FCA CASE STUDY #3 UPDATE

STILL NO BEEF?

The Wasu Cattle Farm Project

JUBILEE AUSTRALIA RESEARCH CENTRE

ACT NOW! FOR A BETTER PNG

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1. SUMMARY

In May 2024, ACT NOW published a report on the Wasu Cattle Farm project in Morobe Province. The report was the third in a series of investigations into Forest Clearing Authority (FCA) logging licences.

The FCA for the Wasu project was issued in 2019 and logging began in 2021. The FCA covers an area of 50,706 hectares - equivalent to 65,000 rugby league pitches and 150 times the size of Central Park in New York.

The ACT NOW report, Where's the Beef, revealed that despite four years of logging operations and log exports valued at over K15 million, there was no evidence of promised agricultural development or clearance of forest areas. Instead, the logging bore all the hallmarks of an unlawful large-scale selective operation. There was also strong evidence that some local resource owners had not given their consent to the logging.

It is now two-years since the report was published so ACT NOW, together with Jubilee Australia has conducted a new analysis of satellite data for the Wasu area to investigate what has happened since the original report was published.

The new analysis reveals that logging operations appear to have continued in very much the same fashion as before - with no evidence of forest clearance or any agricultural development. Instead, widespread selective logging appears to be ongoing. This is in clear breach of the FCA terms and conditions and Forestry Act requirements.

The apparent lack of action by government authorities on the findings in the original report comes despite concerns over the abuse of FCA logging permits having been recently highlighted by agencies such as the Bank of PNG, the Special Parliamentary Committee on Public Sector Reform and United Nations Human Rights Committee.

RECOMMENDATIONS

The original report contained five key recommendations:

1. The logging company, Wasu Resource Limited, should immediately cease all logging activities while an investigation of the project's legality was conducted;
2. The National Forest Board and PNG Forest Authority should urgently investigate the legality of the original FCA and the logging operations;
3. The Department of Agriculture and Livestock should investigate whether any agricultural activities have been undertaken;
4. Banks and financial institutions should review their risk exposure to companies and individuals linked to the logging operation and conduct enhanced due diligence on any arrangements that could be connected to funds generated from the project; and
5. To address the systematic misuse of FCAs, the PNG Forest Authority should publicly release the results of its internal audit of all FCA logging projects and undertake a new, independent, public and transparent audit of all FCAs and act on the findings

There is no evidence that any of these recommendations have been followed.

In the light of the findings in this update, ACT NOW and Jubilee Australia are now calling for an immediate halt to logging activity in all FCA concession areas until the completion of an independent and transparent audit to verify the establishment of genuine agriculture projects, compliance with all FCA permit conditions and informed consent from resource owners.

2. BACKGROUND

A Forest Clearing Authority is type of logging licence issued by the PNG Forest Authority to authorise the clearance of discrete areas of native tropical forests for agriculture or other land use changes.

FCAs are meant to be tied to a small, specific area of forest which is earmarked for clearance, while a more stringent licence type – the Forest Management Agreement (FMA) – is used for sustainable, selective logging operations over much larger forest areas.

However, over the last 15 years FCAs appear to have become a back door to allow logging companies access to huge areas of native forest and bypass, in whole or in part, consultation and sustainability requirements required for FMA projects in the Forestry Act 1991.

Although an FCA licence is only intended for clearance of small areas of forest, many FCA have been granted that cover hundreds of square kilometres of forest and more log exports have come from FCA projects than from FMA areas over the last five years.

In response to the controversy over the abuse of FCA logging licences, between 2023 and 2025, ACT NOW published a series of five case studies on individual FCA logging projects.

Each case study revealed a consistent pattern of possible irregularities that raised serious questions about the legality of each of the logging operations.

The problems identified included:

- a lack of informed consent from forest resource owners,
- agricultural plans that were vague or unrealistic and were not being delivered on the ground,
- patterns of logging more consistent with large-scale selective logging rather than clearance of discrete areas of forest for agriculture,
- concession boundaries that included large-areas of forest not suitable for agriculture and in excess of that required for the agriculture projects, and
- a lack of monitoring of logging operations by relevant government agencies.

