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CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA



Fifty-fifth meeting of the Standing Committee The Hague (Netherlands), 2 June 2007

Interpretation and implementation of the Convention

Species trade and conservation issue

BIGLEAF MAHOGANY

- 1. This document has been prepared by the Secretariat.
- 2. At its 54th meeting (Geneva, October 2006) the Standing Committee was advised that government officials in Peru had been recorded as stating that they were unable to make adequate non-detriment or legal acquisition findings in relation to trade in big leaf mahogany. The Committee considered these allegations, the recommendations from the 16th meeting of the Plants Committee (PC16, Lima, June 2006) and the initiative from Peru to develop a plan of action to fully implement the provisions of the Convention with respect to the big leaf mahogany. The Committee requested the Secretariat to visit Peru in order to review progress, and to report at the present meeting.
- 3. On 15 November 2006, the CITES Secretary-General sent a letter to the head of the Management Authority of Peru providing a set of targeted recommendations to be included in the plan of action. The recommendations were divided in four thematic blocks, namely Scientific aspects, Legislation and legal acquisition of timber, Enforcement, Capacity building and Regional cooperation with neighbouring countries.
- 4. On 28 November 2006, the Government of Peru responded with a brief report of the progress made in the preparation of the plan. A document entitled *Strategic plan of action to implement CITES Appendix II listing of big leaf mahogany in Peru* was received on 14 March 2007.
- 5. The mission took place from 26 to 30 March 2007. Two days were spent in the province of Madre de Dios, primarily visiting a concession in the process of certification as well as the regional office of INRENA (CITES Management Authority) which the Secretariat had already visited in 2005. A sawmill was also visited and discussions were held with the different stakeholders (e.g. loggers, concessionaires and sawmill owners, exporters, national and regional authorities, forestry engineers working for the concessions or advising on certification). The other two days were spent in Lima meeting a large range of representatives of relevant institutions, including: CITES Management and Scientific Authority staff; the Vice-Minister of Foreign Affairs; staff from the Ministries of Foreign Affairs and External Trade, representatives of NGOs; and representatives of the donor community. Meetings were also held with traders and four representatives of indigenous communities engaged in the timber trade.
- 6. The Secretariat wishes to record its sincere appreciation for the assistance provided by the Government of Peru and especially by INRENA as CITES Management Authority.

General findings

7. In the view of the Secretariat, Peru has made some progress in the making of non-detriment and legal acquisition findings for trade in Appendix-II listed big-leaf mahogany. For instance, the Scientific

Authority has made progress with its study on the status of the national population of mahogany and is expected to finalize it by August 2007. The Management Authority, in collaboration with NGOs and the private sector, is promoting the voluntary certification of managed forests where mahogany occurs as a complementary tool to foster the chain of custody and the traceability of timber. It has also drafted the strategic plan of action mentioned in paragraph 4, hereinafter referred to as PAEC (*Plan de acción estratégico para la caoba*) to comply with the commitment announced by Peru at the SC54.

- 8. The PAEC defines seven specific objectives, including the consolidation of the scientific basis for the sustainable harvest of mahogany, the promotion of voluntary certification, the strengthening of the traceability system and the reinforcement of INRENA. The cost of the implementation of the PAEC until 2012 is estimated roughly as USD 20 million. The Secretariat noted the increased use of voluntary certification as a complement to the CITES requirements and considers it a positive trend to ensure a more transparent and effective implementation of the Convention by Peru.
- 9. Some staff members from INRENA as well as representatives of the private sector seemed aware that they are in the starting phase of a comprehensive implementation of CITES, and that more needs to be done to reap the full benefits of listing a timber species in CITES. However, this does not seem to be the case at the highest governmental level.
- 10. During the mission, the Secretariat was surprised to learn through a major cooperation agency that the President of the Republic has declared in the media that he considered the export quota for mahogany "insignificant" compared to the 63 millions of hectares of Amazonian forest in Peru. These declarations were given in the context of the negotiations of a free trade agreement between Peru and the United States that apparently includes a chapter on environment and the implementation of CITES requirements for timber trade.
- 11. The progress reports received from the highest authorities were more of an anecdotal nature and although they described achievements in different areas, they were not result-oriented or factual enough and were mainly based on press clippings. In the view of the Secretariat, there is an excessive use of the media by all the stakeholders involved as a means of reporting. This practice does not reflect in an accurate and objective manner progress against the established objectives since it does not refer to the specific points of action recommended by the Plants Committee and the Secretariat
- 12. As a general conclusion, it is regrettable to reconfirm that the issues regarding coordination between the Scientific and Management Authorities and the verification of concessions have not really been dealt with to date in a sufficiently rapid and vigorous manner. The Secretariat wishes to point out that the actual frictions between the Management and Scientific Authorities and the lack of political will at the highest governmental level to implement the PAEC are major issues that could seriously impede an effective implementation of the Convention.

