



ROSEWOOD
AND THE ONGOING ILLEGAL
LOGGING CRISIS IN BELIZE



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Rosewood (*Dalbergia spp*) was formerly widespread and abundant throughout Central America. However, rapidly increasing demand for precious timber in China and other end markets poses an extreme risk to the remaining trees in the wild. Unsustainable and illegal logging, together with habitat loss due to deforestation, has driven a precipitous and dramatic decline of *Dalbergia* populations.

In March of 2012, Belize enacted a moratorium on the harvest and export of rosewood. In January 2013, Belize's Minister of Forestry, Fisheries and Sustainable Development, Lisel Alamilla, confirmed unequivocally that the moratorium still stands, and that no legal exports have been permitted since the ban was implemented.¹ Later that year, as a part of a broader effort to better manage their natural resources, Belize listed its populations of *Dalbergia stevensonii* and *Dalbergia retusa* on Appendix II of the United Nations Convention on International Trade in Endangered Species (CITES). The Appendix II listing offers additional protections for the threatened rosewood populations by requiring export permits that can only be issued upon confirmation that the harvest was carried out legally and that continued trade will not be detrimental to the species. Yet a severe lack of enforcement both in Belize and among consumer countries, most notably China, threatens to render the listing ineffective. Illegal logging of rosewood continues in Belize, and fresh supplies continue to enter end markets.

Communities in neighboring countries are in conflict over breaches of territory and theft of resources. Millions of dollars of natural resources have been exhausted for generations and critically important tropical rainforest ecosystems have been severely

damaged. The international community has a responsibility to match its CITES commitments with actions, by enforcing the Appendix II regulations in importing countries. The CITES Secretariat needs to continue to urge Belize to hold up the detailed requirements of an Appendix II listing.

BACKGROUND

Belize and its forests form an important part of the Mesoamerican Biological Corridor, a vital migratory pathway for a variety of wildlife. The FAO estimated Belize's forest cover at 61% in 2010.^{2,3} CATHALAC (Water Center for the Humid Tropics of Latin America & the Caribbean) estimates that forest cover declined from about 6500 mi² in 1980 to around 5300 mi² in 2010, losing an area the size of Rhode Island over that thirty year period.⁴ A 2010 study found an annual deforestation rate hovering around 0.6%,⁵ yet selective logging for

precious hardwoods, such as rosewood, creates pathways into previously pristine forests opening the gateway for deforestation.

D. stevensonii exists only in patches in northern Central America, notably in southern Belize, with scattered populations in Guatemala and southern Mexico. Guatemala, in recognition of the rarity of *D. stevensonii* listed its populations on CITES Appendix III in 2008. In Belize, local estimates in 2010 indicate a loss of 90% of historical rosewood stands,⁶ although because no systematic inventory has been completed for rosewood, it is impossible to determine the exact losses.⁷ The core remaining population of *D. stevensonii* is in the low-lying coastal areas of the Toledo District of Belize, a mountainous region with wet, acidic soil that is sparsely populated by indigenous Mayan communities.⁸ The Toledo District is losing up to 5,000 acres of forest per year from logging and development projects.⁹



Faced with rapid decline in stocks, Belize prohibited all raw rosewood exports in 1992, but lifted the ban in 1996.¹⁰ Unsustainable logging continued, and by 2011 many Mayan villages reported having little or no rosewood left in their jurisdictions.¹¹ As rosewood populations in Belize dwindled, exports steadily climbed.¹²

In March of 2012, newly named Minister of Forestry, Fisheries and Sustainable Development, Lisel Alamilla, enacted a moratorium on rosewood harvest and export.¹³ Upon issuing the ban, Minister Alamilla explained, "The increased rosewood logging has led to a near depletion of the species in national lands. Private lands and protected areas are now being targeted to meet this insatiable demand."¹⁴ The moratorium noted the importance of demand from China stating, "Rosewood harvesting in southern Belize has increased exponentially over the past two years in direct response to a growing demand for raw rosewood timber from the Asian markets."¹⁵

