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BLUEPRINT TO STOP ILLEGAL LOGGING

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Royal Institute of International Affairs, Chatham House, 10 St James's Square, London.

Illegal logging is rampant and is destroying forests and forest communities around the world. Yet Europe's vast imports of illegally-sourced timber – worth €1.2 billion a year¹ – are tacitly supporting this trade. A blueprint to combat illegal logging calls for **new legislation** to stop illegal timber entering the European Union.

Illegal logging is widespread and causes severe damage to forests, forest peoples, biodiversity and the economies of producer countries. A new report, *Controlling imports of illegal timber: Options for Europe*,² published today by FERN³ and The Royal Institute of International Affairs,⁴ provides governments and the European Commission, as well as banks and industry, with detailed measures to halt the import of illegal timber into the European Union.

“Illegal logging is happening on a vast scale but everyone has turned a blind eye to how demand is created,” says Saskia Ozinga of FERN and co-author of the report. “Now the mood is changing. Controlling imports of illegal logs into Europe will stop us colluding in a trade that is decimating the world's forests.”

Controlling imports of illegal timber: Options for Europe proposes a raft of measures that span legal and voluntary initiatives, including:

1. New EU legislation to halt the entry of illegally-produced timber into the EU;
2. Bilateral agreements between producer countries and the EU to encourage trade in legal timber;
3. Support for producer countries in developing licensing systems as proof of legality;
4. Improved regulation of forestry industry finances to steer investment away from illegal activities;
5. Wider application of money-laundering legislation to cover forest crime and alert banks and insurers to suspicious timber companies.

“Europe needs to take the issue of illegally-sourced timber seriously,” says Duncan Brack of The Royal Institute of International Affairs and co-author of the report. “Poor producer country governments are being robbed of

substantial revenues and the rate of destruction of forest resources is being significantly accelerated by illegal behaviour.”

The report cites the positive example of the UK government’s ‘Memorandum of Understanding’ with Indonesia, which the authors say could act as a template for new EU bilateral agreements. The authors say there are also lessons to be learned from:

- The **Kimberley Process** that is tackling the trade in conflict diamonds;
- The **U.S. Lacey Act** that makes it illegal to trade in fish and wildlife obtained illegally in foreign countries;
- The **CITES convention** that controls the trade in threatened species.

Levels of illegally-produced timber are hard to track, but some figures exist:

- In **Indonesia** the government estimates that over 70% of logging is illegal;
- In **Burma** illegal logging accounted for \$86 million in lost export revenues in a single year;
- In **Cambodia** illegal logging in 1997 was estimated at over 4 million m³, ten times the size of legal extraction.

The full report and summary are available on Monday 16 December at

FERN: www.fern.org

The Royal Institute of International Affairs: www.riia.org/sustainabledevelopment

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Editor's Notes

1. According to *The European League Table of Imports of Illegal Tropical Timber*, Friends of the Earth EWNI, 2000.

2. *Controlling imports of illegal timber: Options for Europe* is jointly published by FERN and The Royal Institute of International Affairs. The authors are Duncan Brack, Head of the Sustainable Development Programme at The Royal Institute of International Affairs, Chantal Marijnissen, Trade Officer at FERN, and Saskia Ozinga, Director of FERN.

3. FERN (Forests and the European Union Resource Network) promotes the conservation and sustainable use of forests and respect for the rights of forest peoples in the policies and practices of the European Union. FERN, 20 Avenue des Celtes, 1040 Brussels, Belgium. Tel: +32 2 742 2436. Web site: www.fern.org.

4. The Royal Institute of International Affairs (RIIA) is a leading centre for the research, analysis and discussion of international affairs. RIIA is membership-based and aims to help individuals and organizations to be at the forefront of developments in an ever-changing and increasingly complex world. The Institute is based at Chatham House in London and is home to the world-famous Chatham House Rule which encourages confidentiality for meetings and discussions of a sensitive nature.