Specific findings

13. The structure of this section is based on a brief description and analysis of the status of implementation of the thematic blocks mentioned in paragraph 3 above and some further recommendations.

Scientific aspects

- 14. Detailed recommendations regarding the scientific aspects of the management of and trade in mahogany were adopted at its 16th meeting by the Plants Committee (see document PC16 Doc.19.1.1). Since the PC will review progress on the implementation of those recommendations at its 17th meeting and will reconsider whether it would be appropriate to include *Swietenia macrophylla* in the Review of Significant Trade, this report does not address the status of implementation of those recommendations.
- 15. Having said that, there are two recommendations that are particularly relevant to the findings of this mission. First, the Plants Committee recommended to Parties that export quotas should be based on sound, valid scientific information. Second, it recommended that studies be undertaken on

the sawn lumber yield from logs, and on the height/diameter ratio, in order to improve control of the exploitation of mahogany timber.

- 16. Regarding the export quotas, the Secretariat recommended in November 2006 to reduce substantially the export quota for 2007 pending a full assessment of the status of the stocks of mahogany in Peru. It also reminded Peru that national CITES authorities must set export quotas in full compliance with the Convention's requirements for making non-detriment findings.
- 17. On 5 March 2007, the Government of Peru communicated to the Secretariat an annual export quota of 13,476 m³, corresponding to the harvest of 1,601 trees with a diameter above 75 cm. The Management Authority calculated the sawn lumber yield from the trees logged using a 1978 FAO study and historical data, as follows: 52 % for timber with commercial dimensions and 15 % for timber with non-commercial dimensions. During the discussions with the different stakeholders, it was revealed that the overestimation of the lumber yield might constitute one of the most serious loopholes allowing the laundering of illegal timber.
- 18. The Secretariat's mission revealed discrepancies between the quota and the advice of the Scientific Authority. According to the preliminary data collected in the UNALM-ITTO Project PD 251/03 (F) Evaluacion de las existencias comerciales y estrategia para el manejo sostenible de la caoba (Swietenia macrophylla) en el Perú, the Scientific Authority estimated that a level of sustainable harvest would be between 900 and 1,200 trees per year.
- 19. The setting and management of the annual export quota for mahogany in Peru presents additional technical challenges to the authorities. First, the harvesting season does not correspond to the calendar year since it starts on 1 May and ends on 30 April of the following year. Second, there is not a clear approach regarding the management of specimens for which no export permit was issued during the quota year (permits issued in 2007 for specimens obtained in 2005). Third, there is an absence of clear criteria for the determination of the sustainability of the harvest (growth rates of mahogany trees show that it can take 100 years for a tree to reach a diameter of 75 cm). Fourth, there is no verification of all the annual operational plans that serve as a basis for the estimation of the quota. Finally, there seems to be some confusion regarding the difference between a harvest quota and a CITES export quota.
- 20. The first two issues will be discussed at CoP14 under item 36 on the Management of national export quotas (see document CoP14 Doc. 36). As general principle, it has been suggested that when a Party establishes an annual export quota for a period other than a calendar year, it should indicate the period to which the quota applies when communicating it to the Secretariat.
- 21. Regarding the third issue, the Plants Committee announced that it would reconsider at its 17th meeting the inclusion of the species in the Review of Significant Trade. This may allow the Plants Committee to provide targeted advice to Peru on the best way forward for the establishment of a sustainable annual export quota. The Review of Significant Trade is not a punitive measure and is designed to support Parties engaged in international trade to better manage their CITES-listed species. At the same time, it may have a positive effect on the management of other timber species and the ecosystems where they occur.
- 22. The veracity of the annual operational plans is a crucial element in the establishment of the quota. The exporters recognized that 8.8 % of the timber exported in 2005 and 2006 was obtained from concessions that were subsequently closed for false declaration of mahogany stocks or investigated for other reasons. Careful verification of the data provided in the plans, which are elaborated by concessions and authorized native communities, is indispensable before including those volumes in the quota. Without credible verification the quota system simply does not work.
- 23. With the above considerations in mind, the Secretariat recommends that Peru revise its quota in order to solve the inconsistency between the quota and available scientific information on the species, that it follow the advice of the Scientific Authority, that it do not include specimens of mahogany timber from previous years and that it take into account the percentage of illegally-harvested timber that has been exported with CITES permits during the past two years.

