

# ROSEWOOD ROBBERY

## The Case for Thailand to List Rosewood on CITES

### EXECUTIVE SUMMARY

**Illegal and unsustainable rosewood logging is the major threat to Thailand's limited remaining forests, particularly in the northeast regions.**

Unprecedented demand for luxury 'Hongmu', or 'redwood' furniture in China is driving this logging.

While national controls on domestic rosewood harvesting and trade exist in Thailand and regionally, so far these have failed to control rampant illegal international trade.

Thailand sought to protect rosewood through CITES in 2008, but opposition from range states Laos and Cambodia prevented any listing on CITES Appendices.

China's rosewood markets have since boomed, directly driving increases in illegal rosewood logging and smuggling in Thailand.

Thailand urgently needs to demonstrate its intent to further protect rosewood and CITES presents the best and most immediate mechanism to do so.

#### The Thai Government should:

- unilaterally list domestic rosewood species on CITES Appendix III in 2012, with a zero quota;
- work with rosewood range states to list key Asian rosewood species on CITES Appendix II at the 16th Conference of the Parties (COP) to CITES in Bangkok, in March 2013.

### ILLEGAL ROSEWOOD LOGGING - THREATENING THAILAND'S FORESTS

Despite a nationwide logging ban and protected area networks, Thailand's remaining forests, particularly the country's northern and eastern forests, are increasingly threatened by pervasive illegal logging. The major driver of this crime is the rosewood trade – a multi-billion dollar international market underwritten by Chinese demand and aided by weak international trade regulation and corruption.

Thailand's rosewood loggers are incentivised by extremely lucrative prices offered by international traders for the prized wood – up to US\$6,000 per cubic meter. Official corruption facilitates the trade at every stage, from forests to the borders or ports. In September 2011, 12 Thai police officers were implicated in illegal operations in, and smuggling from, Thailand's rosewood forests.

Rosewood smuggling from Thailand is complex, although common patterns exist. With Thailand's rosewood-rich forests clustered around the country's northern and eastern borders, rosewood is often smuggled into neighboring countries such as Laos and Cambodia and transported on to Vietnam, from where it can be shipped to the key end-user markets, principally China.

Illegal Thailand rosewood is also shipped via Thai ports, notably Laem Chabang, in Chonburi province, or transported from the northern province of Chiang Rai up the Mekong into China. Fraudulent paperwork regularly ensures containers of illegal rosewood are waved through ports.

Thailand's rosewood trade is also widely characterised by violence. Rangers must go armed when tackling well-financed and protected logging gangs, and during 2011 alone Thai authorities shot dead 14 Cambodian loggers and injured dozens more.

EIA research indicates that illegal rosewood logging and trade in Thailand have boomed since demand surged in China in 2007 and in the aftermath of Thailand's 2008 proposal to list rosewood on CITES being rejected by Laos and Cambodia.

In 2009, Thailand's Department of National Parks reportedly seized 1,222 rosewood logs in 134 cases. In 2010, 2,739 logs were seized in 223 separate cases, while 2011 saw 4,850 rosewood logs worth more than US\$3 million seized in 560 cases.





**“Illegal rosewood logging and trade in Thailand have boomed on surging demand in China”**



**ABOVE:**  
Rosewood smuggling routes from Thailand.

**CHINESE DEMAND DRIVING THAILAND’S ILLEGAL ROSEWOOD TRADE**

In 2010, the number of companies trading traditional ‘redwood’ or ‘Hongmu’ furniture in China rose by 30-40 per cent, and Chinese timber traders spent more than US\$3 billion on rosewood in Vietnam alone. Annual rosewood furniture price increases of 15-40 per cent are considered normal in China’s luxury markets – a trend exacerbated by speculative investments in ‘rare wood’ products by China’s super-wealthy elite.

The finest rosewood furniture sets now fetch hundreds of thousands of US dollars. Consequently, unprocessed Thailand rosewood can fetch up to \$50,000 per cubic meter in China.

