

**UN-REDD**

**PROGRAMME**

The United Nations Collaborative Programme  
on Reducing Emissions from Deforestation and  
Forest Degradation in Developing Countries



# REDD+ and Anti-Corruption in Asia and the Pacific : Strategy and Planning meeting Kathmandu: 10-11 October 2011



## **SHARING EXPERIENCES IN FIGHTING CORRUPTION IN THE FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

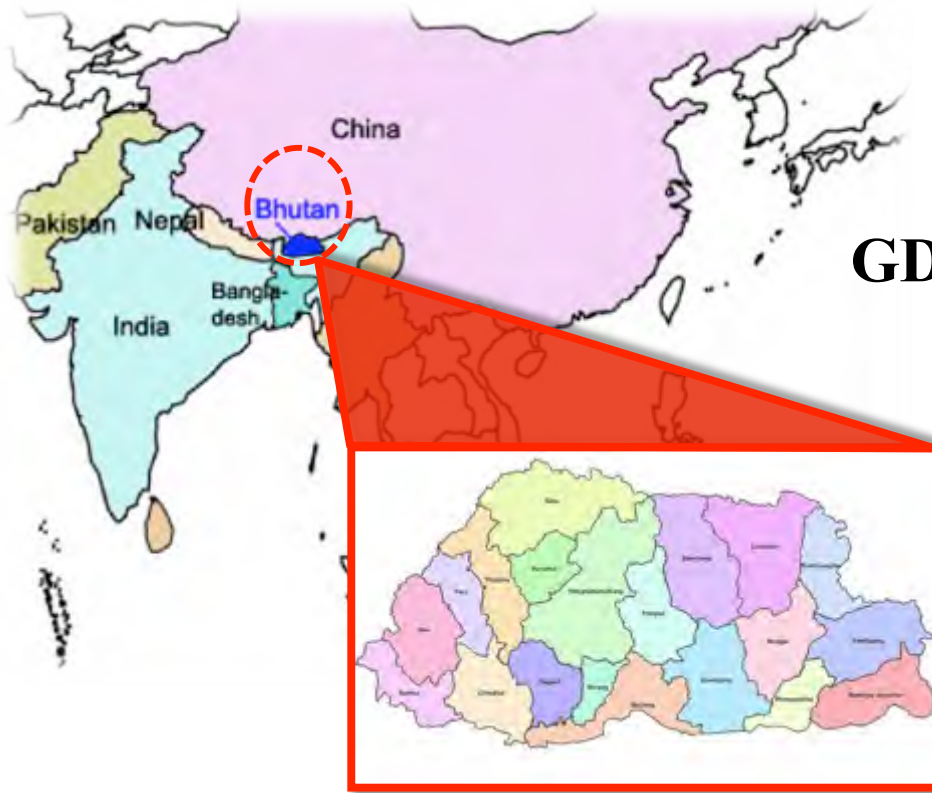
Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865



# COUNTRY PROFILE

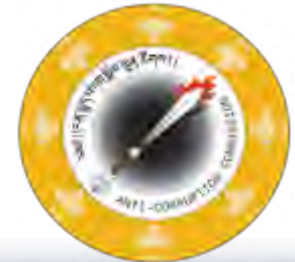


**Area:** 38,394 sq. Km (NSB, 2010)

**Population:** 695,822 (NSB, 2010)

**GDP per capita:** USD 2,041.70 (IMF, 2011)

**Government:** Constitutional Democratic Monarchy



**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

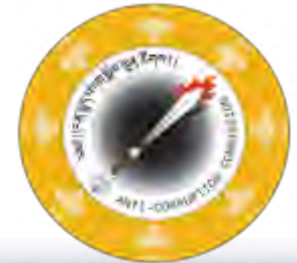
Fax No: + 975 2 334865

# BHUTAN FORESTS

## The Constitution of the Kingdom of Bhutan 2008

### Article 5, Section 3

*The Government shall ensure that, in order to conserve the country's natural resources and to prevent degradation of the ecosystem, a minimum of **sixty percent** of Bhutan's total land shall be maintained under forest cover for all time.*