- 24. The first recommendation concerning legislation was the clear definition of offences and the adoption of adequate penalties. During the mission, the Secretariat was informed that the forestry law only establishes administrative sanctions. In the view of the Secretariat, administrative sanctions do not have the necessary deterrent effect to discourage illegal trade.
- 25. Article 310 of the Penal Code defines the illegal logging of "legally protected species" as a criminal offence. The definition does not include trade and is not clear about the meaning of "legally protected species". Since the maximum prison sentence is three years, illegal logging is a non-arrestable offence. This means that the judges have the power to suspend the jail sentence and put the illegal logger on probation.
- 26. The penalties for CITES-related violations do not reflect their gravity. Offences such as fraudulent applications for permits and forged CITES or transport documentation, infractions in relation to the operation of concessions, obstruction of the work of the authorities, illegal harvesting, purchase and transport of timber, and any other form of trade in timber of illegal origin should be treated as criminal offences. The Secretariat understands that the Government has prepared a draft to amend Article 310 and it recommends Peru to proceed with the legislative steps required for the adoption of the amendment as a matter of urgency. The Secretariat would be pleased to provide assistance if the country deems it necessary.
- 27. According to the information provided by the legal officers of INRENA, there are 52 criminal law cases for illegal logging of mahogany that are ongoing. Nine cases were generated after the verification of concessions undertaken by OSINFOR and 43 were triggered by administrative actions of the regional offices of INRENA. On the other hand, there are 58 additional criminal law investigations for corruption and 58 more for falsification of management plans, annual operational plans and documents to transport the timber. INRENA is working on a new legislative provision to facilitate the prosecution of forestry engineers that falsify the planning documents.
- 28. The Secretariat was also told that some exporters, traders and loggers regularly raised in the courts criminal charges against individual officers of INRENA for abuse of power and other offences. Several officers responsible for CITES have had to spend considerable amounts of time and money in defending themselves from the accusations of traders. The Secretariat has explained to the private sector that this practice should cease immediately as it is seen as an intimidating manoeuvre to obstruct the work of the CITES authorities. There are more suitable legal actions for appealing the decisions of the authorities that are at their disposal should they deem it necessary to defend their rights. The Secretariat recommends the adoption of a legislative provision protecting government officials from legal actions for legitimate administrative action.
- 29. Concerning the legal acquisition of timber, the Secretariat reminded the CITES Management Authorities that the issuance of an export permit provides a certification that the specimens to which it refers have been legally acquired. These certifications are relied upon by consumers as well as by the governmental authorities of other countries. The decisions of such authorities to authorize imports and issue re-export certificates are based upon these certifications. It is imperative that such determinations be made in compliance with CITES and that they be accurate and reliable. Any failure to determine legal acquisition adequately provides unscrupulous traders with the opportunity to 'launder' illegally-obtained timber into international markets under the cover of genuine CITES permits.
- 30. It appeared that sometimes it was difficult to verify the legality of the origin of a specimen and that the control and verification mechanisms established in the law were vulnerable to fraud. Based on the principle of veracity of the declarations made in the annual operational plans, trade was authorized without the proper legal-acquisition determination made. In order to prevent this to happen, the government adopted Resolution R.J. N° 331-2006-INRENA that establishes that concessions with annual operational plans (AOP) that include mahogany must be verified before their approval. The Secretariat believes, however, that a more effective 'chain-of-custody' scheme to track timber should be established to ensure its legal origin. It this sense, it is highly recommended to

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combine the regulatory controls and verification mechanisms with voluntary certification schemes. This should be reflected in the national legislation.

- 31. As foreseen in the national legislation, the voluntary certification scheme acts as a complementary tool to make a more robust and transparent determination of the legal acquisition of the specimens required under Article IV, paragraph 2 (b), of the Convention. Peruvian Law No. 27308 (Forestry and Wild Fauna Law) already contemplates the use of voluntary certification. The law put in place incentives for the promotion of this tool by reducing the charges for certified concessions. The CITES permit foresees in box 5 a place to add special conditions to the issuance of a permit, i.e. voluntary certification.
- 32. The Forestry and Wild Fauna Law also has provisions to allow the extraction of mahogany by native communities. The Secretariat was able to talk to four representatives of indigenous communities from Ucayali that are engaged in harvesting of and trade in mahogany. Several of these communities are working in partnership with timber companies and are in the process of obtaining a forest certification.
- 33. The Secretariat was told that voluntary certification schemes and procedures for complying with the national forest law may be highly technical and prohibitively expensive for native communities that either cannot obtain permits, or have to rely on timber companies to secure official permission and to carry out timber extraction.
- 34. In order to prevent inequity access to CITES permits and voluntary certification schemes, the government should provide all necessary support to the native communities to ensure that they benefit from the sustainable use of and legal trade in their mahogany. It should also closely control the partnerships between native communities and timber companies. According to some indigenous peoples, the great benefits of the international trade in mahogany have so far gone to the commercial timber companies, professional foresters and certain NGOs.
- 35. Taking into account what has been stated above, it is important to bear in mind that voluntary certification is not a panacea and does not replace any of the CITES requirements. Consequently, it is not a substitute for the non-detriment or legal-acquisition findings. Nonetheless, this tool may provide valuable information to the CITES Authorities in the preparation of those findings. The government should pay particular attention to the mixing of uncertified material in certified products as a potential way for illegal wood to enter certified supply chains. It is the prerogative of the government to register the certifiers and to make it mandatory the international standards that should be observed. It is obvious that it is the government that takes the final decision and that it is exclusively responsible for authorizing international trade in specimens of CITES-listed species.
- 36. The Secretariat suggests that all the different measures recommended in this report be included in the PAEC and that the PAEC be endorsed at the highest political level in the form of a presidential decree or, at the minimum, as a ministerial resolution.

Enforcement

- 37. Concerning the enforcement aspects, the Secretariat identified the verification of the concessions as a major progress indicator and recommended to the Government of Peru to allow exports of timber originating from verified concessions only as well as to complete the ongoing review of concessions in a short period of time.
- 38. There are 592 concessions spread throughout the country. At the time of the Secretariat's visit, fifty-two concessions had been verified by OSINFOR, the organism in charge of the verifications. A total of 18 concessions are under investigation for alleged irregularities, such as failing to comply with the conditions of the concession, failing to pay the necessary fees or engaging in fraud.

Number of concessions and verifications undertaken by OSINFOR in 2006

	Province	No of Concessions / Verifications	Area (ha)
	Huanuco	48 / 11	288374
	Loreto	249 / 0	2624216
	Madre de Dios	85 / 19	1286634
	San Martin	34 / 4	497793
	Ucayali	176 / 18	2913337
Total		592 /52	7610354

39. A distinction was made between general verifications undertaken by OSINFOR and specific CITES verifications that were undertaken mainly by the CITES authorities in 2005 and 2006. The table below shows the specific CITES verifications undertaken by INRENA.

CITES verifications undertaken mainly by INRENA in 2005 and 2006

Status of verification	Province	Verifications	Area (ha)
Filed	Madre de Dios	21	582479
	Ucayali	1	41652
	San Martín	1	27033
	Subtotal	23	651164
Pending evaluation	Madre de Dios	2	41358
	Ucayali	4	103165
	Loreto	6	109181
	San Martín	7	127152
	Subtotal	19	380856
Under Administrative Procedures (Procedimiento Administrativo Único - PAU)	Madre de Dios	5	147242
	Ucayali	21	391145
	Loreto	6	129078
	Subtotal	32	667465
Total		74	1699485

- 40. According to this table, 32 of the 74 concessions verified are under administrative procedures and 19 are being evaluated. As of March 2007, eight concessions had been cancelled. The province of Ucayali presents the most important number of irregularities but the Secretariat was not able to visit that area.
- 41. As already mentioned, Resolution R.J. N° 331-2006-INRENA establishes that concessions with annual operational plans (AOPs) that include mahogany must be verified before their approval. Only 4,983 m³ of the 13,476 m³ that constitutes the annual export quota for 2007 comes from approved and verified AOPs.
- 42. The other major enforcement concern is the problem of illegal logging of mahogany outside the authorized areas and the laundering of timber through the legal circuit. The national authorities recognized the problem but declared that the phenomenon is being reduced thanks to the tightening of controls on the concessions.