Despite this aggressive move by the Forestry Department, rosewood harvest continued,¹⁶ as increased demand for rosewoods in China is already driving extinction of other rosewoods around the world.¹⁷

THE CITES ROSEWOOD LISTING

In an effort to further support the ban and bring international support to the crisis, Belize listed *D. stevensonii* and its look-alike, *D. retusa*, on CITES Appendix II at the 2013 Conference of the Parties in Bangkok, Thailand. In the case of Belize, where an export ban on rosewood is currently in place, CITES provides additional safeguards at the point of export and in importing countries. The export of any species included in Appendix II is required to be accompanied by an export permit. An export permit can only be granted once several conditions have been met. First, the Scientific Authority must conduct an evaluation of the impact of ongoing harvest and trade on the future survival of the species and find that continued exports will not threaten the species. Currently, no such evaluation has been conducted. Secondly, the Management Authority must ensure that the export specimen was not obtained illegally.¹⁸

Currently, all exports of rosewood from Belize are illegal according to the 2012



CHINESE IMPORTS OF ROSEWOOD FROM BELIZE, 2012-2014 IN CUBIC METERS (M³)

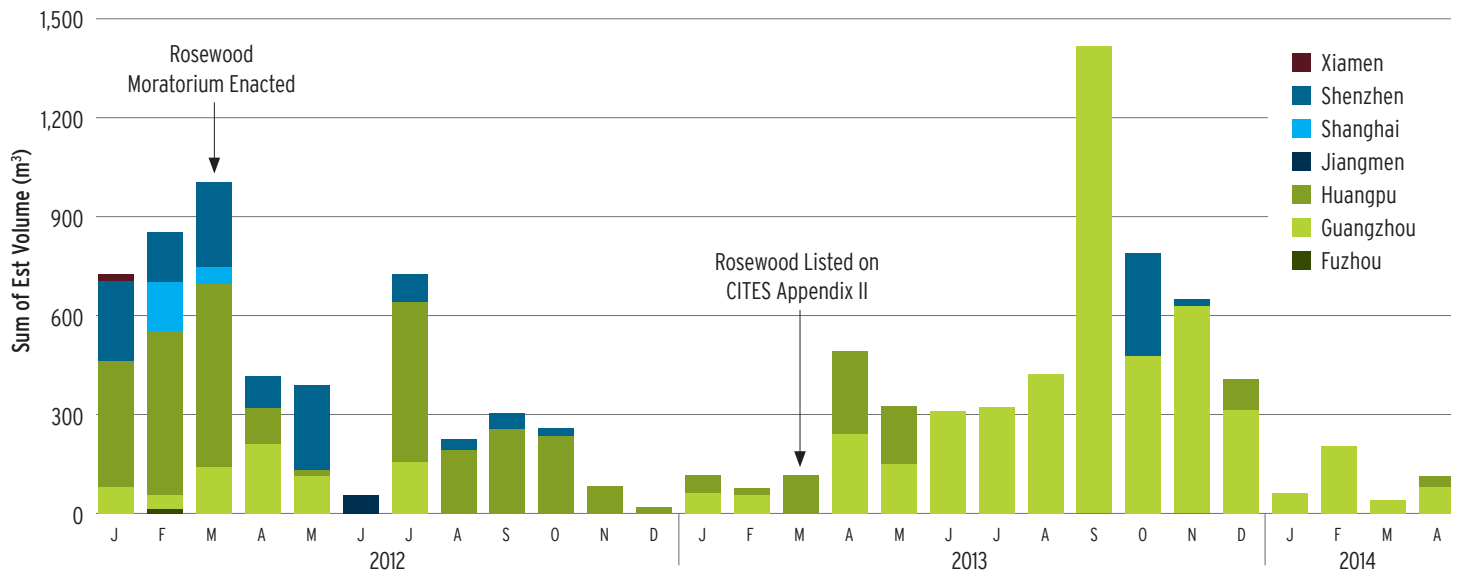


Figure 1

enforcement in the region, while impoverished native Mayan communities who owned the resource gained very little.²³ Intermediaries were provided with large cash advances to collect the harvested rosewood from communities, encouraging rampant and indiscriminate cutting throughout the Toledo District. By the end of 2011 and into early 2012, there were very few trees left. One of the intermediaries interviewed by EIA proclaimed that a Chinese associate had advanced him \$250,000 USD in cash in February 2012 to collect the remaining rosewood in Toledo as the moratorium threat loomed. Exporters were rejecting logs that were not yet mature enough to have developed the 'heartwood' in the trunk of mature trees.