Since the case studies were published, the controversy over the abuse of FCA licences has not abated. This is despite a moratorium on new FCA projects being ordered by the National Forest Board in December 2022 and audits of all existing projects by the PNG Forest Authority.

The Money Laundering and Terrorist Financing Sectorial Risk Assessment for the Forest Sector published by the Bank of PNG in October 2025 records:

> *"Besides the concerns regarding FCAs being issued in violation of the Forestry Act 1991, it has been observed that no agricultural, economic, or other land use activities were developed on the areas cleared under these permits. Once harvested logs/timber are shipped abroad, the companies abandon the logged areas."*

The Special Parliamentary Committee on Public Sector Reform, has also recently highlighted the abuse of FCA logging licences and lack of scrutiny from government agencies.

In its report on Log Export Monitoring published in March 2026, the committee states:

> ***Illegitimate Use of Permits Forest Clearing Authorities:*** *Large-scale logging is often concealed under the pretext of Forest Clearing Authorities (FCAs), which were intended for agriculture. This is a mechanism to bypass legitimate forestry permitting and environmental regulations and warrants close scrutiny by enforcement agencies. However, this does not appear to be the case.*

The Parliamentary Committee has recommended an independent review of all FCA logging projects:

> ***"Independent Review of all FCAs:*** *A reputable independent firm be engaged through an interagency Task Force to audit all FCAs and determine if the terms of the respective FCA have been met by the so- called agriculture companies and if agriculture projects have actually been established and commitments contained in the FCA to land owners have been honoured."*

Also, in January 2026, the United Nations Committee for the Elimination of Racial Discrimination wrote a public letter to the PNG government expressing its concern over the misuse of FCA logging licences.

The letter states the Committee's concern that FCA licences have been issued without the informed consent of local resource owners and the permits are being unlawfully used as cover for the logging of large-areas of forest in breach of Forestry Act rules. The letter also raises concerns about the lack of public information about the Forest Authority's promised audit of all FCA logging operations and the implementation of a moratorium on new FCA projects.

In light of these developments and ongoing reports of abuse from concerned resource owners, ACT NOW has conducted new investigations into each of the FCA projects it originally studied.

This new research has focused on using satellite imagery to identify whether logging has continued in the FCA project areas, whether there have been any changes in the pattern of logging indicating compliance with Forestry Act rules and to identify any signs of promised agriculture projects being delivered.

TIMELINE

2019	Wasu FCA permit issued
Early 2021	Logging begins west of the Kwama river
Early 2022	Logging begins east of the Kwama river
Feb 2023	FCA audit and moratorium announced
May 2024	'Where's the Beef?' report released
Jan 2026	UN letter to the PNG government
Mar 2026	Parliamentary Committee recommends an independent audit

3. LOGGING OPERATIONS OVER A WIDE AREA

Analysis of satellite imagery for the Wasu FCA area reveals a considerable amount of vegetation and tree cover change since January 2021, which is when logging operations began.

Not all of the change, shown in pink in Figure 1, will be a result of logging activity, but there are two areas in the northern half of the concession where the patterns are indicative of extensive logging activity. These areas are highlighted by the red box.

When the vegetation change is broken down by time period, as shown in Figure 2 below, there is little difference seen in the amount of change that occurred in the 40-month period prior to the ACT NOW report publication in May 2024, and the amount of change in the 24-month period since publication.

This indicates that publication of the report and its circulation to government authorities, did not have an impact on the intensity of the logging operations, which have continued without any visible interruption.