**RANGE STATE ROSEWOOD CONTROLS**

Thailand and Burmese rosewood, and other species, are widely protected in key range states, including Thailand, Laos, Cambodia and Vietnam.

Thailand’s 1989 National Logging Ban, and prohibitions on logging in rosewood-rich conservation and protection forests, applies to all rosewood and precious wood species.

Laos’ 2008 Prime Ministerial Order No-17/PM explicitly prohibits harvesting all domestic *Dalbergia* species and was reinforced by Prime Minister’s Order No 010/PM of 2011, which “bans the exploitation, trading and export of endangered wood including kayoung wood *Dalbergia cochinchinensis*”.

In Cambodia, priorities 1 and 4 in the list of “endangered or rare species” of trees are Burmese and Thailand rosewoods. Harvesting “rare tree species” is explicitly prohibited under Cambodia’s 2002 Forestry Law, and Thailand rosewood is protected under Forestry Law No 35.

In Vietnam, commercial Thailand rosewood harvesting is prohibited, and in 2007 the Ministry of Agriculture further prohibited individuals’ collection of the species.

Despite these domestic controls, Laos, Cambodia and Vietnam continue to play a major role as both source and transit countries in the international illegal rosewood trade.

**ROSEWOOD IN THAILAND**

The term ‘Rosewood’ refers to a wide variety of richly hued, extremely durable and increasingly rare timbers harvested from an array of tree species worldwide, largely from the *Dalbergia* genus.

Displaying a range of brown to reddish-black colourings, rosewood timber is highly prized for decorative purposes and commonly used in luxury wood products such as furniture, musical instruments, ornaments and veneer.

In Thailand and the Mekong region, important rosewood-producing tree species include Thailand rosewood (*Dalbergia cochinchinensis* Pierre) and Burmese rosewood (*Dalbergia bariensis* Pierre). Classified as ‘endangered’ and ‘vulnerable’ to extinction, these rosewood species are the most valuable wood in regional trade and the major target of illegal loggers.

Common & Scientific Names	Distribution	Local /Trade names	Conservation Status
<b>Thailand Rosewood</b> (or Siam Rosewood) <i>Dalbergia cochinchinensis</i> Pierre	Thailand: National, except southern and north-western regions. Cambodia: Nationally. Laos: Central/southern Provinces. Vietnam: Central/southern Provinces.	Thailand: Mai Payoong Cambodia: Kra Nhoung Laos: <i>Mai Khanhoung</i> Vietnam: Trac (tracwood) China: <i>Hongsuanzhi</i> 紅酸枝	IUCN Red-List: Vulnerable. “Critically endangered in Cambodia, vulnerable in Vietnam, a high priority species for conservation in Thailand and Lao.” (APFORGEM)
<b>Burmese Rosewood</b> <i>Dalbergia bariensis</i> Pierre	Thailand: Nationally. Cambodia: Nationally. Laos: Nationally. Vietnam: Nationally.	Thailand: mai ching chan Cambodia: Neang Nuon Laos: Mai Kor phee Vietnam: Cam lai China: Bali Huangtan 巴厘黄檀	IUCN Red-List: Vulnerable.

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## CITES: THE NEED FOR INTERNATIONAL TRADE CONTROLS FOR ASIAN ROSEWOODS

The Convention on International Trade in Endangered Species (CITES) is a Multilateral Environmental Agreement under the United Nations, with over 170 national signatories.

### CITES Appendices

CITES operates through the listing of endangered species on one of its three appendices, which offer differing levels of protection:

**Appendix I:** institutes a total international trade ban for critically endangered species;

**Appendix II:** regulates trade in threatened species. Controlled trade is allowed, subject to issuance of CITES permits against agreed quotas. Species listings must be agreed by all range states;

**Appendix III:** regulates trade in threatened species. Individual range states can unilaterally list domestic species stocks on Appendix III as an emergency measure, and do not require the agreement of other parties.

It is incumbent upon all parties to CITES to prohibit and seize imports of species listed on Appendix I, or those on Appendices II or III which are not accompanied by official CITES permits issued by the country of origin. In this way, CITES provides trade regulation, monitoring and enforcement mechanisms not otherwise available to national governments alone.

