

What We Do

The efforts of many emerging nations to protect biodiversity are undermined by various forms of *illegal logging*—felling of trees in contravention of national and local laws. To address these challenges, the World Resources Institute (WRI) and the Environmental Investigation Agency (EIA) launched the Forest Legality Alliance in 2010 with support from the U.S. Agency for International Development (USAID) and private donors. The Alliance is an international, multi-stakeholder initiative designed to achieve better forest governance, sustainable management of forests and biodiversity conservation by reducing the demand generated by global market pressures for illegally harvested forest products, increasing transparency in forest product supply chains, and supporting supply chain efforts to deliver legal wood and paper.

The Alliance seeks to help all actors along supply chains—both large and small—understand and respond to emerging demand-side, forest-product legality policies by leveraging the professional expertise, market power, networks, and resources of Alliance members.



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Forest Legality Alliance Highlights

GREETINGS, MEMBERS OF THE FOREST LEGALITY ALLIANCE!

It has been a busy few months on our end—as the FLA team scatters across the globe from Indonesia to Ghana, we continue to build membership and promote outreach. We would like to welcome Martin Guitars, The West Africa Trade Hub, GreenPath Sustainability Consultants and Taylor Guitars as new members at this time—for a complete list, please feel free to check out our [membership](#) page.

This quarter we are featuring new tools and publications, updates on the ongoing Voluntary Partnership Agreement negotiations between the EU and key timber producing countries, perspectives on the reconstruction efforts in Japan, and commentary on the current rash of violence against environmental activists taking place in several Latin American countries. Meanwhile, Australia continues its process to pass a law prohibiting import of illegally sourced wood, and new developments are seen in the US government's civil case against Gibson Guitars.

On the home front, the FLA hosted its third meeting on May 5, 2011, at the World Resources Institute headquarters in Washington, DC. Over 100 representatives of private companies, industry associations, civil society groups, and government bodies attended the meeting to discuss emerging issues in legal forest trade.

The Alliance meeting began with an update on new forest legality policy developments in the United States, the European Union, and Australia. Experts from China, Ghana, and Honduras spoke on issues ranging from ongoing VPA processes in their countries to paper testing as well as barcoding and CoC tracking, while DNA and Isotope testing experts from Germany and Australia spoke about applied DNA testing methods to identify species and track origins.

Taylor Guitars, GreenWood, and AMADHO resented on the recent supply chain study conducted by the Alliance, as well as the role of systems such as Helveta barcoding and FSC chain of custody tracking in helping community mahogany cooperatives trade legal wood on the international market.

We were also delighted to host the launch of the updated Guide to Sustainable Procurement of Wood and Paper-Based Products, an ongoing project between the World Resources Institute and the World Business Council for Sustainable Development that seeks to provide reliable, user-friendly procurement information for companies without deep in-house expertise on wood and paper sourcing.

As always, we are interested in your feedback, comments, questions, or thoughts regarding potential content for our next newsletter—if you would like to contribute or have any recommendations, please don't hesitate to contact us.

All the best,
THE FLA TEAM

New Tools

[Forest Products Price Information Portal](#)

EFI's new forest products price information portal offers various users ease in searching for information on forest products prices, specifically in Europe, but also worldwide. Users can search by product category, geographic location, market area and organization type. The portal currently consists of more than 200 different information sources from more than 30 countries. It provides an overview and links to various price and timber market-related information sources/databases.

[Enhancing the Trade of Legally Produced Timber : A Guide to Initiatives](#)

A guide to the major initiatives promoting the legal production and trade of timber, produced by Tropenbos International. The initiatives in this guide illustrate the global scope and dimensions of the problem and the nature and diversity of responses that have emerged at the various policy levels and in the private and NGO sectors.

[PREPS](#)

The Publishers' database for Responsible Environmental Paper Sourcing. PREPS is a joint initiative from twenty-two leading publishers who have come together to develop their understanding of responsible paper supply chains. The group is supported by a database which holds technical specifications and details of the pulps and forest sources of the papers they use.

New Publications

[The Root of the Problem: What's Driving Tropical Deforestation Today?](#)

For many years, tropical deforestation was attributed to expanding populations of subsistence farmers cutting down the forest for small-scale agriculture and firewood. But many recent scientific studies show that large, commercial agriculture and timber enterprises are the principal agents of tropical deforestation, which is responsible for about 15 percent of global warming pollution worldwide.