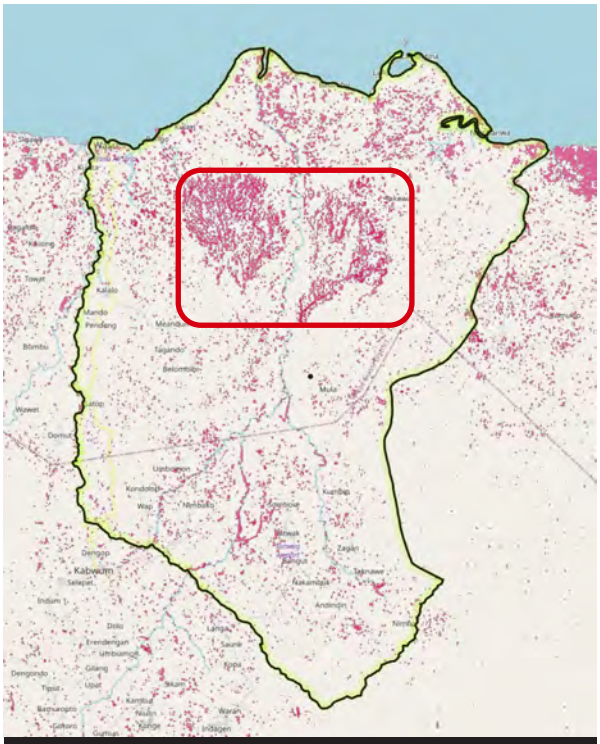

Figure 1: Areas with vegetation, forest and/or tree cover disturbances (pink areas) between 1 January 2021 and 20 April 2026. Based on Global Forest Watch's Global Integrated Disturbance Alerts. Black/yellow line indicates Wasu FCA concession boundary. Red box indicates areas with logging patterns. *"Global Integrated Disturbance Alerts". UMD/GLAD and WUR, accessed through Global Forest Watch on 20/04/2026. Basemap is Open Street Map.*

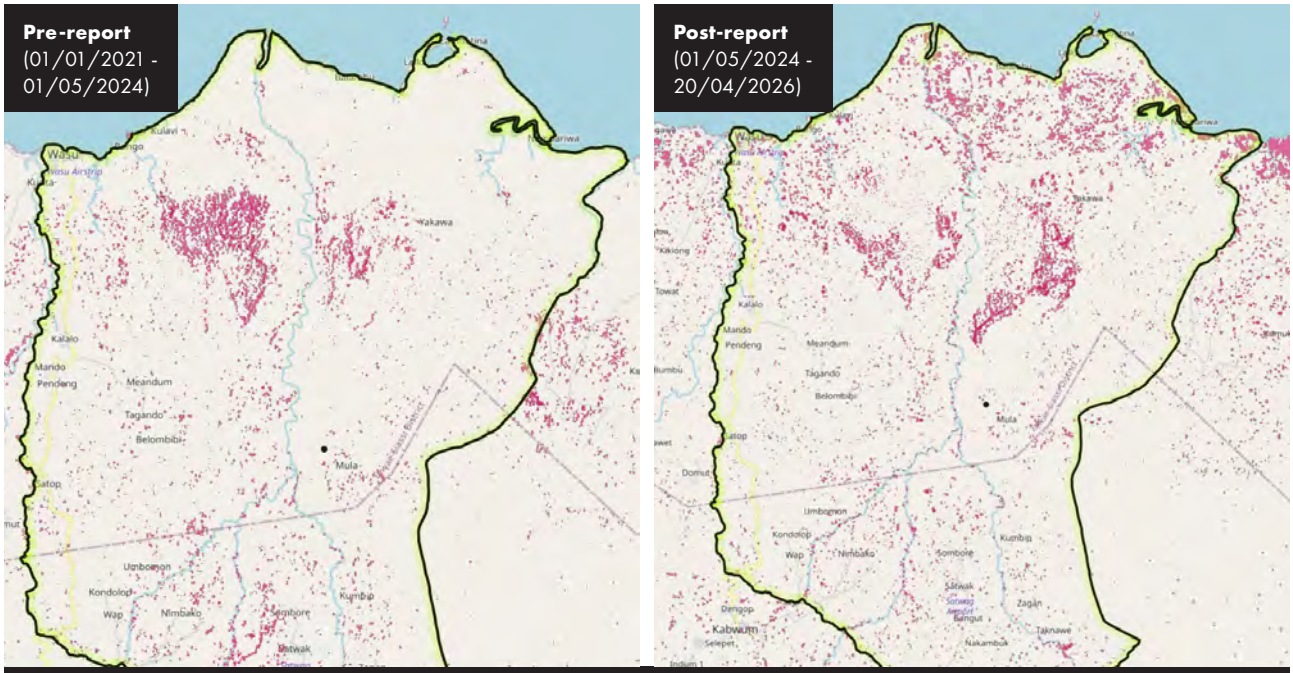

Figure 2: Areas with vegetation, forest and/or tree cover disturbances (pink areas) pre and post the 'Where's the Beef report'. Based on Global Forest Watch's Global Integrated Disturbance Alerts. Black/yellow line indicates Wasu FCA concession boundary. *"Global Integrated Disturbance Alerts". UMD/GLAD and WUR, accessed through Global Forest Watch on 20/04/2026. Basemap is Open Street Map.*

4. NO SIGNS OF AGRICULTURAL CLEARANCE

Analysis of the satellite imagery for the Wasu area has not identified any areas where the forest appears to have been cleared to make way for agriculture.

The only significant areas of vegetation clearance identified from satellite images appear to have been for the construction of coastal logging camps with log ponds and wharfs for log exports.

Two such areas have been identified along the northern coastline of the FCA, one to the west, between Wasu and Vincketown, and one in the east, near Balambu.

Image 1: The location of the two log camps and wharfs on the northern coastline of the Wasu FCA. *Google Earth: Image Airbus, Data SIO, NOAA, U.S. Navy, NGA, GEBCO, CNES / Airbus, Landsat / Copernicus, Maxar Technologies, Data LDEO-Columbia, NSF, NOAA 12/14/2015–6/29/2025. Accessed 20/04/2026.*

Image 2: Zoom in of Box 1. The log camp, pond and wharf between Wasu and Vincketown. Coordinates: 5°57′12.6″S 147°13′03.5″E. Google earth image from 29/06/2025 *Google Earth: Image Airbus 29/06/2025. Accessed 20/04/2026.*

Image 3: Zoom in of Box 2. The log camp, pond and wharf east of Belambu. Coordinates: 5°56′17.3″S 147°19′02.7″E. Google earth image from 27/10/23. *Google Earth: Image Airbus, Data SIO, NOAA, U.S. Navy, NGA, GEBCO 27/10/2023. Accessed 20/04/2026.*

5. LARGE-SCALE SELECTIVE LOGGING

The series of satellite images below show how logging has progressed through the development of a series of logging roads in the Wasu area since the FCA licence was issued.

The images provide a broadscale view (approximately 25km across) of the northern section of the concession area highlighted in Image 1 above. The images are monthly PlanetLab mosaics (5x5m resolution, optical images compiled from the best images taken in the given month).

Image 4: January 2021 (pre-report): no sign of logging roads or wide-spread vegetation or forest cover disturbance. *Planet labs. "Planet mosaic images acquired January 2021." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

Image 5: January 2022 (pre-report): Logging roads can be seen developing the area west of Kwama river. *Planet labs. "Planet mosaic images acquired January 2022." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

