

The Guardian of Peru's Rainforests: An Interview with Rolando Navarro

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This interview was originally conducted in Spanish, and translated by the author

The recent article entitled "[AP investigation shows Peru backsliding on illegal logging](#)" by [Frank Bajak](#) of the [Associated Press \(AP\)](#), has caused an international stir, as it exposed the shortcomings of the Peruvian government in combatting illegal logging. The Council on Hemispheric Affairs (COHA) had the opportunity to speak with one of the key figures in this investigation, renewable natural resources engineer Rolando Navarro.

Navarro was the executive chairman of the Forest and Wildlife Resources Oversight Agency (OSINFOR) between 2012 and 2016. Under his mandate, OSINFOR was a key player in "Operation Amazonas," an international operation that has been considered the most successful effort recently in the fight against illegal logging in Peru.

Nevertheless, the administration of then-president Ollanta Humala decided to terminate Navarro's contract in January 2016, causing an outcry from various national and international organizations. Today we speak to Rolando Navarro from Washington, D.C. to hear about his experience and to listen to some of his ideas to resolve the issue of illegal logging.

1. What kind of reaction have you received since this article came out: "[AP investigation shows Peru backsliding on illegal logging](#)"?

There has been a strong international backlash since my dismissal [as a chief of Peru's forest inspection service, OSINFOR]. Some international organizations, such as the Environmental Investigation Agency (EIA), spoke up about the dismissal. There were also statements from some congressmen in the U.S. government, such as Earl Blumenauer from Oregon. In addition, other news sources reported on my dismissal, such as The Guardian, which had previously published a report on illegal logging in Sierra Divisor in Contamana, Loreto. Furthermore, in Peru, El Comercio and La República published reports, and Caretas published an in-depth article written by Marco Zileri in which he talks about the whole process, from the date I left until May. [i]

2. Has the current Peruvian government contacted you?

The government has not contacted me. However, national and international press have approached me to give further statements about the matter. The investigation carried out by the AP has taken more than a year. This could not have been possible without extensive journalistic investigation and the use of information accessed thanks to the Transparency Law.

3. Do you believe the current Peruvian government is willing to eradicate illegal logging?

I would hope so. But I do not know how it would work, because there has been a change of ministers, but not of government officials. The vast majority of officials involved in the environmental sector have been involved for more than one or two decades. For example, if they are in the MINAM [Ministry of Environment] today, tomorrow they are in the MINAGRI [Ministry of Agriculture and Irrigation], PRODUCE [Ministry of Production], [Ministry of] Foreign Affairs, business groups, et cetera. And that is not bad, as long as there is no interest in harming the country.

For me, it was unacceptable and incomprehensible when high-level officials, with good salaries (highly qualified professionals), defended the indefensible, defended what was illegal. What I mean is that the state is paying them to damage the country's patrimony. A professional who is earning a lot of money to defend the state's rightful property and the common good is working against it, and is openly working on proposals with strong business lobbyists. That does a lot of damage to the country and is a matter of concern. It's like there is a gear. There is a complete interconnection. It is as if there were a hinge that lets the door, the revolving door, revolve.

4. Do you think is this a matter only of corruption, or do we need to change the entire system?

It is not just a matter of corruption. Besides being a problem of certain individuals and a network of corruption, it is also an issue of organized crime; that is very clear. It is not only a regional or national operation, it is international. The same structures reflected in Peru are seen all over the world. They follow the same procedures.

If the State has the will, it is not difficult [to reduce illegal logging and lumber trade]. We have the instruments and we have the laws. And they are very clear and spectacular. I can attest that the [Pedro Pablo Kuczynski's] administration, although it is still sort of lukewarm on this matter, has generated some interesting legal devices, such as Legislative Decrees 1244 (against organized crime) and 1249 (against money laundering). Under the current administration, the topic of organized crime has been added to that of environmental crimes. In addition, the government has requested the lifting of banking secrecy for the people involved. Likewise, Legislative Decree 1319 has

positive aspects. However, repealing the registration in SUNARP (National Superintendency of Public Registries) of machinery and equipment for forest logging, which was approved in Legislative Decree 1220 but never enacted, is a gigantic setback because adequate monitoring and control of logging will not be possible.

MINAGRI should have promoted the regulation of Legislative Decree 1220 with this approach,ⁱ rather than encouraging the weakening of the Public Prosecutor's Office, the participation of OSINFOR, and the accompaniment of the Forest Transportation Guide.

5. Keeping in mind that the illegal logging networks involve rural and indigenous populations, what incentives exist for these communities?

