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C O M B A T I N G
WILDLIFE AND FOREST CRIME
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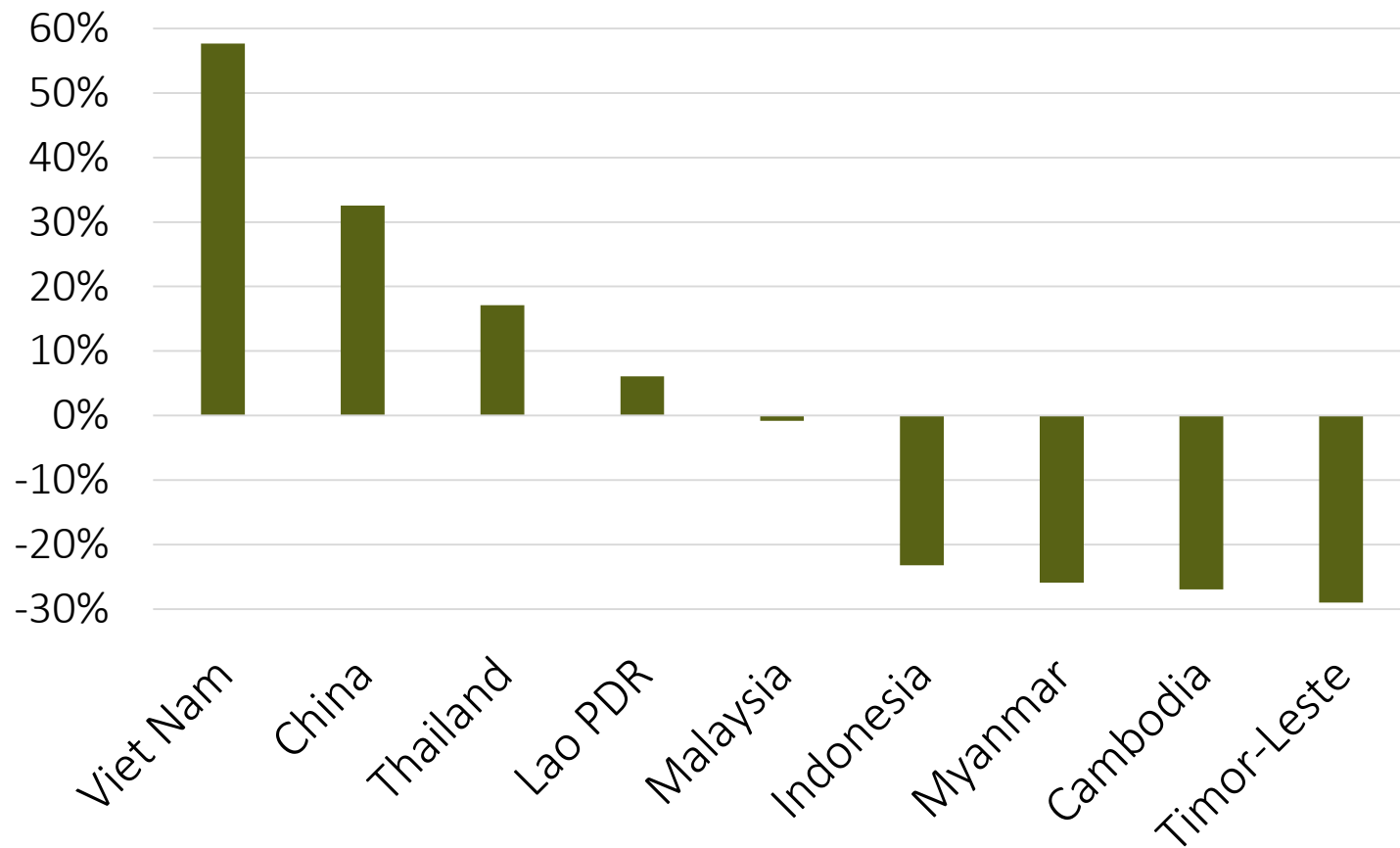
Timber crime situation and challenges in Mekong Region

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14 November 2018



% forest change between 1990-2015





What is timber crime?

