



Embargoed: 00:01GMT 21 October 2009

Dramatic decrease in illegal timber trade between Burma and China but smuggling continues; China urged to do more

The illegal cross-border timber trade between Burma and China has decreased significantly since 2005. However, 'snake business' is widespread and the authorities in China should do more to clamp down, according to a new detailed review by the campaign group Global Witness.

A Disharmonious Trade, the third in a series of reports on illegal logging in Burma, is based on field research carried out between 2005 and 2009 in Kachin State, along the Burma-China border, and on China's eastern seaboard. The field research is supported by an analysis of the latest trade data which shows that imports of logs and sawn wood across the land border from Burma fell by more than 70% between 2005 and 2008. However, 270,000 m³ of logs, and 170,000 m³ of sawn timber, were still imported into Kunming customs district in 2008, more than 90% of which was illegal.

The decline in the illegal cross-border timber trade can be largely attributed to measures put in place by the Chinese authorities following the publication of Global Witness' report *A Choice for China* in October 2005. At that time, an average of one truck carrying 15 tonnes of illegally logged timber crossed an official Chinese checkpoint every 7 minutes, 24 hours a day, 365 days a year. In stark contrast, Global Witness saw very few log trucks along the border during 2006-07 and 2009.

However, some illicit trade continues, causing serious damage to the environment in Kachin State as the forest is cleared, often to make way for plantations. Timber is transported at night, official checkpoints avoided and documentation routinely falsified. In some instances, local enforcement agencies have turned a blind eye to smuggling; sources claim that corruption and bribery are rife.

"Clearly action taken by authorities in China and Burma to combat illegal logging in Kachin state has had a significant positive impact. But they should do more to close down the remaining industry, which is almost wholly reliant on the illegal timber supply from Burma," said Jon Buckrell, Global Witness' Head of Forest Policy. "The Chinese government aspires to achieve a 'harmonious society' but the continued destruction of Burma's northern frontier forests, largely by Chinese companies, provides a striking counterpoint to that vision."

In late 2006 as part of their research, Global Witness investigators posed as buyers at flooring companies. At the time, thirteen out of 14 companies said that it was still possible for them to obtain timber from Burma across the land border despite import restrictions. These companies export timber throughout the world, including to Europe and America. A number of US-based companies are still advertising Burmese wood flooring on their websites despite the fact that the Lacey Act now bans commerce in illegally obtained timber and wood products.

This is just part of a wider problem. Half of China's timber imports from all countries are probably illegal and China accounts for roughly a quarter of all illegal timber being traded internationally. Chinese timber exports account for 10% of the global trade in illegal timber. This has a knock-on effect for other countries. For example, the UK imports more illegal timber than any other EU country because it buys so much from China.

Main recommendations:

- The Government of the People's Republic of China should make all relevant authorities and businesses in China aware of the 11 May 2006 'Interim Measures to Manage Timber and Mineral Cooperation between Myanmar and Yunnan Province.' The 'Interim Measures' should be enforced;
- The Burmese authorities should continue efforts to stop illegal and unsustainable logging in Kachin state and end the illegal cross-border timber trade with China.
- Timber importing nations, including China, should adopt national legislation to prohibit the importation and sale of timber, which has been harvested, transported, bought or sold in violation of national laws.

/ Ends

Contact: Amy Barry on +44 207 4925858 or +44 7980 664397; Jon Buckrell in Bangkok on +66 8 2446 8753 or visit www.globalwitness.org

Notes:

1. Copies of the report can be downloaded from www.globalwitness.org
2. Photos from the report are available for download at <http://www.box.net/burmaphotos>. Please credit Global Witness
3. Hard copies of the report will be available from the Foreign Correspondents Club of Thailand: The Penthouse, Maneeya Center, 518/5 Ploenchit Road, Pathumwan, Bangkok 10330
4. On 22 May 2008, the U.S. Congress passed a groundbreaking law banning commerce in illegally obtained plants and their products, including timber and wood products. The new law is an amendment to a 100-year-old statute, the Lacey Act. The act includes a broad range of prohibited activities and associated penalties. For example, knowingly engaging in a prohibited activity is a criminal felony. This could result in a fine of up to US\$500,000 (for companies), US\$250,000 (for individuals), or twice maximum gain from the transaction, forfeiture of the timber in question, and a possible prison sentence of up to five years.
5. The U.S. Congress has renewed the 'Burmese Freedom and Democracy Act', which includes a ban on the importation of, "*any article that is a product of Burma*", each year since 2003, most recently in July 2008.

Global Witness investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses