China’s Policies for Hongmu Import Surveillance & Control

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◆ Inclusion of hongmu species in CITES appendixes

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What is CITES?

- CITES is the acronym of the Convention on International Trade in Endangered Species of Wild Fauna and Flora
- Also known as the Washington Convention, as it was signed in Washington
- CITES was signed on March 3rd 1973, and came into force on July 1st 1975

...40 years up to now
What is CITES?

- Intergovernmental agreement: signed by sovereign nations with the aim to manage and control the international trade of wild fauna and flora in order to prevent related species from the overuse and the endangered situation.

- International convention: use legislative means to incorporate wild animal and plant protection into trade control for the purpose of achieving the win-win outcome between protection and sustainable utilization.
Nearly 140 timber species were included in CITES Appendix II at CITES CoP 16, which took into effect from June 12th 2013.

- *Dalbergia cochinchinensis*
- *Dalbergia retusa*
- *Dalbergia granadillo*
- *Dalbergia stevensonii*
- *Dalbergia spp.* and *Diospyros spp.*, the populations of Madagascar
Among 33 species, 8 genus, 5 families listed on China’s National Hongmu Standard:

- 7 species are listed on CITES Appendixes:
  - *Dalbergia nigra, D. cochinchinensis, D. louvelii, D. granadillo, D. retusa, D. stevensonii, Pterocarpus santalinus*

- 3 species are listed in the category under national key protection:
  - *D. odorifera, D. fusca, P. indicus*
Hongmu species

- According to National Hongmu Standard (GB/T18107-2000), Hongmu in China refers to the heartwood of *Pterocarpus* spp., *Dalbergia* spp., *Millettia* spp., *Cassia* spp., *Diospyros* spp., whose density, texture and color meet the requirements set in the National Standard. Now, Hongmu include the heartwood of 33 species, mainly distributed in tropical areas.
Hongmu Species
China’s Hongmu Imports by Region (Jan. 2010-Apr. 2013)
China’s Policies for Hongmu Species Import Surveillance & Control

- CITES license
- Commodity Appendix of Import & Export on Wild Fauna and Flora
- Certificate of Species Non-regulated in the Commodity Appendix of Import & Export on Wild Fauna and Flora
CITES license

- D. nigra
- D. cochinchinensis
- D. granadillo
- D. louvelii
- P. santalinus
- D. retusa
- D. stevensonii
### HS code for import and export of common Hongmu products

<table>
<thead>
<tr>
<th>HS code</th>
<th>Description</th>
<th>Supervision condition</th>
</tr>
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<tbody>
<tr>
<td>4403993000</td>
<td>Hongmu log</td>
<td>F☆</td>
</tr>
<tr>
<td>4407991010</td>
<td>End-joined sawn wood of Camphor/Nanmu/Hongmu</td>
<td>EF☆</td>
</tr>
<tr>
<td>4407991090</td>
<td>Non-end-joined sawn wood of camphor/Nanmu/Hongmu</td>
<td>EF☆</td>
</tr>
<tr>
<td>9403501010</td>
<td>Bedroom furniture manufactured with endangered hongmu species</td>
<td>EF☆</td>
</tr>
<tr>
<td>9403601010</td>
<td>Other furniture manufactured with endangered hongmu species</td>
<td>EF☆</td>
</tr>
</tbody>
</table>
Certificate of Species Non-regulated in the Commodity Appendix of Import & Export on Wild Fauna and Flora

◆ Applicable scope of certificate of species

Wild fauna and flora and their products that are included in the commodity appendix but are not required to hold CITES license.
Certificate of Species Non-regulated in the Commodity Appendix of Import & Export on Wild Fauna and Flora

◆ Applicable scope of certificate of species

For example:

—Wild plants with the identical name of the one under the key national protection (*D. odorifera*, *D. fusca*)

—Wild fauna and flora specimens exempt from CITES requirements (Hongmu furniture)

—Non-endangered Hongmu log and sawn timber (*P. erinaceus*, *P. macrocarpus*, etc.).
Strengthen Surveillance and Control over Hongmu Imports

Issue in 2013 the Circular of the Endangered Species Import and Export Management Office on Further Enhancing the Management of Endangered Timber Species Import (File 36) after consulting the General Administration of Customs.
Strengthen Surveillance and Control over Hongmu Imports

Contents of File 36

- Implement the commodity appendix in strict accordance with species category, endangered level and bio-properties
- Use Hongmu commodity serial number for the 33 species, 8 genus, 5 families included in National Hongmu Standard (GB/T 18107-2000)
- Prohibit the issuance of related administrative permits for the use of the serial number by timber species beyond the Standard
- Set the certificate of species obtained in compliance with related requirements as the one-time certificate.
- Make the airway bill as the requisite condition for applying for the certificate of species
Strengthen Surveillance and Control over Hongmu Imports

General Administration of Customs issued in 2013 the Circular on Several Issues for Strengthening the Control over the Import of Endangered Timber (File 43), requiring customs offices to enhance the inspection and control over the import of endangered timber.
Increase publicity, trainings and public guidance

