Issue 13

December 2009

### Dear Reader,

Welcome to the 13rd Edition of the TTAP Newsletter! With an intensive year coming to an end, we would like to update on the latest TTAP developments, such as UK TTF trade Roadshow to Brazil and share some surprising news from Africa with you. As usual, in this issue we present some of the recent progress of the companies engaged and the avancements on the FLEGT/VPA process.

Whether you are a Timber Trade Federation member, TTAP partner or interested stakeholder, we hope TTAP News will be a useful resource for you. Please feel free to share this newsletter with your colleagues.

Enjoy reading!

### **About TTAP**

TTAP is an EC funded project, managed by TFT and co-funded by the Belgian (FBCIB), French (LCB), Dutch (VVNH) and **UK Timber Trade** Federations (UK TTF), to assist wood suppliers in tropical countries produce verified legal timber.

We currently advise and support timber companies based in Asia, Africa, and South America. We are also engaged in timber trade policy initiatives in the European Union.

### **Quick links**

www.timbertradeactionplan.info

ww.tft-forests.org

### **Partner Countries**

## **CONSUMERS**

- > FBCIB
- UK TTF VVNH
- du Bois (LCB)
- **PRODUCERS** Malaysian Timber

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# BRAZIL: UK TTF AND TFT HOLD TRADE ROADSHOW

In October 2009 the UK TTF held the last in a series of Trade Roadshows in Brazil. The purpose of the weeklong event, funded by the Department for International Development (DFID) and organised by TFT was to raise awareness of changing market requirements in the EU, and learn about initiatives that the Brazilian authorities and trade are undertaking. Trade representatives from Altripan, Lathams, Wolseley and Kingfisher joined colleagues from TFT and Rainforest Alliance for a variety of meetings throughout the country. In Brasilia, the Brazilian National Forum of Forest Organisations (FNABF) coordinated a meeting to update Government representatives on the EU's Due

Diligence discussions and the US Lacey Act. In Belém, a Business Forum was organised in conjunction with ABIMCI and AIMEX to coincide with the Belém Wood Fair. Over 60 trade delegates participated in the event discussing about how to best meet EU and US market requirements.

UK TTF representatives saw firsthand how TTAP is one tool by which forests, sawmills and factories can achieve legality verification through a variety of site visits of companies engaged in the process. Rachel Butler. Head of Sustainability TTF was happy with the response: "Brazil is a very important trading partner for the UK. I am really pleased with the response

some of the Brazilian trade are making to the changing market requirements in what is difficult trading circumstances. Flávio Guiera, Head of TFT Brazil responded: "It was great to host the UK delegation, the Brazilian trade benefitted and it was evident the UK trade got to see a side of the industry they wouldn't normally experience particularly in view of the forestry visits we organised."



# GABON DECIDES TO BAN UNPROCESSED LOG EXPORTS IN 2010

As of January 2010, Gabon will ban unprocessed timber exports to add value to timber products coming from its forests and to tackle unemployment. The country has already passed a law in 2001 establishing the objective of having 75% of dressed

wood by 2012, but surprisingly decided to speed things up by issuing a new regulation with much tighter objectives. Apparently, the two main trade unions of forestry workers are in favor of this new regulation, but they do, however, fear the timeframe for these changes to happen.



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# INSTITUTIONAL REINFORCEMENT OF COMIFAC WILL HELP IMPROVE MANAGEMENT OF CENTRAL AFRICAN FORESTS



TFT participated at the 6<sup>th</sup> meeting of the Congo Basin Forests Partnership (CBFP), a platform where all Ministries of forests belonging to the Central African Forest Commission (COMIFAC) come together. The event took place from 11-12 November in Yaoundé, Cameroon, and aimed to achieve an agreement on the institutional reinforcement of COMIFAC and to stimulate debates about governance and legal frameworks within the Congo Basin. Participants also discussed about the importance to find a good equilibrium between production and conservation objectives.

COMIFAC is an Intergovernmental Organization that came into effect in February 2005 when issuing a Convergence Plan for better management and conservation of Central African Forests. It can be

hoped that the institutional reinforcement of COMIFAC will contribute in a longer term to improve forest management in the Congo Basin.

# MINISTERS' PRAISE TIMBER INDUSTRY ON SUSTAINABILITY





The UKTTF's has recently released its 2008 Timber Certification report, which shows that the use of timber certified to FSC. PEFC or similar standards has risen from 66% to 83%. Secretary of State for the Environment, Food and Rural Affairs, Rt Hon Hilary Benn, MP speaking in response to this report said: "I welcome the excellent progress being made in efforts to promote certified timber in the UK. With certification levels rising to over 80%, this report sends a clear message that producers, importers, and consumers alike are increasingly recognizing the importance of sustainable timber. This is in no small part due to the commitment of the timber trade,

and I hope that this positive trend will continue into the future as we continue the fight against illegal logging."