The forests of Toledo—where the majority of rosewood remains—were once protected by their isolation. Yet in 2009 the Southern Highway was paved, and a new highway to Guatemala, extending from the border town of Jalacte to the existing Southern Highway, is scheduled for completion sometime in 2014. The new paved roads facilitate access to the forests themselves, and enable lumber transport from forest to port. Several informal logging roads were cleared by Mayan communities and intermediaries to facilitate the extraction of logs to ports between 2010 and 2012, resulting in the infrastructure to harvest similar species, particularly *Metopium brownie* (black poisonwood) and *Platymiscium yucatanum* (granadillo).²⁴ Belize and Guatemala

engage in ongoing border disputes; both countries have accused loggers from each other's country of encroaching upon their land and engaging in illegal operations.

CHINESE DEMAND

Between 2001 and 2012, China accounted for more than half of the world's tropical log imports and is now the world's largest timber importer.²⁵ Over the last decade, the swelling upper class in China has developed

a seemingly endless appetite for luxury Ming and Qing dynasty reproduction furniture, fashioned from high value rosewood species known as "hong mu" or literally "red wood."²⁶ Extremely ornate, hand-carved Hongmu furniture can be found in high-end malls and boutiques all over China. The Hongmu designation refers to wood species or furniture made with wood species approved as officially Hongmu in China's 2000 National Standard for Hongmu, and currently includes 33 species of rosewood. China is the only



country with a specific customs code for species of this designation.

A 2013 report noted that prices for rosewood increased only moderately from 2000 to 2005, but prices have risen significantly since 2006, stimulated by growing demand and market speculation.²⁷ Logging for rosewoods used exclusively for China's high-end rosewood furniture industry has exacerbated illegal rosewood trade globally.²⁸

Dalbergia stevensonii (also known as Honduran Rosewood) is among the 33 listed Hongmu species revered in China for high-end furniture making. In the past two years, despite the highly publicized moratorium, sawn wood and logs have been exported to China at unprecedented rates pushing the species dangerously close to commercial extinction. Since 2012, China continues to import rosewood directly from Belize (See Figure 1).²⁹

In mid-January of 2013, two 20-foot containers of rosewood were impounded at the Forestry Department in Belmopan.³⁰ It was presumed by local forestry officials that these containers were destined for export to China. News reports claim that 112 containers of rosewood that were exported to China in the last few years, "amounted to an estimated \$12 million in sales for the exporters and only \$200,000 in royalties."³¹ Between September 2012 and April 2014 (allowing six months for shipments on the water to enter China after the moratorium was enacted in March), China imported over 2.7 million board feet (over 6,000 m³) of rosewood directly from Belize.³² Since the March 2013 Appendix II CITES listing, China alone has imported over 2 million board feet of rosewood directly from Belize, which is 1.6 million

Under CITES, China—like all other 180 parties—is bound by the provisions set forth in the Appendices and has a commitment to authorize shipments of listed specimens only if they are accompanied by legitimate CITES certificates.

board feet in excess of the established "pre-Convention" export quota of 400,000 board feet.

At the time of EIA's trip, Mayan community members were reportedly paid, on average, \$1.50-2.00 USD per board foot by middlemen, who in turn were paid about USD \$2.50-4.00 per board foot by Chinese exporters.³³ Once *D. stevensonii* reaches the shores of China, it sells for about \$10 USD per board foot. Recent eye-witness reports that whole logs are now being exported, rather than sawn timber, in order to hasten the clandestine trade.³⁴ At a time when international timber trade is increasingly regulated via the US Lacey Act, the EUTR and FLEGT, and Australia's Illegal Logging Prohibition Bill, China has yet to adopt strong measures to combat illegal logging. Under CITES, China—like all other 180 parties—is bound by the provisions set forth in the Appendices and has a commitment to authorize shipments

of listed specimens only if they are accompanied by legitimate CITES certificates.

