

Policy Brief

Forests Beyond the Law: Scientific Insights into Illegal Logging and Related Timber Trade



This publication is based on the report
“Illegal Logging and Related Timber Trade - Dimensions,
Drivers, Impacts and Responses. A Global Scientific
Rapid Response Assessment Report.” published as
IUFRO World Series Volume 35.

Editors

Daniela Kleinschmit
Christoph Wildburger
Stephanie Mansourian
Andre Purret

Layout

Eugénie Hadinoto

Cover picture

Truck loaded with logs going over a bridge in
the Russian Federation © Stanislav Komogorov

Published by

International Union of Forest Research Organizations

ISBN: 978-3-902762-71-9

Printed by

Eigner Druck
3040 Neulengbach
Austria



Contents

Foreword.....	5
Introduction.....	6
Key messages	8
Acknowledgements.....	14



Foreword

Despite the broad acknowledgement of the urgency of the problem and repeated efforts to address illegal logging internationally over the last few decades, recent reports demonstrate that an enormous share of global timber production and trade remains illegal. This policy brief, based on the scientific rapid response assessment of the Global Forest Expert Panels initiative (GFEP) reminds us of the pressing need for further actions and future efforts in addressing this issue. Illegal logging and related timber trade are multi-faceted and of complex nature. The assessment report provides scientific evidence about the scale, drivers and consequences of illegal forest activities and analyses governance responses. Scientific input into political decision-making processes, through initiatives such as the GFEP, is needed to foster new innovative strategies and focused solutions.

This brief is particularly timely as the need for increased international collaboration to combat illegal logging and related timber trade has recently been recognized at the highest level of intergovernmental cooperation. The UN General Assembly (UNGA) emphasized that “coordinated action is critical to eliminate corruption and disrupt the illicit networks that drive and enable trafficking in wildlife, timber and timber products, harvested in

contravention of national laws”. Furthermore, the 2030 Agenda for Sustainable Development and the related Sustainable Development Goals passed by the UNGA in September 2015, link environmental security and sustainable development, highlighting that combatting illegal logging and related timber trade is vital for the future of our planet, and requires the highest attention.

Members of the Collaborative Partnership on Forests (CPF) have been committed to support efforts to combat illegal and unsustainable activities, strengthen the rule of law, and assist countries in developing their legal and institutional frameworks to improve governance at all levels, but undoubtedly, a lot has yet to be done.

This policy brief and the associated scientific report are important tools for informing policymakers and other stakeholders. It will support them in envisioning a framework that addresses all dimensions of illegal logging and related timber trade, and provides for sustaining forests, and their goods and services as well as the livelihoods of people who depend on them.

René Castro Salazar

*Assistant Director-General, Forestry Department (FAO)
Chair of the Collaborative Partnership on Forests (CPF)*

Introduction

Recent international reports suggest that a large part of the total global timber production and related timber trade remain illegal. Despite long-lasting international efforts to combat illegal logging and related timber trade, and to address their significant social, ecological and economic implications, these phenomena seem to be persistent at the global level and at the same time are highly geographically fugitive.

Although there have been diverse studies on illegal logging recently, there has been no detailed and comprehensive scientific review of the multi-faceted and complex nature of illegal logging and related timber trade or of the available response options. Against this backdrop, the Collaborative Partnership on Forests (CPF) tasked the IUFRO-led Global Forest Expert Panels initiative (GFEP) to coordinate and undertake a global scientific “Rapid Response Assessment” on illegal logging and related timber trade.

The assessment was designed to gain a deeper understanding of the meaning of illegal logging and related timber trade, including the scale, drivers and consequences as well as to identify the opportunities and constraints

of existing policy and governance responses. It provides a structured synthesis of available scientific and expert knowledge on illegal logging and associated timber trade while adding to existing studies and reports by sharing new insights, including a criminology perspective and new information about timber and timber product trade flows as well as exploring future policy options.

In general, the term illegal logging is very broadly used to include not one but rather a multitude of activities, which could also be termed “illegal forest activities”. These activities involve violations of public trust (i.e. paying bribes or using violence for personal gain), violations of property rights (public, communal or private) and violations of regulations (notably, related to forest management, timber processing or finances/taxes).

There is neither an overarching international regulation against illegal logging nor an internationally-accepted definition of what illegal logging encompasses. Building on previous publications, the GFEP assessment uses the following broad definition of illegal logging and related timber trade: “all practices related to the harvesting, processing and trading of

timber inconsistent with national and sub-national law”.

However, domestic law differs from country to country and changes over time. Illegality is also a question of the legitimacy of this law. The validity of law may be challenged if it does not follow a legally acceptable procedure or if particular societal groups do not accept the basis of a legal framework. For example, conflicts over forest tenure rights might lead to the rejection of other statutes that do not acknowledge this struggle. These aspects have been addressed in the GFEP assessment and



need to be taken into account in responding to illegal forest activities.

This policy brief summarizes the key messages of the GFEP report “Illegal Logging and Related Timber Trade - Dimensions, Drivers, Impacts and Responses. A Global Scientific Rapid Response Assessment Report” and reaches out to international as well as national policymakers and other stakeholders concerned with legal and sustainable forest management.



