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## [Peru: Malaysian companies prepare for logging in the Amazon](#)

Malaysian logging companies have recently expanded to a large number of Southern countries. Even if Malaysian authorities have publicly urged their home-based companies to operate within the law and to be sensitive to environmental issues in their activities abroad, this expansion -that has been promoted by the government itself- has proved detrimental to the people and the forests in host countries' remaining rainforests. Countries in different continents, like Papua New Guinea, Brazil, Guyana, Belize, Cameroon and Cambodia have witnessed the way these companies work. In fact, the operation scheme adopted in the Malaysian state of Sarawak -based on ignoring local communities' and indigenous peoples' rights and depleting the forest as soon as possible- has been exported to such countries. This has been favoured by the political and legal frameworks of several countries where these logging companies operate, which are weak and susceptible to be influenced by powerful corporate interests.

The Malaysian timber sector has now set its sight on the Peruvian rainforests, one of the most biodiverse on the planet. With the support of some Peruvian logging companies, the Malaysian group has been lobbying the national Congress to delay the discussion on a new bill on forests and wildlife, aimed at the protection of the Amazon, which represents 60% of the country's land area. The bill was expected to be approved in November 1999 but with no explanation it was removed from the agenda. In the meantime, forest concessions in the Amazon region continue to be administrated wantonly and arbitrarily by decree. According to national observers, the decrees related to the exploitation of Peru's Amazon jungle issued in the past two years have favoured large foreign investors and hurt small and medium-sized national logging companies.

The activities of Malaysian logging companies in the Amazon are not unknown. According to a report prepared by a special committee of the Brazilian Chamber of Deputies in 1997, Malaysian companies entered the region in 1995 and have already exploited vast areas in a destructive way, sometimes in association with domestic capital (see WRM Bulletin 3). It is feared that similar patterns are applied in the Peruvian Amazon. Unfortunately, the negative record of Malaysian timber companies in their own country and abroad can only strengthen such fears.

Article based on information from: "Malaysian Firms Eye Peru's Amazon Jungle" by Abraham Lama, InterPress Service, 6/3/2000, sent by Forests Monitor, 30/3/2000, "Asian Economies Fuel Forest Meltdown" by Richard Wilcox, The New Observer, 8/4/2000; World Rainforest Movement and Forest Monitor, "High Stakes. The need to control transnational logging companies: a Malaysian case study", August 1998.