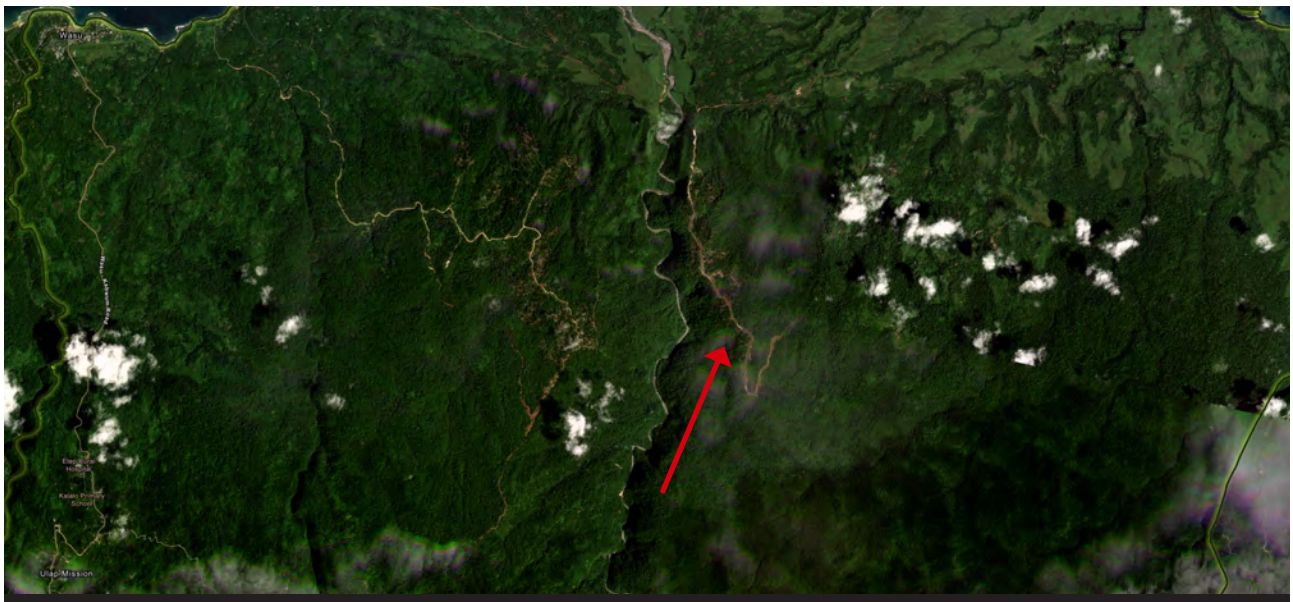

Image 6: December 2022 (pre-report): More road development. New roads appear east (arrow) of the Kwama river. Thinning can be seen adjacent to the roads. *Planet labs. "Planet mosaic images acquired December 2022." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

The same continuing pattern of logging roads pushing deeper into the forest and thinning adjacent to the roads is evident from satellite images taken in the period after the ACT NOW report was published in May 2024.

This is also the period after the National Forest Board, in December 2022, ordered an audit of all FCA logging projects to confirm the existence of genuine agriculture projects.

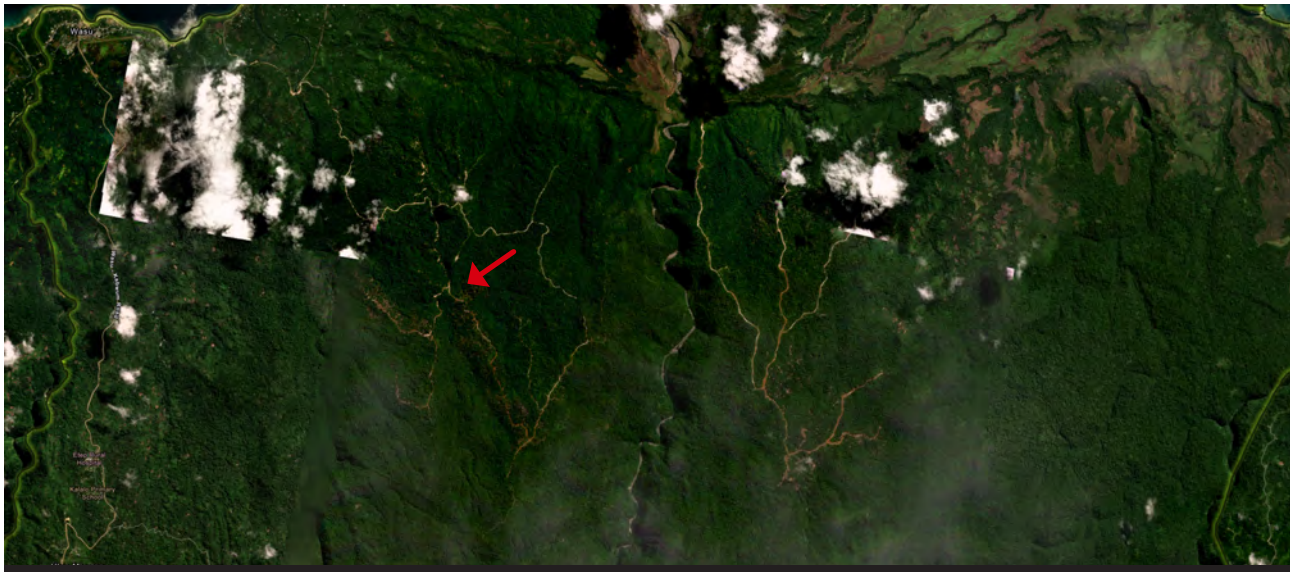

Image 7: July 2024 (post-report): There are signs of continued road development and thinning in both the east and west. Development appears to have accelerated in the eastern area. Roads appear to follow ridge lines. The area pinpointed by the arrow is examined in more detail below. *Planet labs. "Planet mosaic images acquired July 2024." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

Below is a high resolution example of the logging in the area highlighted by the arrow in Image 7 on page 7. This illustrates the type of selective forest thinning occurring along the logging roads.