That is an interesting topic, which I have raised in almost every interview. With Dr. Juan Jiménez [Prime Minister 2012-2013] we worked on a proposal for Loreto that was called the *Fondo Verde*. The intention of Dr. Jiménez was to prevent the loss of forests, as has happened in Puerto Maldonado, Madre de Dios. In September 2013, Dr. Jiménez asked the OSINFOR team to work together with the regional government of Loreto to propose a funding project so that they could manage the forests well. Our proposal included a good oversight system, ways to implement it, and good pay for the employees, so that they did not have the excuse of low salaries. The proposal had another fundamental component: forest credits. These were credits for small and medium producers that do not have access to a forest credit. If they have loans from the bank, they do not have it based on the forest guarantee; they have it because they have mortgaged their house, machinery, or things like that. However, if someone wanted to grow cacao, maize, or rice, the lender only asked for a certificate of possession, not even a property title. This means that the lenders are financing the destruction of forests for agricultural crops, which is counterproductive. And when chopping down forests, where does that wood end up? That wood is illegal, even if it ends up supported by an official document. OSINFOR has for years requested the expansion of powers to supervise not only titles, but also administrative acts. The current Forestry and Wildlife Law allows for the commercialization of wood from this unsustainable activity that does not have management plans. The SERFOR (National Forest and Wildlife Service) has always opposed this proposal that has no technical or legal justification. This activity is allowed despite OSINFOR having presented convincing reports about the immense volume of timber that is mobilized by these activities. (E.g. land-use change, forest use, river trawling, et cetera).

On the other hand, since 2012, OSINFOR was working on various fronts. For example, there was a high level of non-compliance [by indigenous populations] at the contract level. We realized that the State was not assisting the communities. In 2013, we began to work intensely on the process of capacity building for indigenous organizations and communities. Our greatest effort was concentrated in the border areas, where the Peruvian state has never had a presence. Agreements were also developed with the

Instituto de Bien Común and indigenous organizations. [iv] The indigenous people improved in making inventories. They were communities closely tied to the forests. Even though knowledge of the forest is part of their heritage, what we did was give them the technical, scientific touch. [v]

6. One of the problems mentioned by those working in areas related to inspections is the lack of staff and budget. How short of budget is the Peruvian state in combating illegal logging?

When I started working at OSINFOR as an Executive Chairman, its budget was 15.3 million soles. When I left it was at 26 million soles. That means that in those three years and nine months we leveraged that pile of money, which came from the collection of funds for payment of taxes on the right to use [forest lands], recovery of fines (which were not significant), and from contributions from the Ministry of Economy and Finance, which had become convinced that the control process provided a guarantee and reduced the country's risk regarding the illegal timber trade. However, that budget is too small. For OSINFOR to operate more efficiently, it needs a base of 50 or 56 million soles, and with that it would have the possibility to increase its professional staff, because in the field there are only 35 supervisors. It takes between 15 to 20 days to supervise a forest concession or the lands of the indigenous community. Additionally, the inspectors, and I say this because I have been an inspector, run many risks, because they are in areas where there is drug trafficking, logging, illegal mining, in some cases the remnants of terrorist groups, and other illicit operations.

Providing the money required by OSINFOR would help acquire the tools and instruments to continue contributing to reducing the risk of trade of illegal timber in the country and abroad. It is worth mentioning that in the two years of joint work with SUNAT (National Superintendency of Tax Administration), we were able to deny more than four million soles in tax benefits to the exporters, because they were found to be exporting an illegal product (Drawback).

7. What can the international community do to support the fight against illegal logging?

In the context of Yacu Kallpa [the ship that carried lumber illegally logged], attention on illegal logging is only focused on the route of the Yacu Kallpa that left Iquitos, the Dominican Republic, Mexico, and Houston. However, when we review other data, we find China, Europe, places all over the world. What I mean to say is that this is not a topic that only goes back to the moment that was made public with Operation Amazon in 2014 and 2015. No, this is an ongoing issue. I dare to suggest that all those business groups involved should be audited. Or at least those who are between five and ten years old, because in that time they have received tax benefits. And that is one of the hopes, that there is oversight abroad, even if there is none in this country. This audit of exports

should be carried out by SUNAT independently, based on information from the different institutions in the sector.

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ⁱ Legislative Decree 1220 should have been enacted in accordance with the following:

The final supplementary provisions empower the Ministry of Agriculture and Irrigation to issue supplementary rules related to the imposition of administrative sanctions. [ii] Likewise, the second Complementary Final Provision authorizes the SUNARP, "to issue supplementary administrative provisions in order to allow for the registration and/or registration of registrable assets and mandatory acts in the Register of Movable Property related to the activity of forest harvesting and in the matter of inscription of machinery and equipment, as well as the power to issue the identification card of the machinery that records its characteristics." [iii]

"The list of machinery and equipment is subject to registration, as are the characteristics of natural or legal persons who carry out the logging activity, the obligation to register the registrable assets is established by a Supreme Decree endorsed by the Ministry of Agriculture and Irrigation, the Ministry of Justice and Human Rights and the Ministry of Economy and Finance "

"The SUNARP has, for its adaptation, sixty (60) calendar days counted from the day of publication of the supreme decree approving the list of machinery and equipment that are subject to registration and/or registry entries."