Borderlines – Timber Smuggling in the Mekong Region
Mekong Region:

- Vietnam, Laos, Thailand, Cambodia
- Significant forest loss
- Logging controls in Vietnam, Thailand and Cambodia
- Main wood processing centres Vietnam and Thailand
- History of illegal logging and timber smuggling
Vietnam

- Rapid growth of furniture industry; exports worth $2.4 bn 2007, tenfold increase in seven years
- Main export markets US 39%, Japan 14%, UK 7%
- Heavy reliance on imported raw materials
- Progress on certified timber; eucalyptus, teak
- Illegal timber remains a problem; balau, keruing
Indonesian logs, Haiphong 2003
Laos

- Rural population 80%, many dependent of forests
- Forest cover 40% and falling
- Series of forestry laws, enforcement weak
- Log export ban, designated production areas, consultation with local communities
- Plan to grow domestic wood processing; many infrastructure projects, dams
EIA Findings

- Widespread use of Laos balau/keruing in Vietnamese outdoor furniture factories
- Vietnamese logging firms active in Laos
- Estimate around 500,000 cbm Laos logs enter Vietnam a year
- Most of logs used domestically, some exported
- Some factories source directly, others buy locally
- Thai businessmen involved in Laos logging
Central Laos
Central Laos
Naphao, Laos-Vietnam Border
Naphao, Laos-Vietnam Border
Laos balau logs, Qui Nhon
Laos balau logs, Hanoi
Laos logs, Vinh Port
Thai Connection
Final Thoughts

- Consumers share responsibility – due care
- Misleading claims by retailers
- Need for dialogue Vietnam-Laos
- Vietnam needs to tackle high risk species
- EU-Vietnam dialogue on FLEGT
- New controls on illegal timber in US