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Timber trading platform aims to increase transparency, legality

By John C. Cannon, Mongabay.com

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With the Responsible Timber Exchange, the online trading platform's creators say that timber buyers now have a powerful tool to source wood products ethically and legally.



Certified timber in a log pond in Kalimantan, Indonesia. Timber certification is one mechanism for ensuring sustainable forest management. Image: [Michael Padmanaba, Center for International Forestry Research \(CIFOR\), CC BY-NC-ND 2.0](#)

An online tool now allows timber traders to verify the sustainability of their purchases from important tropical timber countries such as Brazil and Indonesia

More than ever before, global consumers are demanding products made from responsibly sourced timber, and importers are increasingly being asked to account for where their timber and wood products come from under statutes such as [the EU Timber Regulation](#) and [the Lacey Act](#) in the US. To help buyers and traders stay in step with those trends, the [BVRio Environmental Exchange](#) unveiled the [Responsible Timber Exchange](#) on Wednesday.

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“This is the first vehicle that promotes legality [and] sustainability,” said Pedro Moura Costa, the founder and president of BVRio.

The [BVRio Institute](#), a nonprofit organisation founded five years ago to come up with market-based solutions to boost environmental compliance, hosts the Responsible Timber Exchange. Moura Costa said that in the past couple of years, BVRio had been asked by certified timber companies working in Brazil to help them operate more efficiently and economically.

It identifies things that not even an auditor in the field would be able to.
Pedro Moura Costa, founder and president, BVRio

“The illegal operators have such an advantage,” Moura Costa said, making it difficult for more ethically minded timber producers to compete.

“There is no mechanism to favour those that want to procure [timber] responsibility,” he added. Initially, BVRio came up with a suite of software and mobile applications that, through a simple scan of a permit’s barcode, give buyers the power to follow timber back to its point of origin.

Since those tools were launched in 2015, the organisation said that 1 billion data checks have been performed.

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The trading platform launched this week provides pricing information, current market conditions for different types of timber and wood products, and – for wood coming from Brazil – a “Due Diligence and Risk Assessment Report” that details the chain of custody.

Users can check whether timber that was harvested in Indonesia complies with the EU’s [Forest Law Enforcement, Governance and Trade](#), or FLEGT, licensing system. And they can determine if a seller’s products from anywhere in the world have been certified under [the Forestry Stewardship Council](#) or [Programme for the Endorsement of Forest Certification](#).



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The system will soon be updated to allow screening of timber coming from the West African country of Ghana and from Peru, and Moura Costa hopes begin integrating data from further afield. It takes time, he said, as the organizations and agencies working in other countries have different ways of gathering the information.

But he is confident in the results. To test the new platform, Moura Costa and his colleagues looked at businesses found to be violating the law in Brazil’s timber sector.

“We asked ourselves, if we had used our system, six months before the environmental agency found [these companies], would we have detected something wrong?” he said.

The result? “We found out that we were right 99 per cent of the time.”

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