Key messages

1. Recognizing the complexity and multiple dimensions of illegal logging and related timber trade is a precondition to designing focused governance responses.

Generally, three dimensions of illegal forest activities can be differentiated: (i) "illegal forest conversion" as the act of clearing forestland to convert it to agriculture or other land uses, (ii) "informal logging" also referred to as small-scale or artisanal logging, and (iii) all other forms of illegal forest activities including illegal timber trade. These three dimensions differ in their predominant drivers, are of different scope, create different impacts and require different responses. For example, small scale logging may be largely attributed to poor land tenure arrangements, is of limited scope and may produce both negative impacts in terms of forest degradation and revenue loss for governments, and positive impacts in terms of short-term income for rural communities.

2. Despite increasing international governance efforts, illegal forest activities remain pervasive.

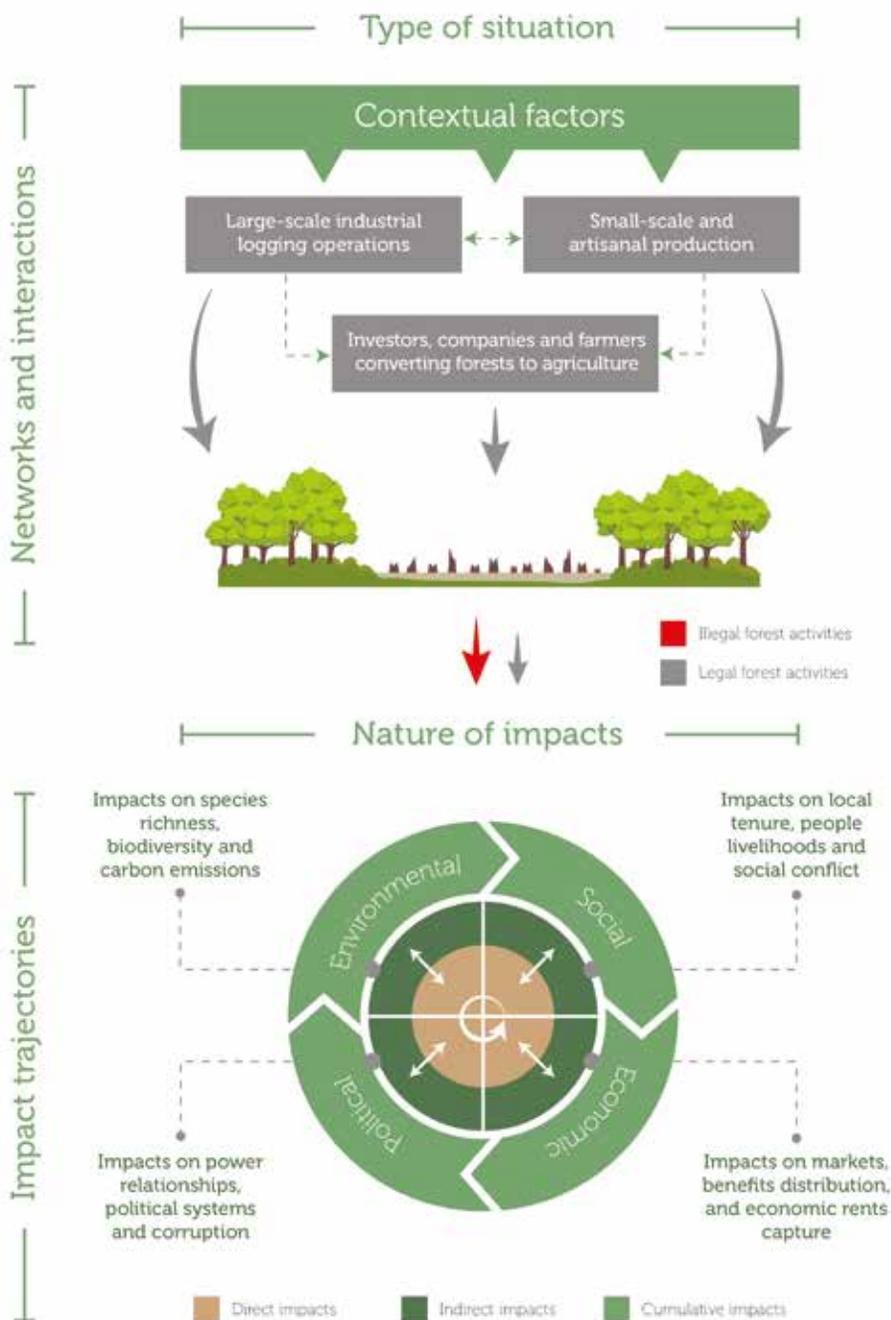
Though trends in and monitoring of illegal logging and related timber trade are subject to approximations and inaccuracies, some countries are of particular significance for illegal logging and related timber trade. Brazil, Indonesia, and Malaysia have been identified as the dominant producing countries, and China and India as the main importing countries of both legal and illegal tropical timber. However, illegal logging is not limited to tropical forest regions: it appears as well in temperate or boreal forest regions, with Russia for example, having emerged as the main source of illegal timber from boreal and temperate forests.