- Make advantage of the platform provided by China National Forest Product Industry Association and its Hongmu Sub-Committee
  - Inform its member of the inclusion of Honmu species into CITES appendix.
  - Convened 3 training workshops on CITES timber species in Dongyang Zhejiang, Huangpu Guangdong and Beijing, overreaching convention requirements and China’s management policies on the import trade of endangered timber species among the Hongmu importer and processors.
Risk Warnings for Timber Importers

- Do not purchase and import endangered timber from Madagascar
- Prudent in the import of *D. cochinchinensis*, *D. granadillo*, *D. stevensoni*, *D. retusa*

- Before obtaining the certificate of allowing import issued by the office, do not send back the cargo to China in case of returning, seizure and confiscation.
Risk Warnings for Timber Importers

**Further regulate the timber import declaration**

- Have the clear knowledge of the Latin name of imported timber species and obtain the official documents issued by the country of export. The trade name should be indicated on the contract, invoice, bill of lading and the other that are prepared by importers themselves, and the Latin name should be indicated in the phytosanitary certificate and certificate of origin that should be issued by the country of export.

- The HS code should be declared in strict conformity to timber properties, standards and protection category of species. Anyone who declare the HS code for Hongmu Products should have the evidence to prove that the imported timber species is among the 33 species included in GB/T 18107-2000. Or they cannot declare the Hongmu code.
Reason for the restrictions faced by China in its importing endangered rosewood resources

- **Restraint mechanism by CITES**
  - NDF
  - RST

- **Restriction policy related to export issued by countries of origin**
  - Submit proposals
  - More protection policies
Dalbergia cochinchnensis

- Known as siam rosewood payung, belonging to redwood as set in China’s National Hongmu Standard.
- Distributed in Thailand, Vietnam, Cambodia and Laos
- *Dalbergia cambodiana* is the different scientific name
- According to the appendix amendment proposal, the four countries of origin have issued the bans against harvest and export of wild *D. cochinchnensis*.
- Cambodian Ministry of Foreign Affairs and International Cooperation has sent the letter of understanding to the embassies of related countries in Cambodia, informing that Cambodia has overall banned the trade and circulation of *D. cochinchnensis* and *D. cultrata*.
Log, sawntimber and decorative veneer are the part under the import surveillance and control.

After the Appendix II took into effect, Laos now approves its export and Vietnam approves its re-export.
Dalbergia retusa

- Commonly known as Cocobolo, belonging to redwood as set in China’s National Hongmu Standard.
- Distributed in Belize, Costa Rica, Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama.
- Guatemala and Panama listed the populations of the species on Appendix III in 2008 and 2011, respectively.
- Log, sawntimber, decorative veneer and plywood are the part under surveillance and control.
- After the Appendix II took into effect, up to now Panama, Guatemala, Salvador and Costa Rica have issued the export permits.
D. granadillo is its similar species, also listed on Appendix II, and commonly known as Granadillo, belonging to Dalbergia spp. Its is distributed in Sarvado and Mexico. After Appendix II took into effect, no export permits have been issued by the country of origin.
Dalbergia stevensonii

- Belong to black wood as set in China’s National Hongmu Standard
- Narrowly distributed in Belize, Guatemala and Mexico, and no clear information about its distribution in Honduras.
- Guatemala listed the populations of the species on Appendix III in 2008.
- Log, sawntimber, decorative veneer and plywood are the part under surveillance and control.
- After the Appendix II took into effect, only Belize issued the certificate for a small quantity of wood to prove that they are legally harvested and owned before the Appendix came into force.
Commonly known as Red sandalwood, belonging to black wood as set in China’s National Hongmu Standard

It is an endemic species to Madagascar as the current available information indicates

Madagascar listed it on Appendix III in 2011

Log, sawntimber and decorative veneer are the part under surveillance and control.

After listed on Appendix III, Madagascar has never issued an export permit.

Decision 152 of CITES CoP 16 on Madagascar’s *Dalbergia* spp. and *Diospyros* spp. requires that Madagascar ban the export of wood inventory before the CITES Standing Committee approves the auditing results and export use plan for the inventory of the two genus.
Commonly known as Padauk sandal wood, belonging to *Pterocarpus* spp as set in China’s National Hongmu Standard. Mainly produced in India, and distributed in small quantity in Sri Lanka. Listed on Appendix II from 1995. Logs, chips, particles and extractives are the part under surveillance and control. Indian Government implements strict policies on its control and management, issuing a ban against wild harvest. Now the export quota is zero. But the specimens from artificial cultured trees (quota is 310 t every year) and 11,806 t inventory that was one-time confiscated will be approved for export. Few legal imports in China.
Pterocarpus santalinus
Non-CITES species, and non-Hongmu Species identified in China’s National Hongmu Standard.

Similar to *D. retusa* in terms of color and texture.

Nicaragua uses CITES license to control its export.

High possibility to a fraudulent use of *D. tucurensis* as *D. retusa*.

China Customs prioritizes the control and inspection over the import of the species.
Thanks!

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