Image 8: Google earth image taken 26/04/2024. Image is approximately 500m across. See previous image for context. Coordinates: 6°00′01.58″S 147°15′04.05″E *Google Earth: Image Airbus, CNES / Airbus 26/04/2024. Accessed 20/04/2026.*

Image 9: January 2025 (post-report): Logging continues in both the east and the west. *Planet labs. "Planet mosaic images acquired January 2025." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

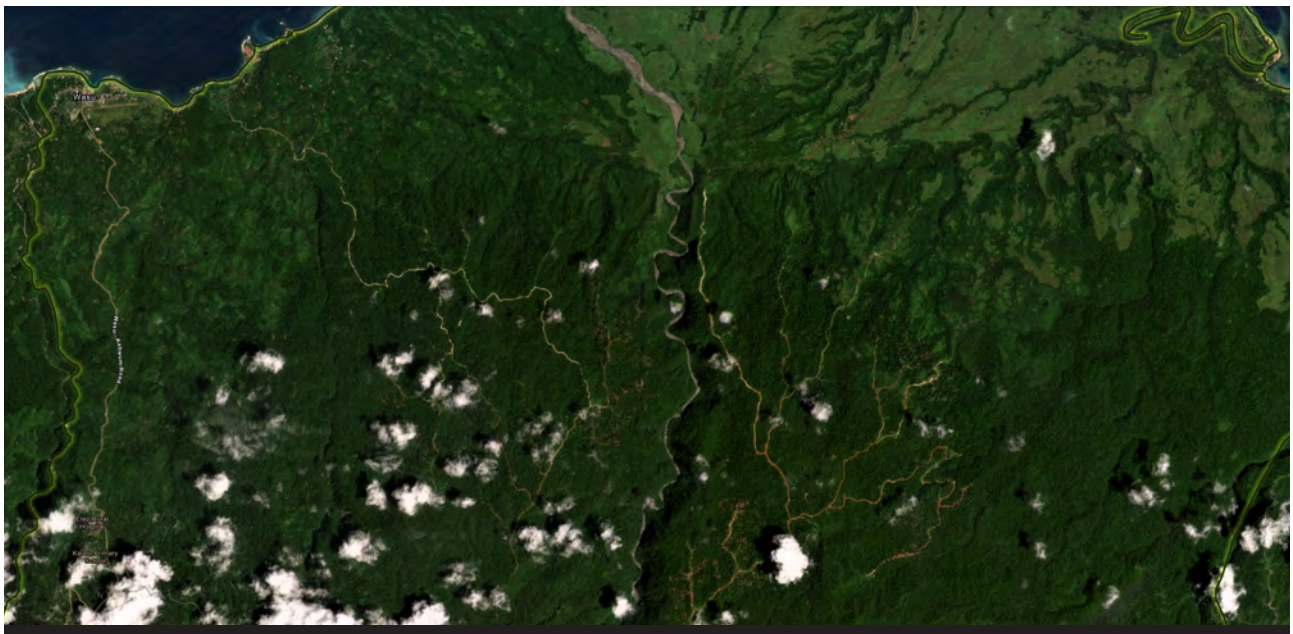

Image 10: January 2026 (post-report): This is the most recent image with only limited cloud cover. Active logging still continues, especially in the east. *Planet labs. "Planet mosaic images acquired January 2026." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

The images below show in greater detail how the logging has progressed through the development of logging roads and associated forest thinning operations with no signs of any forest clearance for agriculture.

The area highlighted in the images below is to the east of the Kwama river, and shows how notable vegetation disturbance has continued since the 'Where's the Beef' report was published in May 2024. The black box in Figure 3 indicates the approximate area of focus for this section. Note that logging also still continued west of the Kwama river during this period.