Illegal logging

- No permit
- Invalid permit (fake, expired)
- In a protected area
- Outside concession area
- Protected species
- Harvesting over volume/species of permit

Illegal transportation

- No permit
- Invalid permit (fake, expired)
- Reusing the same permit

Illegal processing

- Under-reporting capacity/production
- Timber laundering
- Illegal timber inputs

Illegal possession

- Illegal storage
- No permit
- Invalid permit (fake, expired)

Illegal trade

- Import
- Export
- Re-export
- Supplying
- Buying
- Selling
- Trafficking

Associated serious crimes:

Document fraud

Other forms of TOC

Conspiracy

Murder

Tax evasion

Money laundering

Corruption



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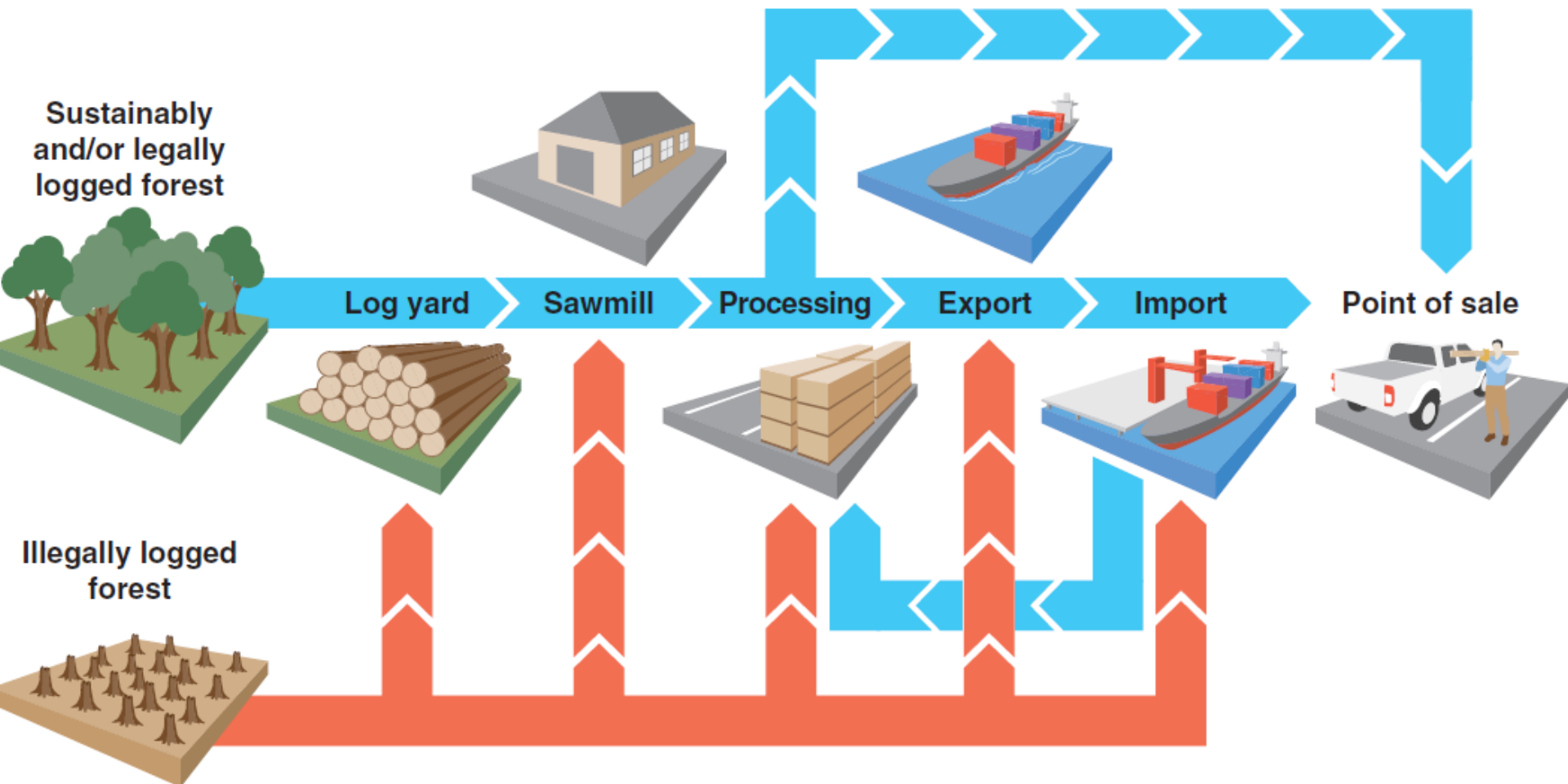
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Timber supply chains are long, complex, global – with many actors.
Illegal timber can be introduced at any stage.





