



2013-2016: LOST YEARS IN THE FIGHT AGAINST TRAFFICKING OF MALAGASY PRECIOUS WOODS

An EIA briefing for CITES SC67 and CoP17



"You can end the corruption that has weakened Malagasy society. You can help fight the illegal trafficking of natural treasures. In this way, you can be fully accountable to the voters."

-United Nations
Secretary-General
Ban Ki-moon, 11 May
2016

Introduction

The government of Madagascar has failed to fulfill its commitments under the 2013 Action Plan accompanying the listing of its populations of ebonies (*Diospyros* spp.), palisanders and rosewoods (*Dalbergia* spp.) to Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

Despite a logging ban put in place in 2006 due to critical declines in wild stocks,¹ an export embargo since 2010,² and the CITES Appendix II listings in 2013,³ the illegal harvest and smuggling of high-value rosewoods has continued in Madagascar.^{4,5,6}

Despite substantial support from international organizations, the Malagasy government has failed to implement the key activities of the Action Plan adopted at CoP16, including a comprehensive stockpile assessment and effective enforcement measures against illegal logging and trade. Not a single timber baron has been successfully prosecuted to date. Local civil society and journalists continue to denounce the impunity and high-level corruption in the country despite increasing pressure from the government to remain silent.⁷

Instead of acting to end the illegal trade, Madagascar has repeatedly requested to reopen the rosewood trade in recent years, and does so again in the document submitted to the SC67.⁸

Member States gathered for the 67th meeting of the Standing Committee (SC67) and the 17th Conference of the Parties (CoP17) in Johannesburg must take strong measures and assist Madagascar to guarantee the conservation of these species now very rare in the wild, and still under pressure of illegal logging and related trade.

Illicit Trade Never Stopped

Since the harvest ban on September 2006 (Figure 1), illegal exports of precious woods from Madagascar have increased in volume and severity: from a series of dubious "one-off" sales granted to a handful of timber barons (September 2006 - March 2010), to violation of a national export ban (March 2010 - June 2013) and an international embargo (June 2013 - June 2016). Since the international embargo was put in place, nearly 40,000 logs of illegal Malagasy wood have been seized outside of the Grande Ile.⁹ Experts agree that



seizures represent only a fraction of the actual volume of contraband. Customs officials in the United Kingdom estimate that approximately 10% of smuggled wildlife shipments are intercepted¹⁰ – which would imply that actual totals for smuggled precious woods out of Madagascar are closer to 400,000 logs.

During an EIA investigation in China in late 2015, numerous Chinese importers, traders and manufacturers reported continuing imports of smuggled Malagasy rosewood into China.¹¹

Witnesses in Madagascar have recently reported the continuation of illegal logging in protected areas and wood trafficking in the Northern region in 2016.¹³ In June-July 2016, between 60 and 100 tons have reportedly been shipped from Antalaha, and in May 2016, an unknown quantity was shipped off the coast of Sainte Marie island.¹⁴

More than 90% of Stocks are Unaudited and Unsecured

The inventory, labelling and securing of rosewood stockpiles by the Malagasy authorities has been limited to the seized stocks, ignoring the self-declared and hidden stockpiles,¹⁵ which represent at least an estimated 90% of the existing stocks in

Madagascar (Figure 2). These unchecked, “fluid”¹⁶ stockpiles have repeatedly been used by traffickers to launder fresh illegally cut timber in Madagascar.¹⁷

Untouchable Timber Barons

According to Madagascar’s progress report for SC67,²¹ only 36 rosewood/palisander-related infractions have been recorded over the last ten years (2007-2016). The information provided indicates that no prosecutions have been completed in relation to illegal logging and related trade cases in rosewoods, ebonies and palisanders.

To date no timber baron has ever been successfully prosecute in Madagascar. Madagascar’s Parliament adopted Law n°2015-056 in December 2015, establishing a special court to fight against trafficking of precious woods. However, nearly a year later, the government has not yet implemented this law and three timber barons continue their illegal business with impunity. Confirming the tight connection existing between illegal trade and politics in Madagascar, alleged timber barons have once again been elected, to high offices in the 2015 election,²² as other were in 2014.