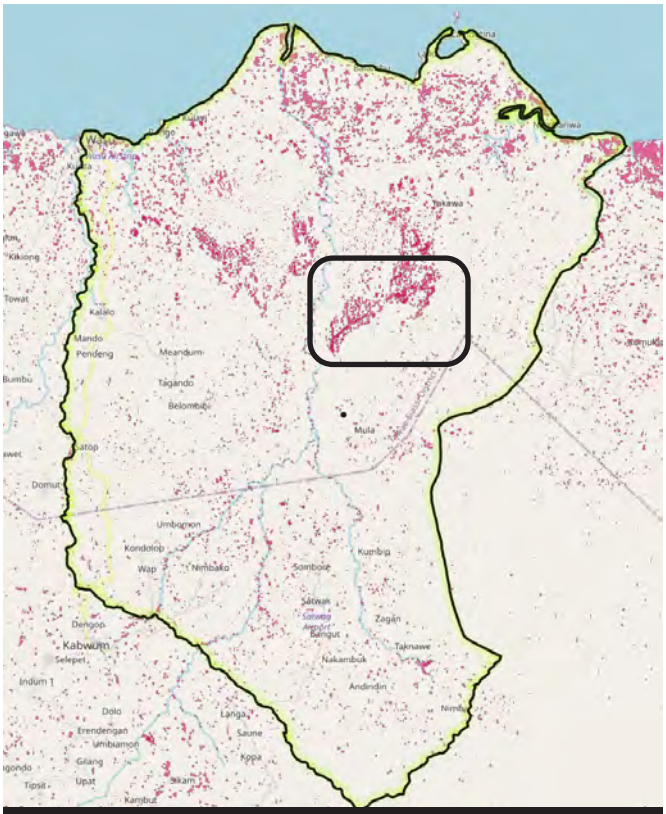

Figure 3: Areas with vegetation, forest and/or tree cover disturbances (pink areas) between 01/05/2024-20/04/2026. Based on Global Forest Watch's Global Integrated Disturbance Alerts. Black/yellow line indicates Wasu FCA concession boundary. Black box indicates the approximate area of focus for the analysis below. *"Global Integrated Disturbance Alerts". UMD/GLAD and WUR, accessed through Global Forest Watch on 20/04/2026. Basemap is Open Street Map.*

Image 11: May 2024. A new logging road emerges from the north. *Planet labs. "Planet mosaic images acquired May 2024." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org*

Image 12: September 2024. The new road is extended and patches of forest thinning emerge. *Planet labs. "Planet mosaic images acquired September 2024." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org*

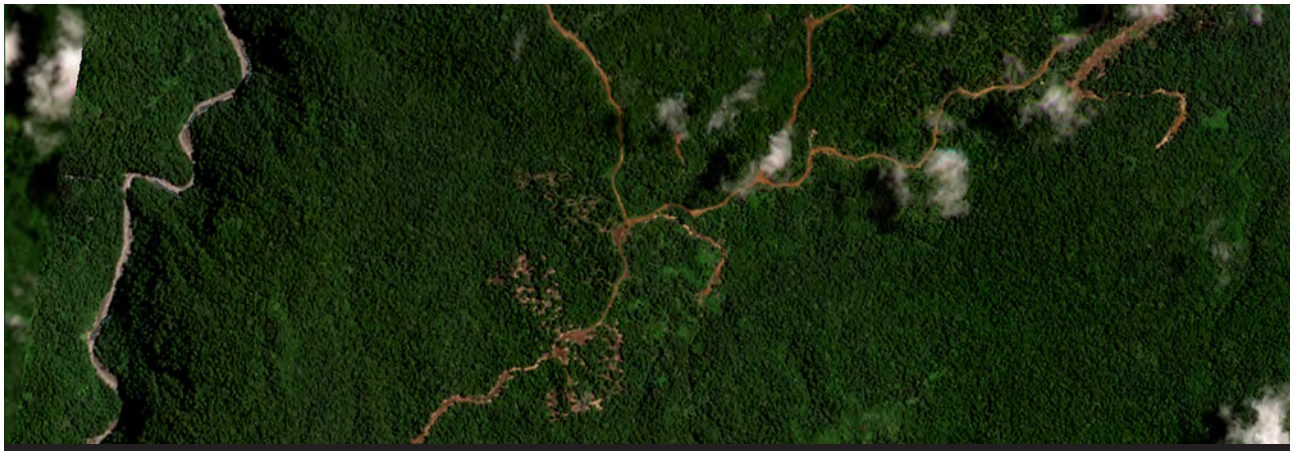

Image 13: March 2025. The road network is extended and more thinning operations can be seen. This is more than two-years after the National Forest Board ordered an audit of all existing FCA operations. *Planet labs. "Planet mosaic images acquired March 2025." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org*

