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Watchdog Group Says Most Myanmar Logs Exports are Illegal

YANGON, Myanmar - Most of Myanmar's log exports in recent years have been illegal according to international trade data, an environmental watchdog group said Tuesday, in a sign that an export ban due to begin next week is likely to have little effect.

The state Myanma Timber Enterprise said the government will prohibit log exports starting April 1 to reduce deforestation and boost the country's wood processing industry.

The Environmental Investigation Agency said an analysis of international trade statistics showed that global buyers reported importing 22.8 million cubic meters of logs from Myanmar in 2000-13 — 16.4 million cubic meters more than was listed in the government's own export figures.

This suggests that 72 per cent of the log shipments were illicit, the London and Washington-based group said.

"These illegal exports were worth nearly \$6 billion — four times the combined 2013-14 education and health budgets for the entire country," it said. It attributed the discrepancy to "widespread criminality and corruption in Myanmar's timber sector."

It said figures from the Ministry of Environmental Conservation and Forestry published earlier this month by Myanmar's Eleven Media group showed that government-authorized harvest volumes in 2001-13 in the regulated industry accounted for just 53 per cent of recorded global imports of Myanmar logs, suggesting that the illegal logging rate was at least 47 per cent.

The EIA's report, "Data corruption, exposing the true scale of logging in Myanmar," was released Tuesday after government offices were closed, and an official response was not immediately available.

The report noted, however, that "Myanmar's government has claimed that most illegal logging and timber smuggling occurs in areas controlled by ethnic groups, particularly in Kachin state bordering China's Yunnan province, a major recipient of illegal timber."

But it said that even if trade across the border with China is discounted, official exports did not account for most of the remaining imports reported by other countries.

According to the most recent available official data, Myanmar's forest cover shrank from 57.9 per cent of its total land area in 1990 to 47.6 per cent in 2005.

The sale of teak and hardwood logs has climbed since a nominally civilian government succeeded a military junta in 2011 and liberalized the economy.

The government says it earned about \$569 million from the export of 1.24 million cubic tons of wood in the 2012-2013 fiscal year, with China, India and Thailand the major buyers.

Chinese demand for wood has been driven by its prosperity and growth as a global manufacturer. China banned the felling of its own old-growth trees in 1998, fueling imports of illegal wood from Myanmar, especially high-end



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varieties such as rosewood and teak. Efforts in recent years to reduce smuggling had been thought to be successful, though detailed statistics were not previously available.

"The imposition of a log export ban in Myanmar from April 1, 2014, indicates the government is now attempting to stop the flow of logs from the country," the EIA said. "This is a long overdue acknowledgment that Myanmar's forests have been systematically looted during the past 15 years."

"Reform of the timber sector is urgently needed to counter the pervasive corruption and secrecy which continue to threaten Myanmar's dwindling forests," it said.

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