[Status of Tropical Forest Management, 2011](#)

This report, two years in the making, provides a comprehensive assessment of progress being made towards SFM in each ITTO producer member country and identifies the challenges remaining. Key findings include that the area deemed to be under sustainable management has grown by 50% over the past 5 years but that several countries continue to struggle to make the transition to sustainability in their tropical forests.

[Forest Watch Special: VPA Update May 2011](#)

The EU Forest Law Enforcement, Governance and Trade (FLEGT) action plan continues to shape up: six voluntary partnership agreements (VPAs) between the EU and timber producing countries have now been finalized and are in different stages of the ratification process. Four more agreements are under negotiation, and because the 2010 illegal timber regulation will become operational in 2013, making it a criminal offence to place illegally sourced timber on the EU market, many countries are finding it even more attractive to join the VPA process.

*For a map tracking ongoing VPA negotiations, go to [EFI's FLEGT VPA Page](#)

Global News

INTERNATIONAL

[Pressured by Greenpeace, Mattel Cuts Off Sub-Supplier App](#)

Responding to pressure from Greenpeace, toy maker Mattel Inc. said it would direct its suppliers to stop buying wood products from Asia Pulp & Paper, a Singapore company that has clear-cut vast swaths of Indonesia's rain forest.

[27 Motions Passed at a Successful 6th FSC General Assembly](#)

On Friday, July 1st, the GA came to a close after passing 27 motions and failing 11. A major highlight on Friday was that Motion 51 on "Strengthening the Controlled Wood System" passed unanimously.

THE AMERICAS

[New Brazilian Forest Law Offers Amnesty from Penalties for Illegal Cuts](#)

The bill's advance comes amid a recent surge in deforestation, which in March and April reached a pace almost five times that of 2010. Farmers may have cleared land in the hopes of winning amnesty, but rising commodity prices likely played a role as well by increasing demand for land.

[Germany Backs out of Yasuni Deal](#)

Germany has backed out of a pledge to commit \$50 million a year to Ecuador's Yasuni ITT Initiative. The move by Germany potentially upsets an innovative program hailed by environmentalists and scientists alike. This one-of-a-kind initiative would protect a 200,000 hectare bloc in Yasuni National Park from oil drilling in return for a trust fund of \$3.6 billion.

ASIA AND PACIFIC

[Crackdown by Madagascar's Ministry of Environment](#)

Madagascar's Ministry of Environment is heralding the success of a crackdown on illegal logging, notably in the country's northeast where vast protected areas have been the focus of huge trafficking scandals.

[Caught REDD Handed: How Indonesia's Logging Moratorium was Criminally Compromised on Day One](#)

An investigation by EIA has found evidence that a subsidiary of a Malaysian palm oil company has illegally cleared forest without necessary permits, in breach of Indonesia's national laws as well as the country's recent moratorium on new permits in primary forest areas and peatlands.

[Australia's Illegal Logging Prohibition Bill 2011](#)

The proposed Australian Illegal Logging Prohibition Bill, took another step forward in June as the Senate Committee released its report on the draft legislation submitted to Parliament in March 2011. Among the report's recommendations are a mandatory declaration of legality at the point of importation, and greater consistency with the US and EU laws. Conceptual support for the law has been strong among stakeholders,

Global News, continued

but few were content with the original draft (all stakeholder comments available at the same website above). Significant issues include the scope of how “illegal logging” is defined, as well as the system and costs implied by the due diligence system.

AFRICA

[Malawi Suspends Timber Exports](#)

According to the natural resources ministry, Malawi has suspended all timber exports for a month with immediate effect because of rampant corruption and smuggling.

[Togo, Nigeria, and Ghana Leaders of Deforestation in Africa](#)

Forests in the countries surveyed cover a total of 1.66 billion hectares, of which 761 million hectares constitutes the “permanent forest estate,” meaning it has some form of legal designation. That includes both jungles set aside for national parks, and land earmarked for use by the timber industry, which is worth about \$20 billion a year.

EUROPE

[Clamp Down on Illegal Logging Spells Good News for the Timber Industry](#)

Non-certified timber products are significantly cheaper than certified ones, and the VPA deal is only the first major step in a major EU policy towards agreements with all its timber importers.