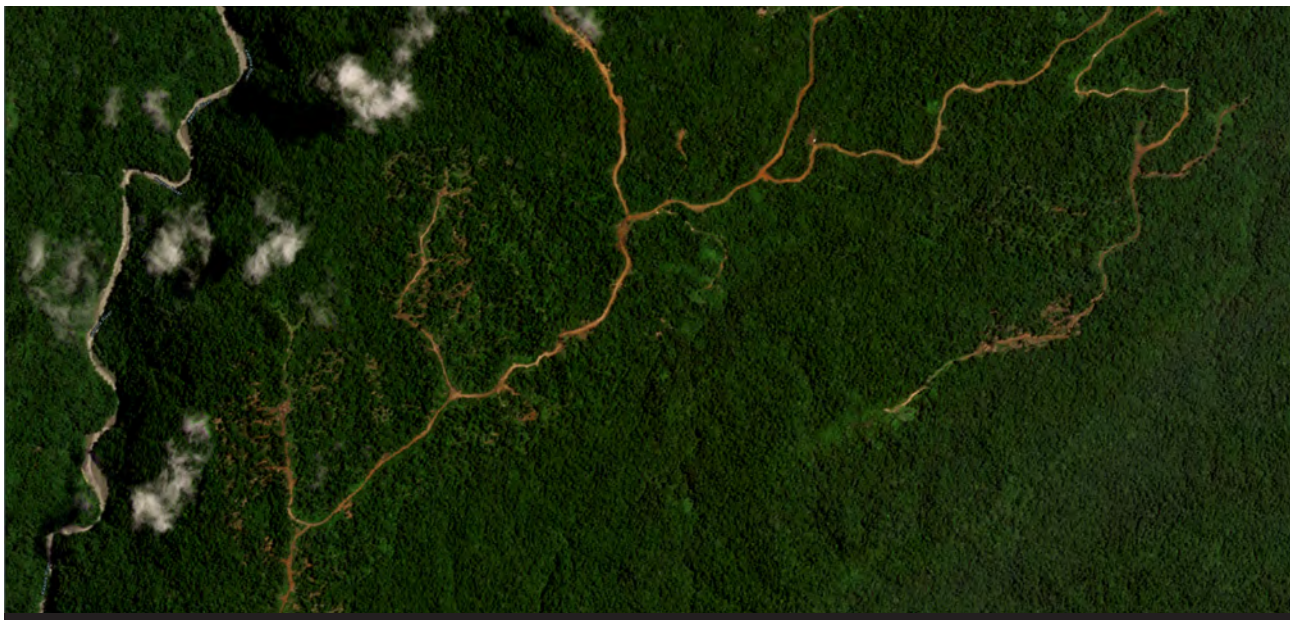

Image 14: March 2026: A new logging road emerges from the north east. *Planet labs. "Planet mosaic images acquired March 2026." Accessed through Global Forest Watch on 20/04/2026. www.globalforestwatch.org.*

6. CONCLUSION

Logging in the Wasu Forest Clearing Authority area has been ongoing since 2021.

The logging bares all the characteristics of a large-scale selective logging operation rather than the clearing of a discrete area of forest for agriculture.

The publication by ACT NOW of a case study report in May 2024 that raised serious questions about the legality of the logging operations appears to have had no impact on the intensity or pattern of the logging which has continued unabated.

If the analysis in this update report is correct, the Wasu FCA logging project should be classified as an illegal logging operation as -

- it lacks the informed consent of resource owners;
- logging is not restricted to the clearance of discrete areas of forest for agriculture;
- there is widespread selective logging over large areas of forest that should only be authorised through a Forest Management Agreement;
- there is no adherence to the sustainability requirements of the Forestry Act.

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