

### What We Do

The efforts of many emerging nations to protect biodiversity are undermined by various forms of illegal logging—felling of trees in contravention of national and local laws. To address these challenges, the World Resources Institute (WRI) and the Environmental Investigation Agency (EIA) launched the Forest Legality Alliance in 2010 with support from the U.S. Agency for International Development (USAID) and private donors. The Alliance is an international, multi-stakeholder initiative designed to achieve better forest governance, sustainable management of forests and biodiversity conservation by reducing the demand generated by global market pressures for illegally harvested forest products, increasing transparency in forest product supply chains, and supporting supply chain efforts to deliver legal wood and paper.

The Alliance seeks to help all actors along supply chains—both large and small—understand and respond to emerging demand-side, forest-product legality policies by leveraging the professional expertise, market power, networks, and resources of Alliance members.



### DEAR FOREST LEGALITY ALLIANCE MEMBERS,

Since our last newsletter, we received the wonderful news from USAID that support for the Alliance will continue through 2016. The FLA team has since been busy planning goals and activities for the next two years, largely based on feedback that we've heard over the past few years and, more recently, from the stakeholder survey that many of you participated in (thank you!). You will hear about these exciting new plans, as well as the survey results, at the next FLA meeting. We continue to welcome input and feedback from you.

The next FLA meeting will be held on January 27-28, 2015 and will have a particular focus on challenges in implementing forest legality verification in China. Additionally, we are planning the following sessions:

- A panel discussion with representatives from the private sector on how timber legality regulations, such as the Lacey Act, or the EUTR, apply to timber sourced from forests illegally converted to commercial agricultural production.
- Breakout sessions that will provide members a chance to discuss topics in depth.
- A panel exploring emerging innovative supply chain management and forest cover monitoring tools.
- Updates from FLA's partners in the United States and other countries.
- Updates on our current activities and strategy for the second phase of the Forest Legality Alliance.

A draft agenda and logistical details about the meeting are available [online](#). Final agenda and tele-conferencing details will be sent out and posted online soon. If you have anything you would like to see discussed at the meeting, and if you have any suggestions for a topic for the breakout sessions, please let us know.

For this issue of the newsletter, we highlight some of the work that our partners have been working on to advance different technologies for wood identification and tracking.

We are always looking for guest contributors to the newsletter—if your company or organization has a useful new tool, publication, or event that may be of interest to members, please let us know.

All the best,

[THE FLA TEAM](#)

**SPECIAL EDITION: SPOTLIGHT ON TECHNOLOGY**

*This issue of the Forest Legality Alliance newsletter will highlight some of the projects that our partners are working on to advance different technologies for wood identification and tracking, in order to enable wider application by industry and governments.*

**Trained to fight illegal logging – Global genetics movement gathers pace with DNA sampling training in Africa; Latin America next**

*By Goh Soo Lin, DoubleHelix Tracking Technologies*

In December 2014, participants from various African countries came together for a timber DNA sampling training session held in Douala, Cameroon. This training session is the first of a series, as part of the Large Scale Project on DNA-based Verification of Timber Origin, led by the Thünen Institute of Forest Genetics, based in Hamburg, Germany.

In this latest genetic infrastructure project, 14 vital species of timber that are harvested and produced in 8 African countries and 4 Latin American countries will be sampled and mapped. The project is funded by the German Federal government for a total of US\$4.4 million (€3.6 million).

**Capacity building**

The project will build capacity to allow claims about the species and origin of timber and timber products to be scientifically proven, thereby facilitating access to premium markets such as Europe and the USA.

The training is helping to build capacity in response to increasing global demand for genetic services. “I have people from different countries coming to ask me about DNA testing and sampling,” said Mr. Germain Yene, Director of Gersyn Services, a local project partner in Cameroon who helped to organize the sampling training session there.

Thünen is leading this project and aims to support at least one reference lab each in Africa and Latin America with equipment and

training. DoubleHelix is conducting the sampling training workshops and blind testing of wood samples with project partners. The genetic maps produced will be integrated in the database of the Global Timber Tracking Network (GTTN).

**A global movement**

Genetic marker databases already exist, or are in the process of being developed, for over 50 timber species. White oak already has a well-established database of genetic reference information and is now being used as a reliable way of securing supply chains. Once developed, genetic maps can be most readily applied to curb illegal logging, but will find other applications, such as detecting replacement of wood with species of similar appearance but of inferior quality.

Worldwide, more than US\$11.7 million is being invested into genetic infrastructure projects. Examples include mapping of ipê in Brazil, sampling of oak and larch in the Russian Far East and fingerprinting tropical hardwood species in the Mekong Region. More projects to create genetic maps for timber species are slated for 2015, allowing unprecedented insight into the origin and composition of many types of wood products – and leaving no room for illegal timber.

*DoubleHelix Tracking Technologies is a leader in applied forest genetics for conservation and the sustainable timber trade. For more information, visit [www.doublehelixtracking.com](http://www.doublehelixtracking.com).*

**WWF Germany applies a suite of technologies to check species and origin claims**

*By Johannes Zahnen, WWF Germany*

In 2004, WWF Germany learned for the first time from a newspaper article about the stable isotope method used to prove that the declared origin of olive oil was false. WWF contacted the laboratory and discovered that until that time, it had never worked with wood products, only with the food sector. Ten years and several projects later, the stable isotope method is now one of the most promising technologies for verifying the declared origin of wood.

In 2008, the United States included wood into the Lacey Act and in 2013, the EU-Timber Regulation (EUTR) came into action. Similar statutory rules were established in Australia. The intention of these regulations is to prohibit illegal timber from entering markets. WWF Germany seeks to bolster the enforcement of these regulations with forensic methods. The knowledge about the species or the origin of timber is not entirely sufficient, but a minimum pre-condition to

determine legality. Vice versa, wrongly declared species or origin is not proof, but a very strong indicator that something is fundamentally wrong. False information about the species or origin casts doubt on all statements and documents accompanying the product.

Up until now there were no options to verify the declared information, and often the chain-of-custody (CoC) is complex, and documents and proof can be manipulated. After several steps in the CoC it can become increasingly challenging to verify if the declared information is actually true. This is where the forensic methods come in. Information like DNA or concentration of stable isotopes cannot be fabricated. Experts can “read” this information and use it to verify and validate accompanying documents.

*(continued on next page)*





Books from WWF Germany's market survey in 2012

For several years, WWF Germany has applied forensic methods in real situations to demonstrate the frequency of mislabeling and put pressure on importers and traders to change their behavior.

### Using fiber testing to find MTH in paper products

In 2008 WWF Germany noticed that more and more children's books were being printed in Asia – more specifically China. Knowing that some of the biggest pulp and paper producers are situated in Indonesia and sourcing from natural tropical forests, WWF Germany decided to use fiber testing on products coming from this region. In 2009, WWF published its first report on children's books printed on paper that contained "mixed tropical hardwood" (MTH), wood coming from natural tropical forests, which is more likely harvested unsustainably. The report stated that about 30 percent of the books tested in Germany contained MTH. Several book publishers reacted and switched their production to recycled or certified paper – but not all of them.

In 2012, WWF Germany repeated the same market survey and once again found that about 30 percent of children's books contained MTH. However, laboratories specializing in MTH analysis in paper confirmed that the amount of paper samples sent in by publishers and book traders has increased since then. That's exactly what WWF Germany wants – for publishers to start taking responsibility to reduce their role in forest destruction.

### Using wood anatomy and stable isotopes to test Burma teak

In 2009, WWF Germany used wood anatomy and stable isotopes tests to confirm that companies are selling teak sourced from Myanmar. During that time, the import of teak and other products was prohibited in the EU due to political sanctions (EC No. 194/2008). One year after the ban began, WWF found several German wood traders advertising Burma teak on the web or in brochures. WWF used wood anatomy to confirm the species, and stable isotope analysis to confirm that the teak was in fact harvested in Burma. This indicates that traders were violating the ban, and WWF Germany informed the authorities.

### Using wood anatomy and stable isotopes to test garden furniture

In 2013, WWF purchased and tested ten samples of products from a furniture store in Germany. The laboratories discovered that five of the samples had incorrect species labels, and one product was produced from Siberian oak – a high-risk timber species. Within the set of mislabeled products, the laboratories identified several highly critical species.

Additionally, WWF Germany purchased several garden furniture items online. The target this time was Yellow Balau because much of the garden furniture sold in Germany is imported from Southeast Asia, where overharvesting of this species for its high quality wood is known to occur. Again, several of the items were incorrectly declared wood species. The IUCN lists some of the identified species on its Red List as "vulnerable" or "critically endangered".

The latest report, in the form of a television report, was published in May 2014 after WWF Germany ran a market survey primarily focusing on garden furniture. Besides taking advantage of peak purchasing season of garden furniture in the spring, it was also strategic from a political perspective because it clearly demonstrated loopholes in the European Union Timber Regulation, which covers tables but not chairs and benches.

What was discovered was disappointing. An unlabeled broomstick was found to be made from the hardwood, Ayous, coming from a region known to be at high risk for illegal logging. We also found a certified garden chair from Malaysia with an incorrectly declared wood species, and other products with high risk species, some of which the IUCN Red List identifies as "critically endangered".

### Positive results - but more is needed

WWF sees an urgent need for continuous market checks and use of forensic methods to bring more transparency into the wood and paper trade. These methods can be of tremendous help to filter out suspect products. Companies, governments and non-profit organizations alike can employ these methods to better detect and limit illegal supplies in wood product supply chains.