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# BHUTAN FORESTS

**Forest cover - 72.5%** (NSB, 2010)

## Legislations

- Forest and Nature Conservation Act of Bhutan 1995
- Forest and Nature Conservation Rules 2006
- National Forest Policy (2008 Draft)
- The Land Act of Bhutan 2007
- The Environmental Assessment Act of Bhutan 2000



**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

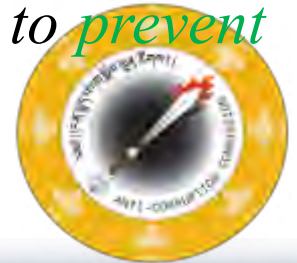
Fax No: + 975 2 334865



# The ANTI-CORRUPTION COMMISSION

- On 31st December 2005, His Majesty the 4<sup>th</sup> King decreed that an Anti-Corruption Commission be established.
- **Article 27(1) of The Constitution of the Kingdom of Bhutan 2008**

*There shall be an Anti-Corruption Commission, headed by a Chairperson and comprising two members, which shall be an independent authority and shall take necessary steps to **prevent and combat corruption in the Kingdom.***



**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# The ANTI-CORRUPTION COMMISSION

## Public Education

- Building an awakened citizenry on ill effects of corruption.

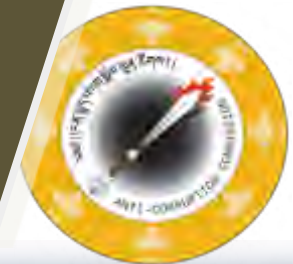
*“Curbing corruption is about changing attitude, changing negative habits and behavior. People should realize that corruption benefits only a few and burdens the nation and its citizens”*

## Prevention

- Identify vulnerable sectors to curb and prevent corruption
- Build and sustain partnership to fight corruption and
- Facilitate in correcting systematic flaws that breed corruption

## Investigation

- Conduct investigation objectively, fairly and without fear & favor
- Follow due process of law during investigation



## SHARING EXPERIENCES IN FIGHTING CORRUPTION IN THE FORESTRY SECTOR

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

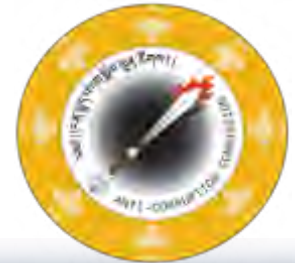
Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# INVESTIGATION OF THE CASE OF ILLEGAL EXTRACTION OF TIMBER



- Year 2007
- Complaint on rampant illegal extraction of timber by people and unfair implementation of rules and regulations by Forestry officials
- One district - *Haa*