[18th Chatham House Illegal Logging and Stakeholder Consultation Meeting](#)

The presentations from the meeting can all be found [here](#) shortly. A summary report from the meeting will be available within the next few weeks.

Outbreak of Violence Against Environmental Activists a Reminder of what’s at Stake in the Trade of Illegally Logged Timber

Fiona Mulligan, EIA

Perhaps it’s time for Brazilian and Mexican authorities to put their heads together. Over the course of the past three months, six environmentalists from these two countries have been murdered—four activists from Brazil, with another two hailing from Mexico.

BRAZIL

On May 24th Joao Claudio Ribeiro da Silva and his wife, Maria do Es-
pirito Santo, were ambushed and murdered in Pará State, the epicenter of the export-driven logging industry in Brazil, and target of repeated investigations as well as major cases of illegal activity. The couple

was shot after repeated death threats from regional loggers and cattle ranchers, against whom Mr. and Mrs. Da Silva had been vociferously outspoken. The deaths were propitiously timed, coinciding with debate in the national congress about the passage of the new Brazilian Forest Code Bill¹, which was subsequently approved in late May of this year.

Adelino Ramos, another outspoken activist against illegal logging, was found shortly after the couple, adding to a list of 1,150 activists who have been killed over the last 20 years due to land conflict in Brazil². As steep rises in deforestation are being reported across the country (72% increase compared to May 2010), President Dilma Rousseff has promised to launch a federal investigation into the murders, as well as threats against the official 125 “activists at risk” on the list kept by the Catholic Land Pastoral, who monitors environmentally related violence in Brazil.

Obede Loyla Souza was the most recent victim--a landless peasant activist shot in the head outside of his home on June 15th.^{3,4} Francisco Evaristo da Conceicao, friend and president of a nearby landless camp, said that he, too, had received threats. “We have a lot of problems with the loggers, they invade land, and clear out forest” he said. “We fight them, but it’s complicated. Men have stopped at my house looking for me. Now I have to be more careful.”

MEXICO

Meanwhile, in Mexico, Armando Hernandez of local NGO Rainforest Plantation and Javier Torres Cruz, member of the Environmental Organization of the Coyuca and Petatlán Mountains⁵ were also found dead within days of each other.

Mr. Hernandez hailed from the town of Cheran, Mexico, part of Michoacan state and an area (like many others in Mexico) where civilians are beginning to lose patience with slow government response to ongoing Mafia-style violence. While Mexico has faced issues of illegal logging for years now, Mexican drug cartels are becoming an increasingly significant presence within the illicit timber trade network, either as guards or organizers. This particular father of three was shot while at work at a reforestation plantation.

Javier Cruz, an outspoken community leader previously abducted in 2008 after testifying against a local political boss in 2007, was similarly shot to death near his home in Guerrero state⁶. His brothers, seeking information on the shooting, returned to the site of the attack and were subsequently wounded, although not fatally, by what is assumed to be the same attackers.

WHAT’S GOING ON?

Violence against environmental activists is not a new phenomenon—for years, struggles against various industries have led to international conflicts, protests, and, as seen--death.

The question seems to be, does this mean that the process is going well or poorly? Does the recent increase in violence signal fear on the part of the timber mafia that indigenous groups, NGO’s, and other environmental supporters may be gaining a legitimate foothold in the world of policy and legal input?

Outbreak of Violence, continued

While the immediate causes of violent upsurge may at first glance appear disparate—Brazil’s Forestry Code debate compared to the slower osmosis of mafia into the timber industry within Mexico—the core issues remain the same. Lack of government response to enforcement is leading to individuals and smaller groups taking on bigger issues—and bigger enemies—on their own.

Conflict between criminally profitable networks and local defenders over ever-scarcer resources has not disappeared, and our ethical responsibility to care about the origin of wood material remains compelling. These cases are a strong reminder that it’s still a real problem, and that none of these incidences are isolated acts—the drive and desire for profit at the cost of human life is an issue that should continue to haunt us.