INACTION AND ITS IMPLICATIONS

The national moratorium on extraction and subsequent Appendix II listing of its rosewood populations on CITES are appropriate initial measures to address the crisis of high demand and rapidly depleting stocks. However, without full implementation and strict enforcement, *D. stevensonii* and other Central American *Dalbergia* species could face the same fate as those in the Mekong region: pending commercial—and eventual biological—extinction.³⁵

Reports of rosewood logging and seizures are commonplace in the Belizean press.³⁶ In China, one businessman claimed he had successfully imported *Dalbergia retusa* in violation of CITES by declaring it as the unregulated *D. bariensis*, due to the similarities in texture and color between the two species.³⁷

Without extremely strict enforcement of CITES in *Dalbergia* range states, along trade routes, and in China, dire consequences are likely. Extirpation of *Dalbergia* in all range states remains a real and credible risk. As stocks of *Dalbergia* wane, extraction is likely to shift to lesser known species such as cocobolo, granadillo, and black poisonwood, among others. Without full implementation of the listing and accountability for any violations of the obligations, corruption, organized crime and the absence of rule of law will increase in all range states.



RECOMMENDATIONS:

While action both within Belize and at destination countries is urgently needed, any strategy to combat illegal logging of rosewood must take on a regional approach and the international community must offer support. From Guatemala to Panama, reports indicate that illegal extraction and international trade of rosewood are thriving. Traceability systems must be implemented and strengthened. Trainings for port and customs officials at borders throughout Central America are necessary. A transparent process for inventorying stockpiles must be established, executed and internationally monitored. An effective solution to stockpile storage or disposal must ensure measures are taken to guarantee the credibility and legality of the process. Further, any disposal must deter further illegal harvest, avoid stimulating future demand, and benefit local communities who have been most adversely affected. The timber barons known to have been responsible for organizing illegal harvesting operations, must be held accountable, and must not benefit from any potential future sale of stockpiles. Investigations and research in countries, such as Belize where critical information is utterly lacking, are a must.

BELIZE SHOULD:

- Conclude the inventory of all stocks *and* standing volume.
- Immediately establish a national quota for harvest *and* trade at **zero** and inform the Secretariat.
- Conduct robust non-detriment findings to guide any future potential legal trade prior to the establishment of an export quota.³⁸
- Keep in place the moratorium on rosewood harvest and export until robust studies can ascertain what specific amount of rosewood, if any, can be exported without being detrimental to species survival.
- Continue to stop shipments and confiscate exports of rosewood.
- Halt any auctions of seized rosewood; keep confiscated rosewood guarded in a secure location.

- Coordinate with range-states on law enforcement at borders.
- Implement a strict traceability program for all high-value species.

THE CITES STANDING COMMITTEE SHOULD:

- Offer support to the Scientific Authority of Belize to complete an inventory and a robust non-detriment finding.
- Request that the Management Authority of Belize keep the current moratorium in place until robust non-detriment findings are complete.
- Direct the CITES Secretariat to assist the Government of Belize in actively enforcing their obligations under the rosewood Appendix II listing.

INTERNATIONAL COMMUNITY SHOULD:

- Support Belize by funding projects that contribute to inventory, trainings and enforcement.
- Undertake a ground-truthing mission, document illegal trade flows and identify gaps in information, and name actors; work with Central American governments to collate and highlight illegality information.
- Host meetings and trainings for all range states to combat cross-boundary crime and facilitate trans-boundary crime prevention.
- Publicly hold accountable all CITES members importing listed species with potentially falsified documents.

CHINA SHOULD:

- Immediately suspend any imports of rosewood from Belize and report any attempts to import such species to the Secretariat.
- Make public all statistics on all *Dalbergia* imports from Central America.
- Enact clear legislation to prohibit trade of illegally sourced wood products in China.



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