**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

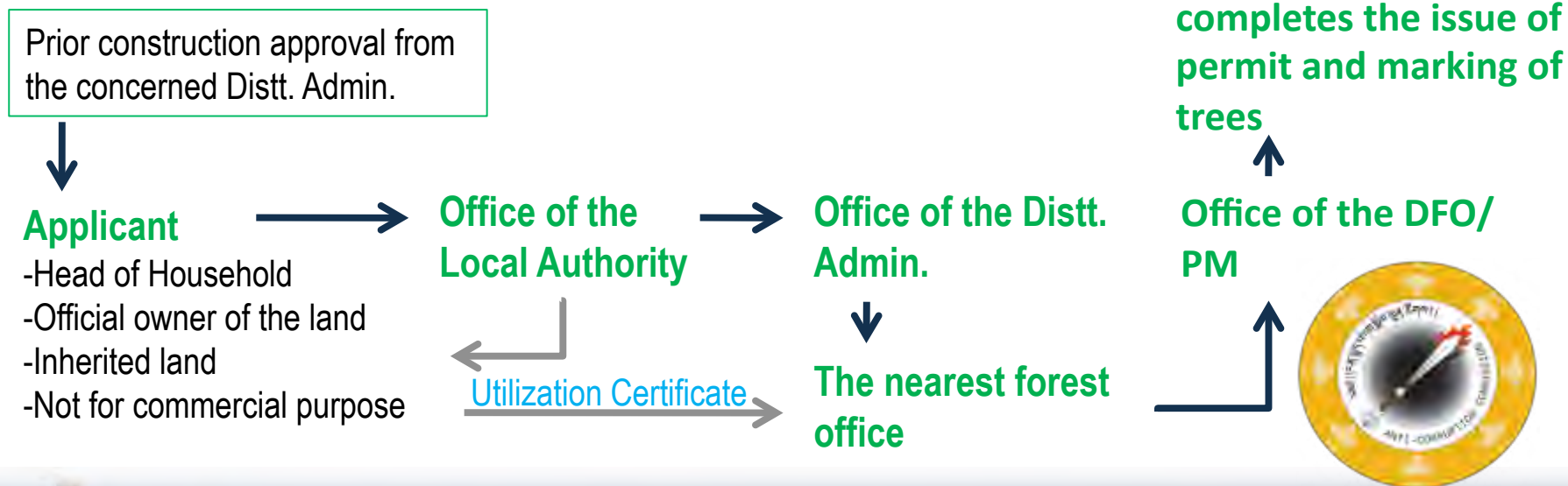
Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865



# INVESTIGATION OF THE CASE OF ILLEGAL EXTRACTION OF TIMBER

## Procedures for allotment of subsidized timber for Rural purpose, FNCR 2006



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865



# INVESTIGATION OF THE CASE OF ILLEGAL EXTRACTION OF TIMBER

## Findings

- Fraudulent applications to obtain timber permits (*Forgery, Deceptive practice & Criminal Misappropriation of Property as per PCB 2004*)
- Piles of logs found in the town without passing hammer impressions
- Rural timbers transported and sawn in the saw mills without sawing order and passing hammer (*Violation of FNCR 2006*)
- Shingles and block sized timbers transported and sawn in saw mills (*Violation of FNCR 2006*)



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

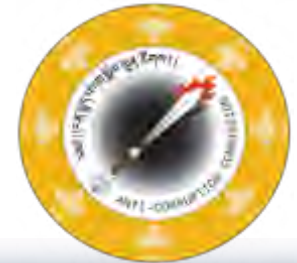
Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# INVESTIGATION OF THE CASE OF ILLEGAL EXTRACTION OF TIMBER

- **Prosecution & Conviction**
  - 2 Local leaders (*Gups*)
  - 1 Saw miller
  - 5 Local people
- **750 cft timber restituted to the govt.**
- **Administrative actions for Forestry officials**



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865



# SYSTEMIC MEASURES TO PREVENT CORRUPTION (POST INVESTIGATION)

- Separation of rural and commercial saw mills
- Increase the number of forest check posts
- Lack of co-ordination among Forestry Management Units and Territorial Range offices
- Lack of check on the use of timber by civil/local authorities and forestry officials (*Weak enforcement of FNCR 2006*)
- Improve documentation to avoid unauthorized claims/  
manipulation



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# SYSTEMIC MEASURES TO PREVENT CORRUPTION (POST INVESTIGATION)

- Personnel Issues – adequate staff and regular transfers
- Verification of land registration records to avoid double claims
- Immigration Issues – illegal immigrants stationed in the forest
- Record keeping of In and Out flow of timber from Saw mills
- Resource allocation – vehicles, equipment, infrastructure, etc
- Issue of subsidy in general to be addressed by the Government