John White, Chief Executive of the Timber Trade Federation, which commissioned the report, welcomed the Ministers' comments: "We are delighted with the progress that has been made over the past three years and I would echo the Ministers' comments. The rise in certified wood is in direct response to the requirements of Government, customers and the vast majority of the industry that wants to distinguish their responsible behavior from others. As the Report shows, it has done that very effectively. Even where the timber used is not certified, the industry has put in place due diligence

procedures, such as the Timber Trade Federation's Responsible Purchasing Policy."

The report concludes that certification in the UK has moved strongly ahead in the period between 2005 and 2008, with levels of certification rising in all sectors of the timber industry and reinforces the view that certification is central to both the present and future of the timber industry.

For further information please contact the Timber Trade Federation press office on 020 7052 8888 Issue 13 Page 3

# MADAGASCAR: ILLEGAL ROSEWOOD LOGGING REVEALED!

An estimated US\$88.000-460,000 worth of rosewood is being harvested illegally every day in Madagascar, according to a new report by two environmental groups. Global Witness and the Environmental Investigation Agency's (EIA) report says 30-115 m³ of the wood is being stolen from national parks and protected areas in the country's north-east, following political turmoil earlier this year. EIA estimates 1,000m3 of highvalue hardwoods, including ebony, are thought to leave the country each month, with an average of 100-200 rare trees cut down each day.

It claims the demand for expensive rosewood furniture in China is driving the majority of the trade. Smaller amounts are sold to Europe and the US for

use in musical instruments. Both organizations are calling on the Madagascan government to repeal decrees which authorize the export of illegal wood by registered companies. They say these rules are actively encouraging the felling to continue.

In the wake of these denunciations, an investigation of Gibson Guitars for purchase of illegal wood from Madagascar is taking place. It has been widely reported that the U.S. Fish and Wildlife Service raided Gibson Guitar's factory in the US on November 17th, as part of an investigation under the Lacey Act. A 2008 Lacey Act amendment now makes it illegal under US law to import wood products that have been produced illegally in other countries. It has been alleged that Gibson bought

illegally harvested wood from Madagascar that was then transported through Germany to their factory in Nashville, Tennessee.

Whatever the outcome of the investigation involving Gibson Guitar, the Lacey Act is clearly now being enforced. The global wood trade is on notice that the US Government is serious about tackling the issue of illegal wood and with similar regulations on the way in the EC, companies really must now ensure that strong wood product supply chain due diligence systems are in place across their whole business.



# GHANA SIGNS VPA WITH THE EUROPEAN UNION

On 20th November 2009 in Brussels, government representatives from the Ghana and the EC signed the first Voluntary Partnership Agreement (VPA) of FLEGT (Forest Law Enforcement, Governance and Trade). This agreement allows only products carrying the Legality Assurance Certificate (FLEGT licence) to be exported to the European Market

In line with this agree-

ment Ghana has created a national legality assurance system that will apply to all production in the country. The system is ambitious in that it will be valid for all products bound for the domestic market as well as export. The entire system will also be audited by an independent third-party to ensure credibility and effective verification and licensing. The first shipments of timber from

Ghana licensed under the agreement are expected at the end of 2010.

Representing 43% of the total value of its timber exports the EU is Ghana's most important market. This agreement aims at maintaining this commercial link and will be one element of Ghana forestry reform to ensure the future viability of its forest industry.



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# **2010 NEXT EVENTS**

### **JANUARY**

•14th, Southampton: Workshop on the « Proposed EU Regulation and Due Diligence tools » For more information please contact: Helen Wingfield (H.Wingfield@tftforests.org)

•22nd, London: Chatham House-RRI Dialogue on Forests, Governance and Climate Change

For more information on forthcoming events please refer to the http://www.illegal-logging.info

ASIA AFRICA

**AMERICA** 

NEWS IN BRIEF: FLEGT/VPA — GABON

N° of supply

On 12<sup>nd</sup> November 2009, Gabon sent the official request to open the Voluntary Partnership negotiations with the European Union.

# TTAP'S PROGRESS REPORT

N° of

We are currently working **46** Supply-chains and managed to get **11** supply-chains legally verified so far!

8 in Malaysia; 2 in Cameroon; 3 in Indonesia!

More than **4,3 millions of hectares of forests** are being directly (forests) and indirectly (factories and sawmills) impacted by TTAP's activities.

N° of nodes

For more details, please see the table below.

N° of Supply

Chains

N° of hectares

being impacted

logging.info	in TTAP to date	engaged	in TTAP to date*	Verified	Verified Legal	indirectly by TTAP's activities
Cameroon	7	21	4	8	2	417.695
Republic of Congo-Brazzaville	3	5	5	0	0	668.809
Gabon	3	10	6	0	0	1.435.000
China	11	50	17	0	0	2.000
Indonesia	6	19	25	3	1	939.090
Malaysia	6	20	2	14	8	293.061
Brazil	8	24	16	1	0	236.509
Guyana	2	4	4	0	0	282.639
TOTAL	46	153	79	26	11	4.274.803

N° of nodes

We're on track!

## **TTAP's Partners Contacts**



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<sup>\*</sup> This includes those nodes that have undergone the Gap Assessment and/or Action Plan stage