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Illegal logging and timber crime:
Estimated to be the largest, least risky, most profitable,
illicit environmental industry



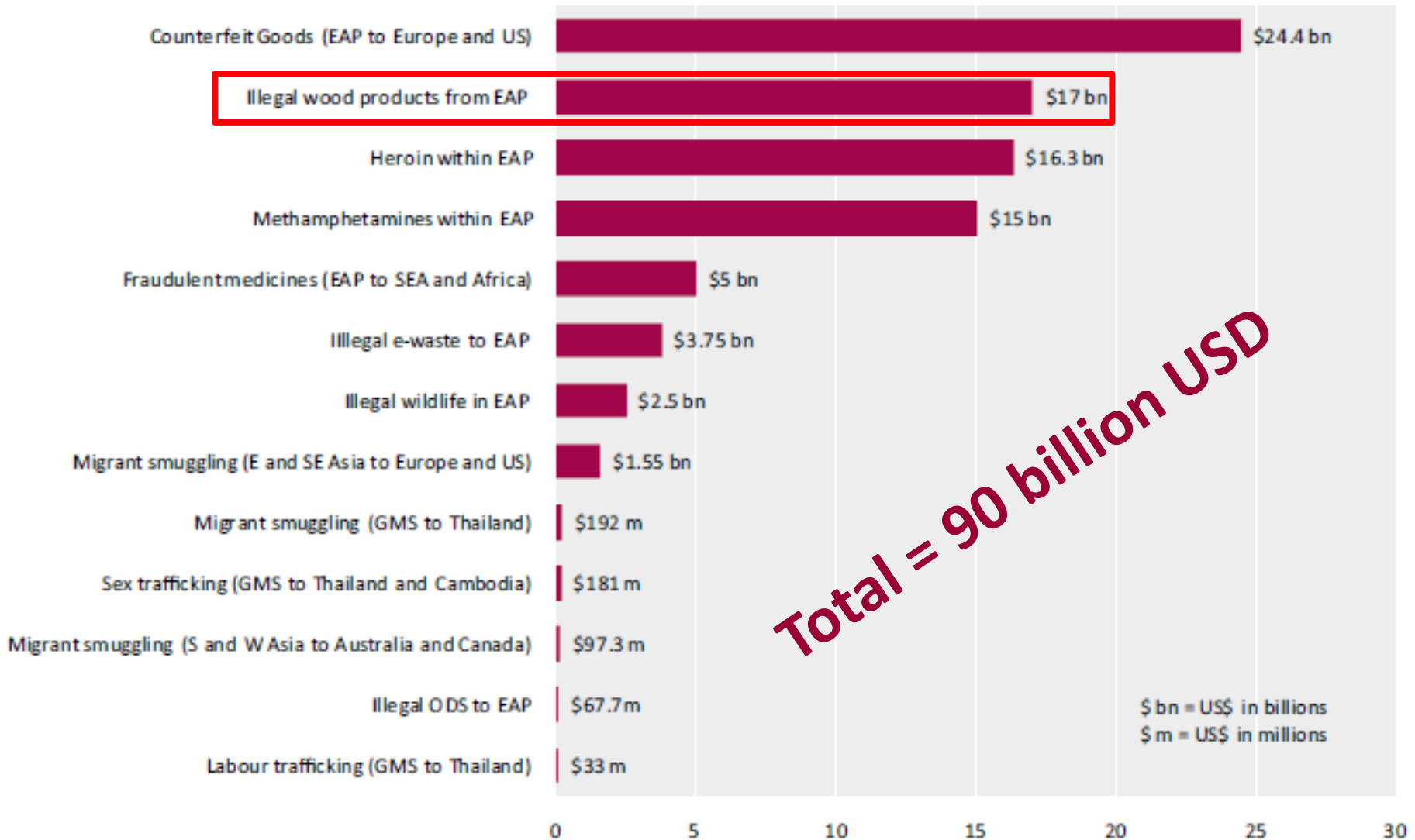
Generates up to 150
billion USD criminal
revenues globally / year