One example of successfully listing timber on CITES is ramin (*Gonystylus* spp.), which is on Appendix II, having previously been on Appendix III. Other rosewood species have protection under CITES, including *Dalbergia nigra* (Appendix I) and Madagascar's rosewood species (Appendix III).

### BOTTOM:

Illegal squared rosewood logs destined for China.

## MAJOR ILLEGAL ROSEWOOD CASES IN THAILAND (2007-2012)

**January 2012:** Department of Special Investigation seizes 193 rosewood logs in worth US\$ 630,000.

**September - November 2011:** 14 Cambodian loggers shot dead during Thai enforcement operations in the year to November. Twelve Thai police implicated in rosewood logging in just one province, in September.

**July 2011:** Laem Chabang customs seizes 1,800 rosewood logs destined for Hong Kong, worth US\$409,000.

**April 2011:** More than 1,100 pieces of rosewood seized in Chiang Rai province.

**August 2010:** Customs seizes 500 rosewood logs in Trang province, worth US\$1.5 million in China.

**September 2009:** 400 logs from Laem Chabang port seized in Surin province, en-route to Hong Kong.

**December 2008:** US\$110,000 of rosewood destined for Hong Kong seized in Laem Chabang port.

**August 2008:** Customs and the Forest Department seizes 113,600 units of rosewood at ports nationwide.

**January 2007:** 50,000 rosewood logs seized and 527 people arrested in nationwide police operations.





**“Pursuing CITES protection for key rosewood species is the strongest immediate action Thailand can take to protect its remaining forests.”**



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**ABOVE:**  
Exorbitant rosewood prices make even small volumes highly profitable for smugglers.

## THAILAND'S ROSEWOOD & CITES

During the 6th ASEAN Experts on CITES Meeting, in May 2008, Thailand formally proposed that rosewood be protected under CITES. However, Laos and Cambodia explicitly rejected the proposal, claiming Thailand had not successfully argued the case for a listing and the listing would negatively affect regional timber trade. Yet the case for rosewood listings on both Appendix II and III has long been clear.

Appendix III listings are justified if the species is native to the applicant country; if national controls adequately restrict exploitation and trade; and if assistance is required from other countries to better control illegal trade.

As far back as 1998, a Netherlands-led evaluation of tree species using the new CITES listing criteria found that Appendix II listings for both Thailand and Burmese rosewood were justified because exploitation for international trade was “greater than that deemed to be sustainable”.

Twelve years on, “sustainable” rosewood trade in the Mekong region seems a long-distant myth. In April 2011, EIA investigators met a major Chinese rosewood trader who complained that *“the species is finished ... there are only about five years left in the trade”*.

## CONCLUSIONS & NEXT STEPS FOR THAILAND

In the face of burgeoning illegal rosewood logging and smuggling to supply global demand, Thailand urgently needs to garner international support to protect its remaining forests.

Pursuing CITES protection for key rosewood species is the strongest immediate action Thailand can take to supplement domestic controls, while cooperatively building on similar controls in neighbouring range states.

Although Laos and Cambodia blocked Thailand's 2008 proposal to protect rosewood through CITES, Thailand should re-engage these countries and Vietnam in an urgent high-level initiative to harmonise, clarify and strengthen regional rosewood trade controls through CITES. This initiative should result in all Mekong range states' rosewood species being listed on CITES Appendix II at the 16th Conference of the Parties (COP), which Thailand will host in March 2013.

To demonstrate to range states its clear proactive intent to protect its rosewood forests, during 2012 Thailand should unilaterally list domestic rosewood species on CITES Appendix III, with a zero quota for export. This is both Thailand's right and responsibility.

Species listed on Appendix III should include *Dalbergia cochinchinensis* (Thailand rosewood), and *Dalbergia bariensis* (Burmese rosewood), both of which clearly meet listing criteria for both Appendices III and II.

International cooperation is now required to tackle the criminal, violent and corruption-riddled rosewood trade decimating the forests of Thailand and the wider Mekong region.

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