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## Central African Republic: IMF, logging and mining

The dense, moist forests of the Central African Republic cover about four million hectares. Although the country has maintained loan arrangements with the IMF dating back to the 1980's, it came under increased pressure when the Central African Republic signed a three-year, \$66 million loan agreement with the IMF in 1998. The IMF has encouraged the Central African Republic to increase exploitation of forest and mineral resources. "Mineral resources in the Central African Republic have so far been insufficiently exploited..." reads a policy framework paper jointly drafted by the IMF, World Bank, and Central African Republic in 1998.

The Central African Republic has followed the IMF's advice, and between 1993 and 1999, total log production increased three-fold. About half of the humid forest area is now held by a handful of transnational logging companies. Despite government efforts to ensure that wood exports have been processed to capture the jobs that come from value-added products, raw log exports have increasingly dominated the sector, making up 71 percent of wood exports in 1999.

Logging in the Central African Republic tends to be of a selective nature. While the lack of clearcut logging operations may appear to mean that forestry's impact is lessened, the effect has been that logging companies penetrate deeper into the forest in search of the most valuable species, most notably sapelli, ayous, and sipo trees.

Once logging activities have been concluded, additional damage is done as settlers and poachers (of "bushmeat" and ivory) gain access to new areas via the logging roads. This has resulted in tragic consequences for the Central African Republic's populations of gorillas, elephants, and rhinos:

- Survival of two species of endangered gorilla—the western and lowland gorillas—is threatened by continued human encroachment and illegal poaching.
- Expansion of commercial logging, human inhabitation, and trade in ivory have led to a decrease in habitat available for forest elephants, which migrate between the Central African Republic, Cameroon, and the Congo. It has been estimated that in the Central African Republic and Congo, as many as 200 elephants are killed each year.
- The western black rhino, one of the world's most imperiled species with perhaps fewer than 10 animals surviving, has already been eliminated from the Central African Republic altogether, due to excessive poaching.

New mining codes were also adopted by the Central African Republic in 2000, as directed by the IMF. In 2001, the nation adopted a new finance law that provided for the reduction of duties on the export of minerals. It is anticipated that these measures will cause additional harm to the country's natural areas.