Accounts for 15-30%
global trade in timber
products



Timber crime is a major TOC in this region





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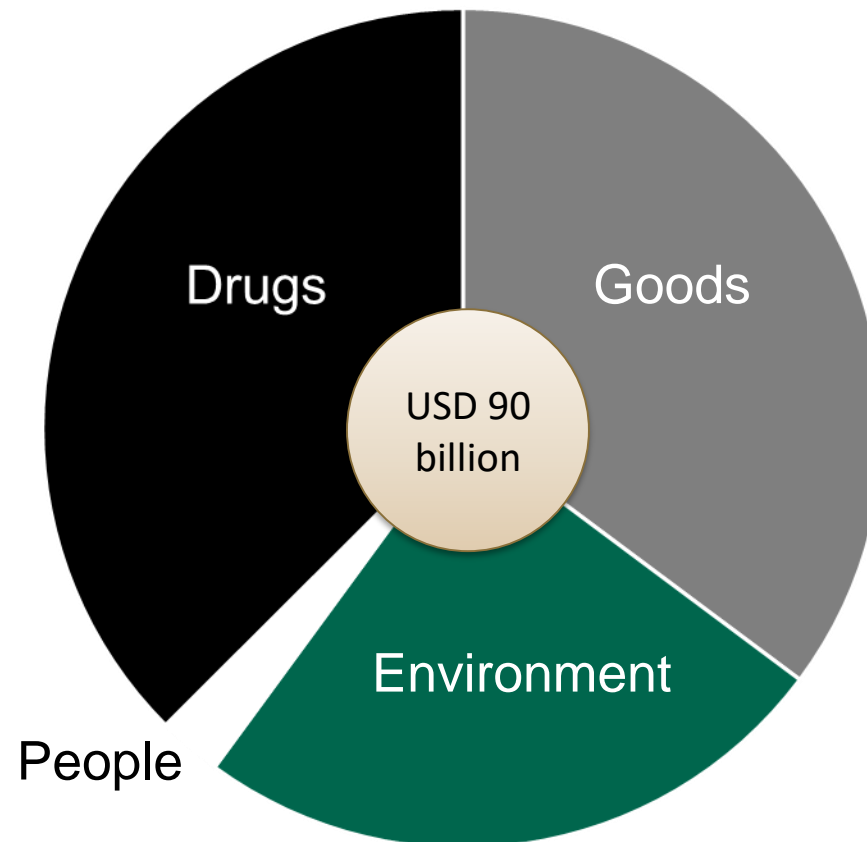
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Significant TOC in East Asia/Pacific





Characteristics of illegal timber trade in the region

- **Significant volumes:** The region was estimated to account for approximately 70% of the global illegal timber trade exports (*UNODC, 2013*)
- **It is transnational:** Timber may be obtained in one country, transported through another, and processed/sold in a 3rd or 4th country
- **High demand** for timber in China, Vietnam, and Thailand is an important driver for illegal sourcing of wood within the region
- **Variation in legal/regulatory frameworks can cause displacement:** Logging bans in some countries (Vietnam, Thailand) can increase illegal timber trafficking from neighbouring countries with weaker forest enforcement such as Cambodia, Laos and Myanmar



- **Conversion timber:** More than 50% of all timber in Mekong region estimated to come from ‘conversion forests’
 - This is timber which was harvested from land cleared specifically for agriculture (e.g. rubber, sugar, rice), mining, or infrastructure development (hydropower dams, regional transboundary roads, etc.)
 - Conversion timber can create a supply chain through which illegally harvested logs from other areas can be passed
- **Movement:** Most illegal timber moves within legitimate trade – but some high-value species may be smuggled across borders (e.g. rosewood trafficking from Thailand)
- **Species:** Many valuable timber species may be under national protection/control, but are not currently CITES-listed species (e.g. some of the *Pterocarpus* species) → complicates international trade.



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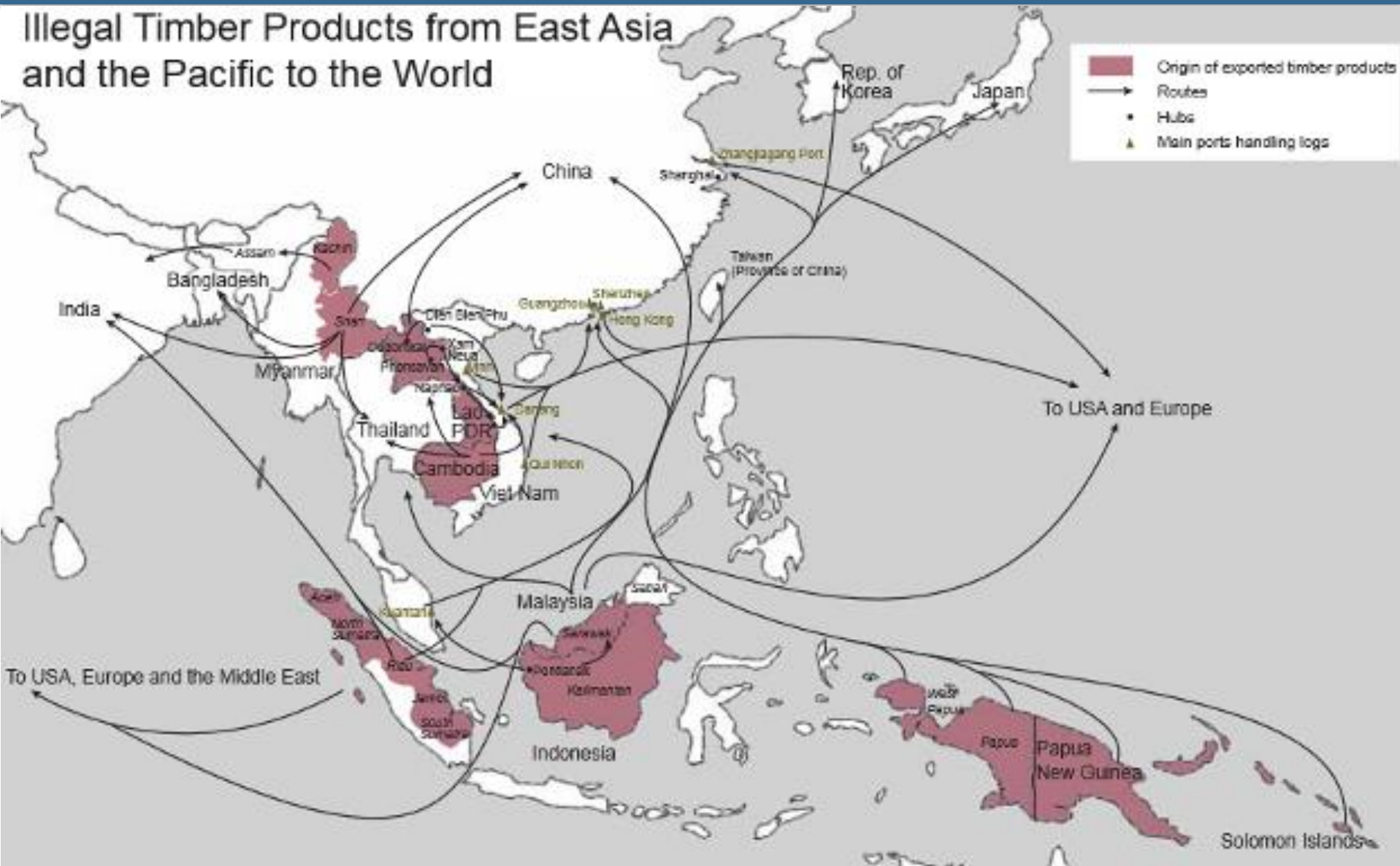
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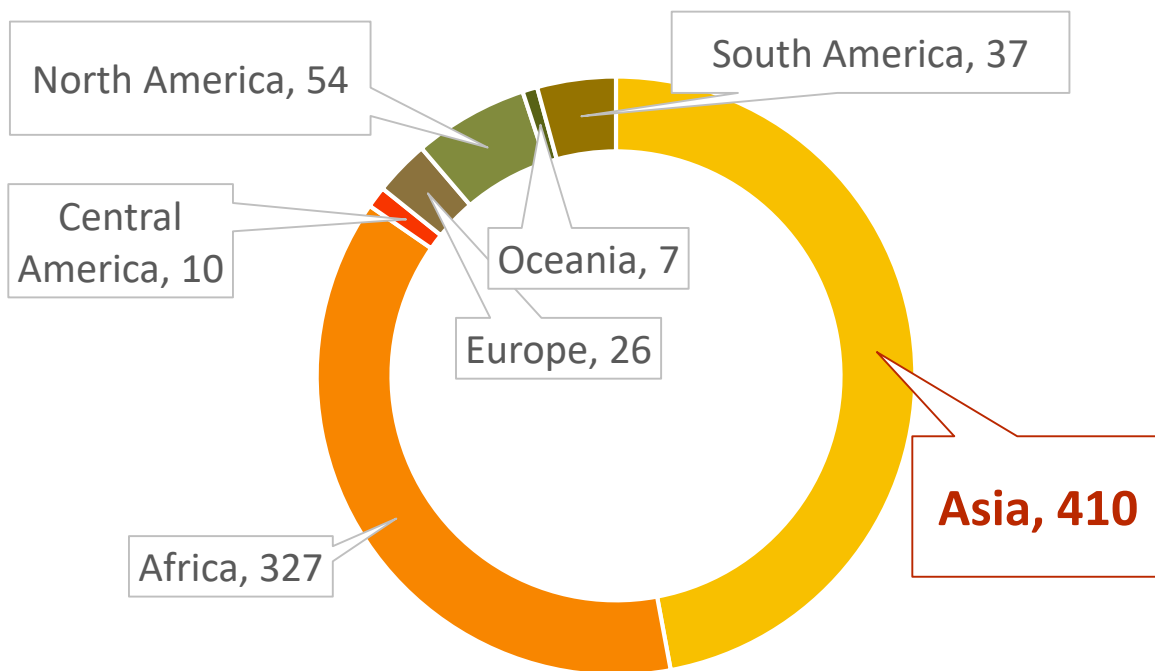


Illegal Timber Products from East Asia and the Pacific to the World



Links to violence and murder

Global ranger deaths 2009-2018



Data: International Ranger Federation

Examples:

- **Cambodia:** January 2018, a military police officer, ranger and NGO worker were killed while on patrol in a wildlife sanctuary – believed to be related to illegal logging incident
- **Vietnam:** Forest Protection Department reported 170 rangers were injured during conflicts while on duty 2010-2013

Corruption Risks in Wildlife and Timber Supply Chains



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#3

CORRUPTION RISK!

Logging,
Farming and
Hunting
Operations

- 4) Establishment of hotlines and awareness raising campaigns
- 5) Improving legal protection for witnesses, whistle-blowers, media

- 7) Establishment of a monitoring and investigating multi-agency task force

- 1) Creation of incentive and reward schemes across all types of contraband
- 2) Adoption of codes of conduct for law enforcement agencies
- 3) Annual disclosure of company's finance/assets matched to existing concessions

- 8) Introduction of (criminal) responsibility for legal persons with adequate penalties including the restoration of environmental damage

- 9) Simplified administration to encourage compliance and remove risks of interference
- 10) Immediate temporary suspension of concession in case of clearly determined violations

- 6) Static video surveillance to record inspections and submission of reports to integrity units / investigative task forces





Timber crime and corruption

Examples:

- **Country 1:** Media reported that timber smuggling was increasing each year due to corruption among government officials, and 700 Forestry Department employees were facing disciplinary action in connection with timber smuggling (May 2015)
- **Country 2:** In 2017-2018, allegations of large-scale illegal logging occurring in protected areas, enabled by bribes paid to district and provincial officials, conducted by FOREIGN timber traders (*EIA investigations*)



Timber crime and links to PEPs

Examples:

- **Country 3:** Two governors dismissed amid allegations of links to timber crime
 - Governor 1 (dismissed Feb 2018) was allegedly profiteering from illegal logging
 - Governor 2 (dismissed Nov 2017) allegedly had 'conflict of interest' family ties to illegal logging/timber trafficking, and embezzlement
- **Country 4:** In Sept 2017, an investigation found former Chairman of a province to be guilty of illegally opening 5 unofficial border crossings to allow unclearly sourced timber from neighboring country to freely flow unchecked



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Timber crime links to money laundering

Thailand case:

- Mr. K arrested in a forest with large amount of cash, allegedly to buy illegally logged rosewood
- Ms. D (sister) owner of Star Tiger Zoo – suspected by an NGO to be involved in tiger trafficking
- Thai AMLO conducted a financial investigation of Mr. K and the zoo; Vietnam FIU assisted
- Investigation revealed that the zoo was used as a front for smuggling (rosewood, ivory, pangolin) and money laundering
- Mr. K's network estimated to have **laundered \$35 million** between 2011-2014 using various methods
- Asset seizure: Zoo and resort, houses, 24 plots of land, 29 cars, cash, luxury items
- Mr. K and wife charged with conspiracy to illegal logging and trafficking of rosewood, attempting to bribe officials, money laundering





Common law enforcement challenges

- Increasing ASEAN connectivity and opportunities for transnational organized crime
- Misplaced focus on low-level criminals
- Weak penalties and little likelihood of prosecution
- Very few convictions of high-level traders/traffickers
- Insufficient proactive, intelligence-led investigations
- Difficulties tackling corruption and bribery of public officials
- Inadequate regional law enforcement cooperation to address the transboundary issues



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Thank you



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Contact us: wlfcr@unodc.org

Visit our website : <http://www.unodc.org/unodc/en/wildlife-and-forest-crime>