It is noteworthy that palisander species have been excluded from this law – a loophole that opens the door for potential new laundering schemes.

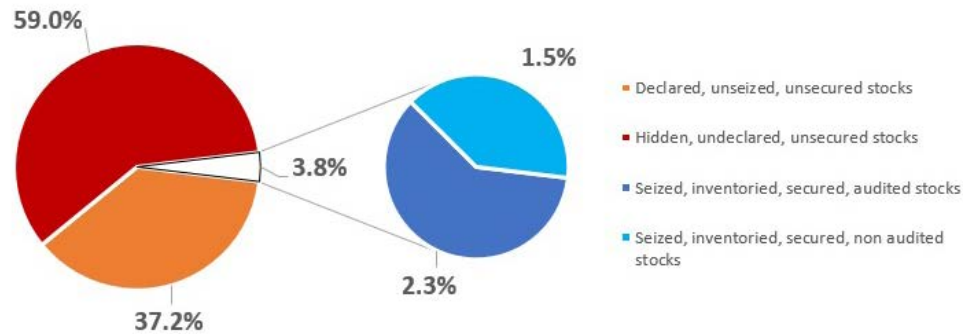
Suspicious Diplomatic and Overseas Maneuvers

In March 2014, authorities in Singapore seized a single shipment containing over 30,000 Malagasy rosewood logs.²⁴ Despite a clear embargo of this

Figure 1:
Registered Chinese imports and suspected smuggling volumes of precious woods from Madagascar since harvesting ban, 2006-2016



Figure 2: Share of the different types of rosewood and ebony stockpiles currently in Madagascar



Source: CITES, 2015b¹⁸; Madagascar, 2016¹⁹; EIA, 2016²⁰

CITES-listed timber, diverse Malagasy high-officials have successively intervened in the trial in support of the defendant. In the latest episode of a chaotic case (Box 1), the Malagasy government decided to reject the request from Singapore to support the trial. As an insider from Madagascar noted, “The inertia of the Malagasy authorities regarding the rosewood case in Singapore shows the lack of will to fight effectively and efficiently against rosewood trafficking.”²⁵

The Malagasy government, with the personal

involvement of President Rajaonarimampianina, has tirelessly negotiated with the Mauritian authorities for the return of 120 tons of illegal rosewood and palisanders seized in 2011.²⁶ Malagasy authorities are currently also working to repatriate 420 tons of rosewood seized in Sri Lanka.²⁷

Such efforts contradict the Secretariat’s position expressed at the SC66, advising Parties not to return confiscated stocks to Madagascar, due to “a high risk that specimens disposed of in this manner may re-enter illegal trade.”²⁸