3. Drivers of illegal logging, such as contested and conflicting land tenure, and road construction largely overlap with drivers of forest degradation and deforestation.

Current global trends such as increased urbanization and infrastructure development are expected to further exacerbate forest loss and degradation, from both legal and illegal activities. Illegal forest activities are propped up by poor governance and often occur in countries or regions with weak institutions, depriving countries that are rich in natural (forest) resources from economic prosperity in the long run.

4. Illegal logging produces impacts that can be direct, indirect and cumulative with environmental as well as social, economic and political implications.

Not all impacts from illegal logging and related timber trade may be negative, particularly depending on the stakeholder or timeframe considered. Depending on the dimension of illegal forest activities these impacts may vary. Illegal forest conversion to agriculture has significant negative impacts on forest goods and services but may also contribute to local people's livelihoods, food security and state revenues. Small-scale and artisanal production generate short-term economic benefits but a slow process of forest degradation. Large-scale illegal logging leads to larger interventions in forests with important short-term incomes, but also high revenue losses for the state and forest degradation.



Source: Illegal Logging and Related Timber Trade - Dimensions, Drivers, Impacts and Responses. A Global Scientific Rapid Response Assessment Report. IUFRO World Series Volume 35.

5. The majority of timber resulting from illegal forest activities is traded domestically.

International, regional, bilateral and national policy responses have triggered economic implications only in some countries, while their effects are often muted in others given the predominantly domestic nature of timber trade. Additionally legality verification with limited geographical scope, where effective, might also re-route illegal timber to less regulated markets.

6. Enforcing policies that aim to combat illegal logging and related timber trade may itself be problematic.

In some cases the complexity of compliance and verification procedures of legality impacts negatively on small scale loggers, and undermines the rights of actors with limited capacities to understand and follow regulations. In addition, capacity, technical, logistical or other constraints, may lead to poor enforcement. Timber commodity chains still lack transparency and traceability to guarantee timber legality.

7. Cross-sectoral and integrated policies are needed to ensure effective governance responses since illegal forest activities are not merely a problem of the forest sector.

The role of the agriculture sector for example, is fundamental to illegal forest conversion. Responses that focus exclusively on the forest sector risk missing essential drivers of illegal logging.

8. **Organized criminal networks are increasingly involved in illegal logging.**

Evidence suggests that very different types of actors are involved, with overlaps and collusions between legally and illegally operating entrepreneurs, corporations, traditional criminals, as well as state agencies and incumbent office-holders. In some parts of the world, organized forest crime may be extremely violent and has also been associated with the financing of wars and conflicts. Recent recognition of illegal logging as a form of transnational organized crime has provided more tools and options to tackle the problem. Ultimately, to tackle criminal timber networks and to limit their crime opportunities, international (bilateral) police and justice cooperation is needed. While to date, criminal investigations have been rare, when they have happened they have yielded results, thereby, suggesting that more (bilateral) criminal investigations are needed, as in other serious and organized crimes.

9. **The lack of reliable and comparable data hampers efforts to tackle effectively illegal logging and related timber trade.**

This data is by its very nature sensitive and partly hard to access. Furthermore, existing data is difficult to compare as different methods may be used. Promoting further research to gather internationally comparable data, taking into account the different dimensions of illegal forest activities and tapping into knowledge from criminology can provide further scientific input into political decision-making processes.



Acknowledgements

This publication is based on the work of the Global Forest Expert Panels Rapid Response assessment and its report “Illegal Logging and Related Timber Trade - Dimensions, Drivers, Impacts and Responses. A Global Scientific Rapid Response Assessment Report” published as IUFRO World Series Volume 35. We express our gratitude to all authors and reviewers who contributed.

We also gratefully acknowledge the generous financial and in-kind support provided by the Ministry for Foreign Affairs of Finland, the United States Forest Service, the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, and the United Nations Environment Programme.

Furthermore, we would like to thank the member organizations of the Collaborative Partnership on Forests for their overall guidance to the assessment. Our special thanks go to the IUFRO Secretariat for providing indispensable administrative and technical support. We are particularly grateful also to the United Nations Environment Programme and the University of Natural Resources and Life Sciences, Vienna for hosting the expert meetings.

A short publication such as this cannot do justice to all the complexities and controversies related to the topic of illegal logging and related timber trade. For a more comprehensive assessment, the reader is directed to the full assessment report.

Nevertheless, the central thread running through both the full report and this policy brief is the importance of a deeper understanding of the various dimensions of illegal forest activities, and the scale, drivers, consequences and criminological aspects of illegal logging and related timber trade, as well as the opportunities and constraints of the existing policy and governance initiatives.

It is our sincere hope that the policy brief may effectively assist policy- and decision-makers in tackling the challenges of combatting illegal logging and associated timber trade in the future.

Daniela Kleinschmit
Stephanie Mansourian
Andre Purret
Christoph Wildburger

GFEP donors:



CPF members:



