

Chinese Demand for Illegal Rosewood Drives Tropical Forest Destruction in Asia, Africa

Classical furniture boom presents urgent challenges for legal, sustainable sourcing

17 December 2015 | WASHINGTON, D.C. | China's demand for rosewood – used for classical Chinese-style furniture and décor – is threatening some of the world's most valuable and endangered old-growth forests. Chinese furniture manufacturers' imports of several species of rosewood, collectively known as hongmu, have soared at an unprecedented rate since 2010 and hit an all-time high in 2014, according to China's customs data and reported in a new study by Forest Trends, an international non-profit organization. This trade is fueling illegal harvesting of rosewood in the last remaining forests of Southeast Asia and, increasingly, Africa.

As the largest global consumer of rosewood, China has seen the volume of its imports increase 1,250 percent since 2000. From 2013 to 2014 alone, the value of these imported rosewood nearly doubled, reaching US\$2.6 billion.

The vast majority of China's rosewood has traditionally come from countries in the Mekong region — Cambodia, Laos, Myanmar, and Vietnam. But as these countries' forests are depleted, Chinese traders are searching further afield for other sources, including lower-quality rosewood from Africa. And indeed, in the past two years, Chinese imports from Africa have surged. Demand for furniture produced from these lower-value logs has been largely driven by interest from China's burgeoning middle-class market as consumers seek a traditional status symbol at a lower price point. In 2014, nearly half of China's rosewood imports came from Nigeria, Ghana, and other African countries -- a sharp increase from a decade prior, when Africa accounted for just over 10 percent of overall imports.

"There is strong evidence that this booming demand is being met by rosewood that has been illegally harvested, with dire consequences for complex ecosystems in some of the world's most biodiverse forests," said report author Naomi Basik Treanor. "Many countries in Africa and Asia ban the harvest or export of rosewood logs, yet these products are still making their way across China's borders. In many cases, this demand has also adversely impacted the livelihoods of forest-dependent people who rely on hongmu as a source of fuel and medicine."

"Unfortunately, regulatory frameworks in countries where rosewood grows are often inadequate, not being implemented, or are consistently undermined by corruption and bribery," Basik Treanor added. Many of the bans on the harvest or export of rosewood or logs in general, for example, can easily be exempted by corrupt officials; other regulations are routinely flouted in countries with poor governance and enforcement capacity.

In Southeast Asia, transnational organized crime syndicates are exploiting valuable rosewood, challenging efforts to preserve remaining stocks. And in Africa, revenues from rosewood trade are often used to finance armed conflict: Evidence suggests that 95 percent of rosewood exports reported from the Gambia actually come from neighboring Senegal and can be classified as "conflict timber" because their sales benefit the main separatist movement in southern Senegal along the Gambia's border.

Increasingly, the shipments of rosewood appear to be routed through the less monitored ports of Hong Kong, likely to avoid mainland China's increased enforcement of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) on listed rosewood species.

"Given their role in the global trade of rosewood, China's consumers and government are in a unique position to take a leadership role in ensuring that only legally and sustainably sourced rosewood enters the country," said Kerstin Canby, Director of Forest Trends' Forest Trade and Finance Program. "China already has in place some existing frameworks related to the sale of rosewood, as well as emerging systems to verify the legal provenance of timber importers, and these could serve as a foundation for more robust and legally binding legislation to curb illegal timber imports."

In the meantime, CITES is seen as a potentially effective tool to curb the illegal trade in certain listed species, and indeed, countries have already begun requesting that additional rosewood species, such as African rosewood (*Pterocarpus erinaceus*) and *Dalbergia spp.*, also be listed under the Convention beginning in 2016.

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Forest Trends analyzes strategic market and policy issues, catalyzes connections between producers, communities and investors, and develops new financial tools to help markets work for conservation and people.

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Media Contact: Will Tucker

wtucker@forest-trends.org +1 202.446.1996 (Office) +1 502.432.8964 (Mobile)