- 43. INRENA has established a special commission to develop activities against illegal logging and trade (COATCI). According to the President of COATCI, several INRENA officers have been investigated and removed from their posts after they were found to have engaged in illegal activities. According to COATCI, the underlying causes for illegal logging are of a socio-economic nature and should be clearly understood before taking the necessary measures. For instance, COATCI believes that illegal logging has decreased in the province of Madre de Dios thanks to the new economic opportunities for the local people generated by the building of the inter-oceanic highway, petrol explorations and the building of a bridge over the River Madre de Dios.
- 44. COATCI has developed a preventive approach consisting of awareness campaigns. The central activity is the cultivation of one million seedlings of mahogany with the slogan 'Peruvians stand up to recover the mahogany'. They also inspect sawmills and concessions. One of the problems raised during the discussion was the final destination of the illegally harvested timber that is seized and confiscated. This can in some cases re-enter domestic trade but is not allowed for exports. It was unclear to the Secretariat how this is being prevented.
- 45. On the other hand, the Secretariat learned from reliable sources that there is significant illegal logging activity in the Alto Purus National Park. Indigenous communities throughout the whole area have regular conflicts with illegal loggers who invade their ancestral territories to cut timber without permission. The timber extracted from the areas around the Rivers Alto Purus, Piedras, Inuya and Sepahua is allegedly transported by plane from Puerto Esperanza to Pucallpa. The high prices of the mahogany may cover the cost of air transport. Timber originating from the other side of the park is allegedly transported through the river down to Pucallpa.
- 46. There is not accurate information about the magnitude of the illegal logging activities. However, in a working paper published by the International Labour Organization (ILO) in March 2005 entitled *El Trabajo forzoso en la extracción de la Madera en la Amazonia Peruana* (Forced labour in the timber extraction in the Peruvian Amazonia), there is a clear description of the *modus operandi* of organized crime involved in all the activities related to the illegal logging. This includes forced labour, harvesting outside authorized areas, opening of roads without authorization, illicit drugs and weapons trafficking, etc.
- 47. It has been established that one of the main drivers of illegal logging is the 'enabling system' developed by the industry to obtain timber. It appears to be a normal practice that exporting companies pay a commissioner to buy timber for them. The commissioner's hires a facilitator/enabler (habilitador) and lends him an amount of money to obtain a certain volume of timber without knowing or caring about its legal origin. The facilitators usually lend part of the money to concessionaires or timber merchants who in their turn advance little money or basic products (food, tools, etc.) to local communities. During the phase of recruitment of local or indigenous communities, arbitrary contracts are concluded with them. As a result, the system exploits native communities through those intermediaries by indebting them, sharing few benefits and by using their timber permits to launder illegal timber harvested elsewhere. Under this informal system, the worker who cuts the timber is separated from the timber industry that finances the activity by a series of intermediaries. It is usually the worker that is targeted by the enforcement actions.
- 48. Other drivers of illegal logging are what the Government of Peru characterizes as 'narco-terrorism' (drug traffickers involved in illegal logging) and structural socio-economic problems such as poverty and the lack of economic opportunities for local communities.
- 49. Turning to the modalities for laundering timber, the exchange of illegal timber for legal timber of bad quality, known as 'el cambiazo', is one of the most common. However, the most widely used modality is the manipulation of official documents. All the timber extraction is registered in two documents: the transport authorization (*guía de transporte*) and the volume table (*hoja de cubicación*). These documents are given to the logging company or the concessionaire. If an unscrupulous trader does not have the documents, he can buy the documents from other traders to launder timber of illegal origin. The original owner of the documents can also alter them to launder timber obtained outside the authorized area.

