Will Burma's timber ban curb or entrench corruption?

By FELIZ BOLSON

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A ban on all timber exports from Burma has come into effect on Tuesday, in an attempt to stop its one of Burma's tightly regulated and notoriously corrupt industries. The new regulation, which criminalises cross-border trade of unlicensed wood products, is meant to stop the flow of raw resources and encourage development of value-added processing industries, though many are sceptical of the government's ability to enforce that outcome.

The main issue with the log export ban at this stage is the lack of state and private-sector support in establishing a more robust forest processing sector in the country," said Kevin Woods, a researcher on the environmental rights group Forest Trend. Woods is one of many resource experts concerned that the ban might end up being counterproductive within one of Burma's most polluting industries while doing nothing to moderate exploitation.

The government has not put forth any plans to encourage processing industries, which according to researchers opens up two possibilities: if in country processing remains unsupported and undeveloped, illegal trade could actually increase in nearby forested border areas. If the industry, in fact, is developed, what is already known to be a state-owned monopoly could simply expand into even more businesses.

"No one has ever seen an official paper outlining the ban," said Faith Doherty, Forest Team Leader at Environmental Investigation Agency (EIA), a U.S.-based environmental rights group that assessed the government last week of complicity in illegal trade of timber.

"The Government's official data on forestry and timber exports reveals endemic illegal logging and timber smuggling—crimes only possible through institutional corruption on a huge scale," Doherty said, also reporting a new report saying government export records against imports documented by other nations. The data identified a $1.2 billion black hole amounting to US$ 6 billion in wood.

"Burma has absolutely no transparency within the sector," said Doherty, under Burma's monopoly to address any questions the money could produce for "Whom is it untracked or unaccounted for, your question should be addressed to the government." do not know.

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The timber industry has, in fact, been directed both to Burma's Ministry of Environmental Conservation and Forestry (MOECAF) and the managing director of the Minmar Timber Enterprise (MTE), neither of which provide explanation in the report. The Ministry of Commerce also declined to comment.

The extent of corruption in Burma is "notably quite stunning," said Sam Zafri, regional director of the International Commission of Jurists. Literally every sector, he said, is in and for some time remains dominated by government crimes, especially in the booming extractive sector, where prices margins are high.

Figures reported by EIA dealt only with recorded materials, much of the massive court of illicit timber was traded under the supervision of the MTIE, which is a state-owned company established in 1998 to oversee logging concessions and manage trade.

The means that much of the unreported trade occurred at the behest of long-established central government, and the numbers don't even begin to account for logs traded in Burma's many ethnically divided regions, which frequently act as a conduit for illicit cross-border movement to China. In Kachin State, for instance, the illegal export of logs via Burma's China border has been estimated to bring in more than US$ 1.2 billion per year, much of which is to fund rebel army operations. A recent visitor to the Sino-Burmese border said he observed a "constant stream of trucks," carrying logs from Kapan to Kunming in China via Kachin State, noting that "there's very little old growth left in the Kachin hills because the massive levels of logging that took place over the past decade came from this government."

Deforestation is an added complexity to Burma's logging problem, the new rules target Armenia, but don't directly address the rapid decline in forested land. Estimates vary, but most environmentalists agree that during British colonial times some 80 percent of the country was covered, down to 10 percent in the 1990s. Deforestation accelerated under military rule, and government figures put Burma's current forested area at around 47 percent, though some officials have offered lower estimates.

"The log export ban doesn't mean much for illegal logging, but rather what you do with the logs after you have them," said Woods, explaining that while the ban could be lowered to decrease demand if implementation actually delivers, for example — if it is, as some think, geared to present Burma's forests. The government has, however, committed to lowering its illegal cut (CIM) for teak and other hardwoods, which could bring some wins for preservationists.

Those successes could be very meaningful in Burma, where many still rely on the forest for basic needs like food, shelter and therapy. Moreover, Woods suggested that the disappearance of both trees and timber-based products (RTVs) could be in all instances of circumstances, for instance, scarcity of forestfires and coal means that forests remain further distances to collect. In Burma's extreme but real circumstances, "there is increased chance of use, especially in conflict-prone areas."

While the timber export ban is one step towards stopping a regenerative transformation in one of Burma's major industries, it may only work in tandem with additional reforms meant to tackle the corrupt culture in the country.

The Burmese government had, at least, acknowledged the problem by committing to measures like the Extraneous Industries Transparency Initiative and forthcoming preparations to join the EU's Forest Law Enforcement Governance and Trade (FLEGT), initiative, which would allow certain trade opportunities for FLEGT-approved wood products.

"That is, of course, the billion-dollar question," said Zafri, emphasizing that new media freedoms offer Burma's strongest anti-corruption tool. Monitoring the logging and timber industries will largely be a task for journalists, activists and others, because information that increases transparency is unlikely to come from government sources.

"Right now, that judicial capacity and that political will is quite low," said Zafri, emphasizing that new media freedoms offer Burma's strongest anti-corruption tool. Monitoring the logging and timber industries will largely be a task for journalists, activists and others, because information that increases transparency is unlikely to come from government sources.