**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

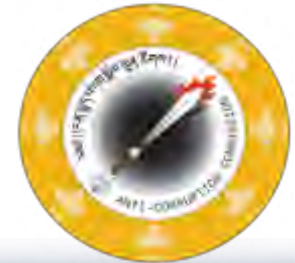
Fax No: + 975 2 334865



# SYSTEMIC MEASURES TO PREVENT CORRUPTION (PRO-ACTIVE STUDY)

## Background

- Study conducted by Prevention Division in early 2009
- Focused on Rural Timber Allotment and Management system
- Objective of the study was to analyze possible systemic weaknesses that provided opportunities for more corruption in forestry sector
- One District – *Paro*



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

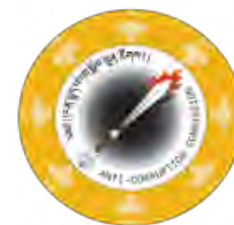
Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# SYSTEMIC MEASURES TO PREVENT CORRUPTION (PRO-ACTIVE STUDY)



Problems Identified	Cause Analysis
1. Claiming/requesting timber apparently as a matter of right	Chapter X, Section 93 of the Forest and Nature Conservation Rules, 2006 allows people for periodic entitlement of timbers for rural house construction, repair/renovation/extension and other rural purposes.
2. Deflection of timber	There is only one check post in Paro & it does not serve any purpose of checking timber movements from other routes.
3. Illegal felling of trees	Demand for timbers with very attractive price is one of the main reasons for illegal felling of trees. This is further facilitated by abundance of chain saws in the district.

**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

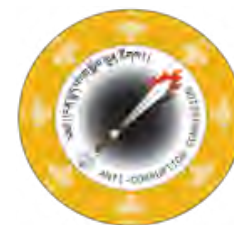
Anti-Corruption Commission  
Thimphu  
Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865



# SYSTEMIC MEASURES TO PREVENT CORRUPTION (PRO-ACTIVE STUDY)



Problems Identified	Cause Analysis
4. Frequent request for timbers	Request for timber is based on the eligibility criteria rather than on need. Therefore, so long as they are eligible, they apply for it, so that they can sell it away.
5. Additional felling and other destruction	FNCR 2006 allows option for the applicants to choose between sawing at saw mill and pit sawing/axe chopping.
6. Monitoring activity is not effective	Monitoring is basically made non-effective by Chapter X, Section 97(11) of FNCR 2006 wherein loaning of subsidized timber allotted for rural construction is allowed within a <i>chiwog</i> . This contradicts next allotment eligibility time-gap criterion.

**SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR**

- Presentation by Leki Dendup

**Royal Govt. of Bhutan**

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

# SYSTEMIC MEASURES TO PREVENT CORRUPTION (PRO-ACTIVE STUDY)

## Recommendations

- Strict implementation of [Chapter X, Section 97 \(8\) of the FNCR 2006](#)
- Reduction of the maximum period from three to two years for extracting timber from the forest from the date of allotment
- Disallow Pit sawing/Axe chopping for all categories (change [Chapter X, Sec 92 \(2\) & \(7\) of the FNCR 2006](#))



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

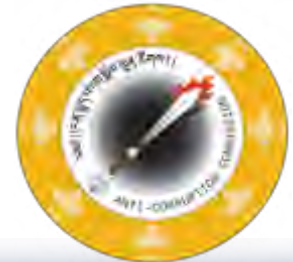
Fax No: + 975 2 334865



# SYSTEMIC MEASURES TO PREVENT CORRUPTION (PRO-ACTIVE STUDY)

## Recommendations

- Establish additional Forest Check posts
- Shorten procedure of timber application and allocation.
- Disallow lending/borrowing of subsidized timber ( [Chapter X, Section 97\(11\) of FNCR 2006](#) to be deleted all together)
- Licensing system for chain saw



SHARING EXPERIENCES IN  
FIGHTING CORRUPTION IN THE  
FORESTRY SECTOR

- Presentation by Leki Dendup

Royal Govt. of Bhutan

Anti-Corruption Commission

Thimphu

Post Box 1113

Tel: + 975 2 334863 /64/66/67/68/60

Fax No: + 975 2 334865

Thank you!