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- 50. Grave concern has been expressed by regional human rights courts and other relevant institutions about the impact of illegal logging on voluntarily isolated or non-contacted indigenous groups. For instance, the Inter-American Commission on Human Rights has requested the Government of Peru to put in place precautionary measures to protect the indigenous peoples living in voluntary isolation in Madre de Dios from the threats posed by illegal logging. Unfortunately, the Secretariat was not able to meet with the representatives of the non-contacted indigenous groups in Madre de Dios or in Lima.
- 51. CITES does not include any provision for taking account of such concerns. The legal acquisition finding required under Article IV, paragraph 2 (b), of the Convention, only refers to laws for the protection of fauna and flora and does not make reference to other laws, such as the rights of indigenous peoples, labour laws, etc. However, the proper implementation of CITES should indirectly contribute to solve this social problem by ensuring that only timber extracted from authorized areas enter the market.
- 52. The Secretariat believes that nothing impedes the Government of Peru from adopting an integrated approach to address simultaneously environmental and social concerns related to the harvesting of and trade in mahogany. For instance, Peru may combine the adequate implementation of CITES requirements with voluntary certification schemes that include international social standards beyond the Convention and the provisions of the relevant legal instruments at the national and international levels (e.g. ILO-C169 Indigenous and Tribal Peoples Convention, the American Convention on Human Rights and relevant national laws).
- 53. The Secretariat recommends the immediate reestablishment of the multi-sectoral commission against illegal logging (known by its Spanish acronym CMLTI). CMLTI should consider in its terms of reference an assessment of the magnitude of illegal logging, its underlying causes, its modalities, the regions, the stakeholders involved and the indigenous people affected. It should also recommend appropriate remedies in coordination with COATCI, OSINFOR and the competent enforcement authorities. It should also establish a marking system, e.g. the use of barcodes, to record and track timber movements throughout the chain and reinforce control points with sufficient police staff and appropriate infrastructure (e.g. communication equipment, barriers, etc.).
- 54. It is also recommended that all of the necessary measures to combat illegal logging and to protect the lives and territories of indigenous communities affected by illegal logging of mahogany be included in the PAEC.

Capacity building and Regional cooperation with neighbouring countries

- 55. Given the time constraints of the mission, these two items were not discussed in a detailed manner. However, strengthening the capacity of the CITES authorities to implement the Convention is a key consideration. Objective 5 of the PAEC proposes the creation of a consultative committee with the participation of all the stakeholders involved in the management and control of big leaf mahogany. It was also mentioned that training activities were undertaken at different levels, e.g. with the ecological police, prosecutors, INRENA staff, etc.
- 56. The Secretariat believes that cooperation with neighbouring countries is crucial and that it can be done through the ACTO (Amazon Cooperation Treaty Organization). This cooperation should include the exchange of scientific information and intelligence to combat illegal trade. Peru and Brazil have undertaken joint inspections of their shared borders and are discussing in the context of a bilateral commission the problem of transboundary movement of illegal timber.

Recommendations

- 57. In view of the mission's findings in relation to Peru, the Secretariat suggests that the Standing Committee recommend to Peru the urgent adoption of the following measures:
 - a) To adjust the annual export quota for 2007 to the sustainable levels advised by the Scientific Authority, taking into account the percentage of timber of illegal origin that has been exported with CITES permits during previous quota years. The quota must not include mahogany timber for which no export permit was issued during previous quota years.

- b) To endorse at the highest political level, i.e. by presidential decree, the *Strategic plan of action* to implement CITES Appendix II listing of bigleaf mahogany in Peru (PAEC) and identify the required financial resources for its implementation.
- c) To work in partnership with local communities, private sector and NGOs to promote voluntary certification of areas authorized for harvesting mahogany, as a complementary tool to strengthen the regulatory controls and verification mechanisms established under national CITES-related legislation. By 2009, CITES export permits issued by Peru for mahogany specimens should indicate that origin of the timber has been certified by an internationally recognized body.
- d) To amend Article 310 of the penal code in order to increase the penalties to an adequate deterrent level and to criminalize illegal trade and other related violations of the provisions of the Convention and relevant national laws.
- e) To reestablish the multi-sectoral commission against illegal logging (known under its Spanish acronym CMLTI). CMLTI should assess the magnitude, the underlying causes, the modalities, the regions and organizations involved in illegal logging and related trade activities, as well as the impact of those activities on the non-contacted indigenous people. In coordination with COATCI, OSINFOR and the competent enforcement authorities, it should recommend the appropriate remedies, including the the establishment of a marking system (e.g. use of barcodes) to record and track timber movements throughout the chain of custody and the reinforcement of control points with sufficient police staff and appropriate infrastructure (e.g. communication equipment, barriers, etc.).
- f) To encourage companies to use innovative wood tracking technologies and to implement best practices to ensure that illegally sourced, harvested or traded wood does not enter their supply chains.
- 58. The Secretariat further suggests that the Standing Committee recommend to importing countries and relevant international organizations to fully support the efforts undertaking by Peru in the implementation of those recommendations.
- 59. The Standing Committee may wish to mandate the Secretariat to continue to monitor the progress made by Peru in implementing their action plan and report at future meetings on such progress.

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