Box 1. Illegal Malagasy rosewood in Singapore: chronology of a chaotic case²⁹

- March 12, 2013:** Parties to CITES CoP16 agree on the inclusion of *Diospyros* spp. and *Dalbergia* spp. in Appendix II and an international embargo on exports from Madagascar until a dedicated Action Plan is approved by the Standing Committee.
- June 12, 2013:** The international embargo on Madagascar’s exports of Malagasy rosewoods and ebonyes takes effect. The zero export quota has been continuously extended until January 15, 2017.
- February 15, 2014:** MV *Oriental Pride* leaves Madagascar’s Toamasina harbor with a load of approximately 30,000 rosewood logs, valued at USD \$50 million.
- February 28, 2014:** The vessel enters Singapore, with a shipment manifest indicating a total of 30,657 rosewood logs and Singapore as unloading port. No CITES permits accompanied this cargo.
- March 14, 2014:** Singapore’s Agri-Food and Veterinary Authority (AVA) seizes the rosewood shipment.
- Before March 19, 2014:** Jean Claude Rabemanantsoa, Director General of the Ministry of Environment, Ecology and Forests, sends a letter to the AVA explaining that the documents accompanying the shipment issued in 2010, before the new government was formed in 2013, are not valid.
- November 5, 2014:** Singapore charges the importer, Mr. Wong Wee Keong and his company Kong Hoo, with illegal importation of Malagasy rosewood.
- December 3-4, 2014:** A Malagasy delegation led by the Minister of Environment, Ecology and Forests, Antheleme Ramparany, travels to Singapore to authenticate the export documents.
- January 20, 2015:** In his last days in office, Minister Ramparany contradicts Madagascar’s previous position, claiming that the documents accompanying the shipment are valid.
- October 28, 2015:** The Singapore District Court acquits the defendant. The prosecutor files an appeal.
- February 10, 2016:** Madagascar’s Prime Minister, Jean Ravelonarivo, sends a letter to the Singaporean Minister of Justice certifying that all exports of rosewood from Madagascar since the 2010 ban are unlawful and that his government repudiates any contrary position presented by any other Malagasy Ministers.
- May 2016:** President Rajaonarimampianina visits Singapore, allegedly to participate in a business forum.
- June 2016:** Madagascar’s new Ministry of Environment, Johanita Ndahimananjara, states that Madagascar’s government has refused Singapore’s requests to clarify the illegal nature of the shipment.
- August 11, 2016:** A judge in Singapore acquits the importer and his company. The judge was wrongly persuaded that there was a gap in the CITES embargo, which coincided with the date of the shipment, and was misinformed about the need for a valid CITES permit.
- September-October, 2016:** Second and final appeal is expected to be filed in Singapore.

Recommendations

At its 67th meeting, the Standing Committee should:

» Recommend that Parties suspend all trade in specimens of CITES-listed species from Madagascar until at least the 69th meeting of the Standing Committee, expected to take place in December 2017

» Recommend that at a minimum, the following measures need to be taken as a prerequisite to approve the stockpile inventory and use plan, as key elements of the Action Plan:

1. Complete inventory and management plan of all seized and declared stockpiles
2. Concrete and demonstrable results in domestic enforcement against *Diospyros* spp. and *Dalbergia* spp. illegal logging and related trade
3. Timber barons are prosecuted and sentenced according to their crimes

» Recommend that the Law no2015-056 establishing the special court to fight against trafficking of rosewood and/or ebonies be amended to include palisanders

» Request an explanation from Madagascar for the increase in seized logs, from 28,523 at the SC to 73,518 logs at the SC67

At CoP17, the Parties should:

» Support a revised Action Plan that requires as prerequisite for lifting the suspension of all trade in CITES-listed species from Madagascar, the above-mentioned measures

» Adopt a decision that encourages Parties to adopt transparent and accountable plans for the management of confiscated Malagasy rosewood, including:

1. Detailed information of the shipment (volume, date of seizure, authorities in charge, focal point)
2. Quarterly updates on the status of the management plan
3. Justification for decisions concerning the disposal of the seized wood
4. Report on progress at PC and SC.

Madagascar should:

- » Complete a comprehensive inventory of all categories of domestic stocks, and set up periodic inspections (every six months) to identify losses, thefts, and errors in reporting
- » Recruit a Mandated Independent Monitor who will be authorized to review the status of the stockpile storage in situ, and involved in all stages of the stockpiles disposal process
- » Request the continuation of WIST operations in Madagascar
- » Include palisander species in all new regulations in order to avoid loopholes that would facilitate illegal logging and related trade in *Dalbergia* spp

International Organizations should:

- » Condition the contribution of new funds to Madagascar on the implementation of decisive measures against corruption
- » Refrain from supporting any logging related activities or sale of stockpiles before improvement in forest governance has been demonstrated on the ground
- » Support the inventory, audit and use plan preparation by Malagasy authorities, ensuring transparency and accountability in all steps of the process

References

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» Our interlocking campaign program is divided among three core areas: Forests, Wildlife, and Climate.

About Alliance Voahary Gasy:

» AVG is a coalition of Environmental Malagasy organizations created to promote good governance of environment and natural resources in Madagascar.

» AVG seeks to establish a strong, respected, and accountable civil society organization that contributes to the Malagasy well-being from good management of natural resources.

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