



Borderlines – Timber Smuggling in the Mekong Region



environmental
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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



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