ENDNOTES

1. Amazon Activist Killed as Brazil debates Land Bill. Reuters, May 22 2011. <http://www.reuters.com/article/2011/05/24/us-brazil-amazon-killing-idUSTRE74N85320110524>
2. Adelino Ramos Killed: Third Environmental Activist Murdered this week in Brazil. Huffington Post, May 28 2011. http://www.huffingtonpost.com/2011/05/29/adelino-ramos-killed-murdered_n_868606.html
3. Deforestation in Brazil’s Amazon Continues to Rise. Mongabay, June 17 2011. http://news.mongabay.com/2011/0617-imazon_2011.html
4. Peasant Activist Shot Dead in Brazil’s Amazon Region. The Guardian, June 15 2011. <http://www.guardian.co.uk/world/2011/jun/15/peasant-activist-killed-brazil>
5. In Mexico, Forests Fall Prey to Crime Mafias. The Washington Post, July 6 2011 http://www.washingtonpost.com/world/in-mexico-forests-fall-prey-to-crime-mafias/2011/07/03/gIQAUApLOH_story.html
6. Javier Torres Cruz, Amnesty International 2011 <http://www.amnestyusa.org/sites/default/files/uaa12011.pdf>

What did Gibson Guitar Know?

By Rhett Butler, Mongabay.org

A motion filed last month by the U.S. Department of Justice alleges Gibson Guitar knew it was trafficking in endangered timber when it was busted by the U.S. Fish and Wildlife Service in November 2009, reports the Environmental Investigation Agency (EIA).

The filing — which argues Gibson lacks the right to claim ownership over the seized ebony because it is contraband — includes text from internal Gibson emails.

“[A] Gibson employee wrote that ‘[t]he true Ebony species preferred by Gibson Musical Instruments is found only in Madagascar (*Diospyros perrieri*). This is a slow-growing tree species with very little conservation protection and supplies are considered to be highly threatened

in its native environment due to over exploitation.’ In fact, [he] ‘spent two and a half weeks in Madagascar this June [2008],’ writing on his return, ‘I represented our company along with two other guitar manufacturers.... All legal timber and wood exports are prohibited because of wide spread corruption and theft of valuable woods like rosewood and ebony.’ (Emphasis added.)”

The federal prosecutors say that while Gibson knew of the questionable timber, and even acknowledged it as such, the guitar-maker went ahead with buying ebony from Nagel, a supplier in Germany.

“Gibson sourced its unfinished ebony wood in the form of blanks (for use in the manufacture of fingerboards for Gibson guitars) from Nagel (in Germany), which obtained it exclusively from Roger Thunam (a supplier in Madagascar). Madagascar prohibits the harvest of ebony wood as well as the exportation of unfinished ebony wood.”

“On February 25, 2009, in a reference to the potential long term solution, [he] wrote that the company Maderas Barber ‘has been in the business a long time and may be able to help begin some legitimate harvests. Mr. [Roger] Thunam on the other hand should now be able to supply Nagel with all the rosewood and ebony for the grey market,’” stated the briefing.

Prosecutors are now asking the court to reject ownership claims of the ebony by Gibson and Nagel because it is inherently illegal to possess, “both because it was unfinished wood and because Claimants’ source for ebony in Madagascar was not authorized to sell it.” The government is expected to file criminal indictments.

The Gibson case was the first to be brought under the amended Lacey Act, which now puts the burden of securing legally harvested timber on importing companies, holding them to the environmental laws of producing countries, even when those countries are unwilling or unable to enforce their rules.

The case was an embarrassment for Gibson and the Rainforest Alliance, an NGO that certifies products for their environmental credentials. At the time of the bust, Gibson’s chairman and CEO, Henry Juszkiewicz, was on the board of the Rainforest Alliance, which certified the wood used in Gibson’s instruments.

Madagascar’s rainforests have been hard hit by demand for rosewood and ebony. In the aftermath of a March 2009 coup which disposed the island nation’s president, Madagascar’s rainforest parks were plundered by armed gangs funded by timber traffickers. Illegal logging was accompanied by the rise of a commercial bushmeat market for endangered lemurs and an increase in forest fires.

Logging slowed in recent months as the “transition authority” — run by parties that launched the 2009 coup — cracked down on illegal exports. The transition authority was under heavy pressure from the international community.

The FLA newsletter will host one guest writer every quarter. If you are interested in contributing to our next newsletter with information and stories concerning illegal logging, the Lacey Act, International forestry policies, or any other related issues, please contact fionamulligan@eia-global.org.

If you are interested in learning more about our organization, becoming a FLA member and continuing to receive this newsletter, please contact us at CClarke@wri.org or visit http://www.wri.org/fla/about_membership.php.