	400,000	Sam	8.000,00	Jun-97
HAROLDO PEREIRA FACANHA	122,315	Vir	2,445,00	Jun-97
HONORATO FERNANDES DE MELHO FO,	1.200,000	Div	4,960,00	Ago-98
HONORATO FERNANDES DE MELHO FO,	305,000	Jacba	4,960,00	Mai-98
JAIME GOMES VASCONCELOS	3.415,000	Ass	(**)	
JANIO GOMES BERGER	102,000	Div	980,00	Mai-99
JOAO BEZERRA CHAVES	152,980	Ass/Jacba	1,500,00	Jul-98
JOAO HALEY FREIRE DA SILVA	(1.000,000)	Div	4,960,00	Mai-99
JOSE ANDRE VINHOT	457,310	Div	1,500,00	Jun-98
JOSE D'AVILA TOMAZ	364,651	Div	2,700,00	Abr-99
LUIZ BEZERRA DE ARAUJO	444,000	Div	8,880,00	Ago-97
MANOEL FLORENCIO NUNES	1.714,000	Div	4,960,00	Ago-98
MANOEL GOMES DE CARVALHO	450,000	Sam	13,500,00	Jun-97
MANOEL GOMES DE CARVALHO	(810,500)	Div	4,960,00	Mai-99
MANOEL SERVIO DOS SANTOS FARIAS	454,000	Div	9,080,00	Mar-97
MANOEL VICENTE DA SILVA	340,000	Div	3,500,00	Jan-98
NED FREIRE DA SILVA	656,956	Div	1,000,00	Jun-99
NELSINDO MONTEIRO DE CARVALHO	1.000,000		5,000,00	Ago-97
OMAR DA SILVA LOPES	662,000	Ass/Parn	2,480,00	Jul-98
ORIVAN ANTONIO LIRA	1.438,430	Div	1,800,00	Mai-99
ORIVAN ANTONIO LIRA	3.711,260	Div	3,000,00	Jul-99
OSCAR FIGUEIREDO NETO	210,000	Sam/Cop	28,368,00	Mar-97
RAIMUNDO BATISTA DA SILVA	671,759	Div	10,000,00	Ago-97
RAIMUNDO BATISTA DA SILVA	568,000	Ass	11,360,00	Jun-97
RAIMUNDO BATISTA DA SILVA	283,357	Div	5,100,00	Jun-97

RAIMUNDO BATISTA DA SILVA	1.119,000	Sam	15,500,00	Jul-97
RAIMUNDO BATISTA DA SILVA	1.050,000	Div	41,000,00	Nov-97
RAIMUNDO BATISTA DA SILVA	4.014,694	Mui/Sam/Cop	3,000,00	Jun-99
RAIMUNDO GOMES LOBO	2.599,000	Div	4,960,00	Mai-99
RAIMUNDO GOMES LOBO	16.228,599	Div	4,960,00	Mai-99
RAIMUNDO GOMES LOBO	2.497,000	Div	2,495,00	Jun-99
RAIMUNDO NONATO SOUZA DOS SANTOS	2.043,000	Ass	10,215,00	Jun-97
RAIMUNDO NONATO SOUZA DOS SANTOS	1.385,000	Ass	27,700,00	Jun-97
RAIMUNDO NONATO SOUZA DOS SANTOS	88,000	Vir	1,760,00	Jul-97
RAIMUNDO NONATO SOUZA DOS SANTOS	290,000	Ass	14,500,00	Ago-97
RAIMUNDO RUFINO DA SILVA	917,000	Sam	18,340,00	Jun-97
RUBENS CESAR NUNES	363,230	Sam/Mui	4,960,00	Mai-98
TAKESHI SAKAI	200,000		20,000,00	Abr-97
TAKESHI SAKAI	310,000	Div	3,000,00	Out-97
WALD. OLIVEIRA MORAES NETO	5.246,000	Sam/Cop	20,987,00	Ago-97
<i>Total</i>	174.495,446		1.955.712,96	

Greenpeace/99 - Source: DicoF – Ibama/AM – Agosto de 1999

Nota: Negative volumes listed only to identify the infractor. They are included in the volume of Compensa

(*) DI not found. The logs were going to Compensa

(**) DI without mention to the value of the fine

Glossary: Acuar – Acuariquara; Sam – Samaúma; Mui – Muiratinga; Div – Various species; Ass – Assacu; Parn – Paricarana; Cop – Copafba; Vir – Virola; Jacba – Jacareúba; Lou – Louro; Mul – Mulateiro

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