For more information on WWF-Germany's work using forensic methods, see their recent publication, ["Forensic methods used to verify the declared species and origin of wood."](#)



One of the products purchased in September 2013 was declared as Bangkirai; but forensic tests identified it as Kedondong, which is IUCN's Red List identifies as "critically endangered".

### Recent Publications

#### [Sustainable Procurement Guide 3.2 Released](#)

With continued support from the World Business Council for Sustainable Development (WBCSD), we released Version 3.2 of "Sustainable Procurement of Wood and Paper-based Products: Guide and Resource Kit" earlier this month. This version features updates to the climate change and fresh and recycled fiber chapters, and to the "Guide to the Guides" section.



The guide can be found at [www.sustainableforestproducts.org](http://www.sustainableforestproducts.org).

[Trade in Illegal Timber: The Response in the United States](#)  
Chatham House's "Indicators of Illegal Logging and Related Trade" project recently released a series of reports looking at trends of imports of illegal wood-based products in consumer, producer and processing countries. Reports are available for the United States, Vietnam, China, France, Japan, the Netherlands, the United Kingdom, and others.

#### [The Impacts of the Lacey Act Amendment of 2008 on US Hardwood Lumber and Plywood Imports](#)

This study analyzes monthly U.S. import data on tropical lumber and hardwood plywood quantity and unit value to estimate the impact of the Lacey Act Amendment on import prices and quantities. Statistical models show double-digit percentage increases in prices and decreases in quantities of tropical lumber imports from Bolivia, Brazil, Indonesia, Malaysia, and Peru.

### In the News

#### [Ghana joins Indonesia, Cameroon, and Liberia in electronically tagging trees](#)

Hoping to stem the country's illegal logging problem, Ghana's Minister of Lands and Natural Resources announced plans to begin tagging trees with bar codes to create a monitoring system for tracking timber beginning at the stump.

#### [PEFC launches project to help market operators achieve legality verification compliance](#)

Teaming up with INTERPOL and others, PEFC has launched a project to develop suggestions on how to carry out risk assessments and guidelines to overcome Due Diligence implementation of the EU Timber Regulation.

#### [Myanmar tightens its border in major timber smuggling areas](#)

On April 1st, 2014, Myanmar banned the export of all raw logs. Admitting that the ban hasn't yet reduced illegal trade in timber, the Ministry of Environmental Conservation and Forestry now plans to beef up its inspection teams and checkpoints along well-known smuggling routes to China.

#### [Hong Kong seized over 100 tons of Honduran rosewood, worth USD\\$ 3 million](#)

Four containers declared to contain "rubber waste" but holding over 100 tons of Honduran rosewood logs were seized in Hong Kong. The shipment came from Guatemala via Mexico.

#### [New Sarawak chief minister vows to clamp down on illegal logging](#)

Following an October announcement to issue no new timber concession licenses until the state's illegal logging issues were resolved, Chief Minister Tan Sri Adenan Satem revealed that the Malaysian Anti-Corruption Agency has been investigating the state's timber industry and that he expects arrests soon.

#### [Malaysia loses RM\\$45 million in 4 months to illegal logging](#)

The Malaysian Anti-Corruption Commission will be cracking down on illegal logging in the next few years, starting with arrests and freezing of bank accounts of companies suspected of involvement in illegal logging activities.

#### [Australia pledges millions to fight illegal logging](#)

At the Asia-Pacific Rainforest Summit in Sydney in November, Australia's Environment Minister announced AUS \$6 million to support the Responsible Asia Forestry and Trade programme, a broad coalition of actors supporting Asia Pacific countries in promoting trade in legal wood products.

### Upcoming Events

#### [National Association of Music Merchants Show](#)

January 22-25, 2015; Anaheim, California, USA

#### [Forest Legality Alliance 12th Semi-Annual Members Meeting](#)

January 27-28, 2015; Washington, DC, USA

#### [RISI 17th Annual European Conference](#)

March 09-11, 2015; Amsterdam, Netherlands

#### [FLEGT Week 2015](#)

March 16-19, 2015; Brussels, Belgium

#### [IWPA World of Wood Convention](#)

March 18-20, 2015; Las Vegas, Nevada, USA

The FLA newsletter hosts guest writers in every issue. If you are interested in contributing to our next newsletter with information and stories concerning illegal logging, the Lacey Act, international forest policies, or any other related issues, please contact Loretta Cheung at [LCheung@wri.org](mailto:LCheung@wri.org).

If you are interested in learning more about our organization, becoming a FLA member and continuing to receive this newsletter, please contact Jonathan Mason at [JMason@wri.org](mailto:JMason@wri.org) or visit <http://www.forestlegality.org/about/members>.