



# **International Union of Forest Research Organizations**

# Loopholes in regulations allow illegal logging to thrive worldwide

- Strict laws in some countries re-route illegal timber to less regulated markets
- New report shows increased involvement of organized crime in illegal logging
- Almost one-third of tropical timber traded worldwide may come from illegal forest land conversion

**Cancún/Vienna (3 December 2016)** – Illegally harvested and traded timber continues to strongly impact our environment, societies and economies, including endangering biological diversity and climate change mitigation.

Existing regulations are not enough to stem the global illegal trade in timber, which is shifting to countries with looser laws and to domestic, rather than international markets, finds a new, authoritative report by a global forest research organization.

The most comprehensive scientific analysis of illegal logging to date, entitled "Illegal Logging and Related Timber Trade - Dimensions, Drivers, Impacts and Responses" also found evidence of increased involvement of organized criminal networks in illegal logging.

More than 40 renowned scientists from around the world, coordinated by the International Union of Forest Research Organizations (IUFRO) on behalf of the Collaborative Partnership on Forests (CPF), contributed to the study, which was launched at the Conference of the Convention on Biological Diversity in Cancún, Mexico.

"Forestry crime including corporate crimes and illegal logging account for up to \$152 billion every year, more than all official development aid combined", said Erik Solheim, Head of UN Environment, one of the partner organizations supporting the assessment.





Top: Rainforest destruction from aerial view.
Photo © Fotolia: khlongwangchao.
Bottom: In September 2016 all 300 species of rosewood were
placed under trade restriction by the Convention on the Trade in
Endangered Species (CITES).
Office furniture made from rosewood. © Jianbang Gan

"We urgently have to come up with new strategies to eliminate illegal timber production and related trade. This could also significantly improve the lives of poor and disadvantaged people and protect them from criminal cartels. When the scientific evidence is clear, as it is in this report, it enables policy makers to act."

### No one-size-fits-all solution

"Policies must embrace the major dimensions of the problem, namely *illegal forest conversion*, *informal logging* and *all other illegal forest activities* including forest crime", said Daniela Kleinschmit, University of Freiburg and the Chair of the assessment on "Illegal Logging and Related Timber Trade".

"There is legislation in place in the USA and the EU, for example, to stop illegally harvested timber entering their markets. Theses policy responses might have increasingly positive impacts in the future, but they are by far not enough as these programs do not address the different dimensions associated with illegal logging", she said.

The scientists have identified the following major trends related to illegal logging and related timber trade:

• There are trade shifts to less regulated markets:

According to the report, the effects of bilateral trade agreements are often muted as the majority of illegal timber is traded domestically and therefore not covered by the agreements. Due to required timber legality verification between certain countries as well as general economic developments, timber trade has shifted to markets such as China and India, where less stringent regulation is in place. China and India are today the main importing countries of both legal and illegal tropical timber – with Brazil, Indonesia, and Malaysia remaining the dominant timber producers. But illegal logging appears as well in other forest regions. Russia, for example, is the main source of illegal timber from boreal and temperate forests.

• Informal logging prevails as a way to make a living:

About 86 percent of the world's forests are publicly owned, but the land tenure situation is often unclear and conflicting. At the same time, one billion people worldwide depend on forests and trees for balanced diets and sustainable incomes. There is evidence that the production of illegal timber by informal small-scale producers is increasing. This is often rooted in poor knowledge of law, unclear legislation (e.g. tenure rights) or disproportionate costs of compliance (e.g. excessive charges).

• Forest conversion to agricultural land is still a major problem:

It is estimated that almost one-third of tropical timber traded globally is illegal conversion timber. The study points out that most of the forest conversion has occurred in the Amazon and Southeast Asia, however forest conversion in the Amazon has been curtailed to some extent in recent years. A large part of illegal forest conversion is for commercial agricultural production, particularly export-orientated agricultural goods like palm oil, soybeans, and beef.

• *Organized criminal networks increasingly target forests:* 

According to the study, 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. Concurrently recent recognition of illegal logging as a form of transnational organized crime now provides more tools to tackle the problem, and there are new initiatives arising. The report documents efforts currently underway. For example, local residents in the Brazilian Amazon have started to make use of waterproof GPS cameras to collect evidence of illegal logging, illegal timber transports, and also land grabbing. The largest rainforest on our Earth has been home to violent criminal timber networks for years.

## Combating illegal logging and related trade as a joint effort

"In addition to bilateral efforts, stronger international cooperation is needed globally to successfully fight illegal logging and related timber trade and prevent it from shifting to less regulated markets", says Alexander Buck, IUFRO Executive Director: "We must also recognize that illegal logging is not merely a forest-related problem to be resolved by the ministries dealing with the forest and environment sectors alone. Illegal conversion of forests to agricultural land is an example that clearly shows the need for a broader cooperation, in this case between forestry and agriculture."

The scientists indicate that more research and especially more data on the extent of the various illegal activities is needed to better understand the different dimensions of illegal logging and related trade. The problem has gained new political momentum due to the fact that illegal logging has recently been acknowledged as a serious crime. The scientists call for policy measures that fully address all dimensions of illegal logging in order to provide for a sustained future of forests.

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The <u>International Union of Forest Research Organizations</u> (IUFRO) is the only world-wide organization devoted to forest research and related sciences. Its members are research institutions, universities, and individual scientists as well as decision-making authorities and other stakeholders with a focus on forests and trees.

The <u>IUFRO-led Global Forest Expert Panels</u> (GFEP) initiative of the <u>Collaborative Partnership on Forests</u> (CPF) carried out a scientific rapid response assessment on illegal logging and related timber trade with the aim to provide a high-quality synthesis report and an accompanying policy brief on the topic by December 2016, and to inform relevant policy decision-makers at the CBD COP 13 meeting in Cancun, Mexico.