

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



Sixty-seventh meeting of the Standing Committee
Johannesburg (South Africa), 23 September 2016

Species-specific matters

Ebonies (*Diospyros* spp.) and rosewoods and palisanders (*Dalbergia* spp.) from Madagascar

REPORT OF MADAGASCAR

1. This document has been submitted by Madagascar.*

2. Background

- The scientific review *Madagascar Conservation & Development* (Randriamalala & Liu, 2010)¹ provides a detailed report on the scale of precious timber harvesting in Madagascar. In 2009, at least 52,000 tonnes of precious timber were logged from 100,000 rosewood and ebony trees, over 60,000 of which originated from protected areas. This means that selective logging occurred on a minimum of 4,000 hectares of parkland and 10,000 hectares of non-classified primary forestland. Rosewood occurs primarily in the national parks and surrounding areas, one third of it in and around Marojejy National Park (mountainous, difficult to access), and the remaining two thirds in and around Masoala National Park (coastal, easy to access).

Madagascar National Parks, which oversees national parks in Madagascar, commissioned Global Witness and the Environmental Investigation Agency, or EIA, to investigate and monitor the flow of illegally harvested precious timber.

- June 2010: Following the recommendations of the initial report issued by Global Witness and the Environmental Investigation Agency, or EIA, the ministry in charge of forests submitted a request to the CITES Secretariat to list all Malagasy species of *Dalbergia* spp and *Diospyros* spp (to which ebony, rosewood, and palisander belong) in Appendix III of the CITES Convention.
- October 2010: Global Witness and the EIA published their final report, "Investigation Into the Global Trade In Malagasy Precious Woods: Rosewood, Ebony, and Palisander."²
- 2013: The Missouri Botanical Garden, or MBG, was commissioned by CITES to assess the status of *Dalbergia* spp and *Diospyros* spp in the field:

* The geographical designations employed in this document do not imply the expression of any opinion whatsoever on the part of the CITES Secretariat (or the United Nations Environment Programme) concerning the legal status of any country, territory, or area, or concerning the delimitation of its frontiers or boundaries. The responsibility for the contents of the document rests exclusively with its author.

¹ *Madagascar Conservation & Development*, vol 5, No1: pp 11-22. *Madagascar Wildlife Conservation*, 2010.

² *Global Witness and EIA, 2010: Report of the Investigation into the Global Trade in Malagasy Precious Woods: Rosewood, Ebony, and Palisander.*

- Forty-eight species [of Malagasy *Dalbergia*], of which 47 are endemic. All species [of Malagasy *Dalbergia*] are currently known. Twenty-three of the 48 species (approximately 48%) are of MED (Minimum Exploitable Diameter).
- The genus *Diospyros* genus is currently undergoing taxonomic revision in Madagascar. Eighty-four of the species have been described, only one of which (*Diospyros ferrea*) is not endemic to Madagascar. The number of new species is estimated at 130, bringing the total number of *Diospyros* species to 215 for Madagascar. Twenty-six of the 85 described species are of MED [Minimum Exploitable Diameter] (approx. 30%). The DBH [Diameter at Breast Height] varies between 20 and 60 cm. Of the 107 potentially new species, approximately twenty are of an exploitable diameter of between 20 and 60 cm. There exist a few examples of large-diameter species (40-60 cm): *D. fuscovelutina*, *D. lanceolata*, *D. haplostylis*, *D. mangabensis*, *D. platycalyx*, *D. sakalavarum*, *D. toxicaria*, and *D. tropophylla*.

At its 16th meeting (CoP16, Bangkok, March 2013), the Conference of the Parties agreed to list, in Appendix II, the Malagasy population of genera *Diospyros* (ebonies) and *Dalbergia* (palisanders and rosewood), with an annotation restricting the listing to "logs, sawn wood, and veneer sheets" (annotation #5). To facilitate effective implementation of the listing, the Conference of the Parties also adopted an Action Plan attached as an Annex to Decision 16.152.

Madagascar has submitted reports on the overall implementation of the Action Plan's recommendations to all CITES sessions: PC21, PC22, SC65, SC66.

SC65, which took place in **July 2014**, (i) acknowledged progress made by Madagascar on the scientific aspect; (ii) noted the preliminary checklist of *Dalbergia* species from Madagascar; (iii) encouraged Madagascar to consider the offer by the International Consortium to Combat Wildlife Crime (ICWC); (iv) requested that Madagascar extend its zero export quota until the 66th session of the Standing Committee; (v) requested that Madagascar submit a use plan by postal procedure by 31 December 2014 for consideration by the Committee.

Over the course of 2013-2014, seized stockpile inventories and "crackdown" operations were conducted. A legal assessment of the stockpiles performed by the ministry in charge of forests evaluated seized stockpiles at 28,582 logs, and declared stockpiles at 235,768 logs. In 2014, studies were made to determine the legal status of the stockpiles, as well as the feasibility of inventory and marking operations and stockpile liquidation.

In 2015, Madagascar received funding from the World Bank to assist in implementing the results of the various studies. An Inter-ministerial Committee tasked with reforming the ebony and rosewood sector made up of nine ministries (including the Ministry of National Defence, Ministry of Forests, Ministry of Justice, Ministry of Industrialization, and Ministry of the Interior) was created for the strategic implementation and coordination of operations. It was provided with an Executive Secretariat to execute operations relating to inventorying, marking, and securing seized stockpiles that had previously been inventoried by the ministry in charge of forests.

This Committee also evaluated declared stockpiles. Crackdown operations were conducted in high-priority areas. A local informer network was equipped with communication devices in sensitive locations (locations for cutting, storage, transfer and transport). The Maritime Information Coordination Centre provides satellite images and facilitates the planning of operations when suspicious ships are identified. International consultant SGS was tasked with auditing the wood following inventory, marking, and storage.

This funding has also been used to equip the Plant Biology Department of the University of Antananarivo to improve techniques for identifying *Diospyros spp* and *Dalbergia spp* species that have exploitable diameters.

At **SC66**, which took place in **January 2016**, the report of the CITES Secretariat³ recommended that all Parties suspend commercial trade in specimens of the species *Dalbergia spp.* and *Diospyros spp.* from Madagascar until:

- *Madagascar submits a report to the Secretariat by 25 July 2016, demonstrating that the country has significantly strengthened enforcement measures to combat fraud at the national level. Madagascar should in particular report about seizures, prosecutions and sanctions, in line with point 5 (collaborate with key partners to combat fraud and assist in implementation of export quotas, stockpile control, and opening of any legal and sustainable trade utilizing timber tracking systems and other technology as appropriate) of the Action Plan adopted at CoP16 and*

³ Report prepared by the CITES Secretariat for the 66th session of the Standing Committee, SC66.

recommendations (b) and (c) adopted at the 65th session of the Standing Committee, as well as about its implementation of the recommendations resulting from the Wildlife Incident Support Team (WIST) mission presented in paragraphs 11 and 12 of document SC66 Doc. 46.1;

- *the Secretariat assesses the report by Madagascar and evaluates, in particular, how the actions implemented by Madagascar fulfil the requirements presented under point 5 of the Action Plan adopted at CoP16 and recommendations (b) and (c) adopted at SC65;*
- *the Secretariat shares its assessment of Madagascar's report with the Standing Committee at SC67; and*
- *the CITES Standing Committee approves the results of a stockpile audit and use plan to determine which components of the *Dalbergia* spp. and *Diospyros* spp. stockpiles have been legally accumulated and can be legally exported.*

The recommendations of SC66, the recommendations resulting from the Wildlife Incident Support Team (WIST) mission in Madagascar of 9 – 13 March 2015, and the annotations of the Secretariat to the Report of SC66 have served as guidelines in drafting the present report. The present report is organized around four main points: (i) update on the national legal framework for strengthening law enforcement; (ii) update on stockpile management data; (iii) update on the scientific aspect of precious timber management in Madagascar; (iv) support for local communities. Finally, this report outlines the prospects for reforming the timber sector in Madagascar.

3. Implementation Report

3.1 Law enforcement and the fight against trafficking

3.1.1 Legal Framework

- Studies conducted in 2014 show that local courts are influenced by private interests and thus a national mechanism is needed that is competent to rule on the legality of administrative decisions. In this regard, a new **Law No. 2015/056 establishing the “special chain to fight against trafficking of rosewood and/or ebony”** and prevention of rosewood and/or ebony offences was adopted in December 2015 and promulgated in February 2016. The special chain establishes three enforcement mechanisms: the Special Court, the “brigade mixte” (inter-institutional investigative unit), and the stockpile management commission.
- **The Implementing Order** for the abovementioned law adopted by the Council of Ministers on 29 June 2016 provides a breakdown of the internally agreed allocation of any proceeds resulting from the sale of seized stockpiles.
- Operationalization, in January 2016, of the **Maritime Information Coordination Centre** (*Centre Fusion des Informations Maritimes*, or CFIM) for the Indian Ocean, whose mission is to gather and distribute daily analyses and summaries of relevant maritime satellite tracking data for the timely notification of the ministry in charge of forests of any movements of vessels suspected of carrying illegal shipments of precious timber.
- July 2016: **Ratification of the International Tropical Timber Agreement** adopted by Parliament (National Assembly and Senate) in June 2016, whose purpose is to assist Madagascar in acquiring greater knowledge of methods for identifying *Dalbergia* spp and *Diospyros* spp species, and applying the concepts of traceability and non-detriment findings, in partnership with the ITTO (International Tropical Timber Organization).
- July 2016: Meeting of the signatory nations to the September 2015 **Zanzibar Declaration on Illegal Trade in Timber and Forest Products** (Kenya, Madagascar, Uganda, Tanzania, and Mozambique), whose purpose was to establish consistency between national legislations and create a mechanism for coordinating actions and sharing information.
- July 2016: Meeting of the member countries of the South African Development Community (SADC), which Madagascar attended to learn more about the **regional strategy to combat poaching** adopted in November 2015. The goal of the session was to approve actions to be taken and funding options to be explored.

- **Legislation concerning palisanders:**

Madagascar has recourse to Inter-ministerial Decree no. 10 885/2007 of 03 July 2007 prohibiting the export of all categories of timber from natural forests in raw or semi-finished form. The decree complies with CITES provisions governing the listing of species *Diospyros spp* and *Dalbergia spp* in Appendix II.

3.1.2 Investigations, prosecutions, and sanctions:

Data compiled between 2007 and 2016 in the eleven regions subject to trafficking in precious timber show a total number of 203 offences, 40 of which concern precious timber. Table 1 below summarizes the types of offences and related sanctions:

Table 1: Summary of offences and sanctions (2007-2016)

Type of offence	Sanctions					
	Number	%	Fines (in USD)	Imprisonment	Probation	Release pending trial
Precious timber other than rosewood and palisander	4	2.0	440,280	45 days-24 months	12 months	1
Rosewood	29	14.3				
Palisander	7	3.4				
Total	40					

Rosewood trafficking comes in third in the list of offences, accounting for 14.3% of them, compared to 3.4% for palisander trafficking.

In terms of monetary penalties, between 2007 and 2016 (ten years), the ministry in charge of forests collected a total of 4,560,000 USD in fines, of which 440,280 USD related to trafficking in precious timber.

The table below summarizes the status of judicial processes:

Table 2: Status of judicial processes relating to offences

Type of offence	Status of judicial processes								
	Number	No action	Pending	Closed	Dis-continued	Referred	Dis-missed	On-going	Prosecuted
Precious woods	4	4		1	4				6 convicted 1 released
Rosewood	29								2 suspects escaped
Palisander	7								1 Order to sell, 2007
Total	40	4	0	1	4	0	0	0	

Of the 40 reported offences prosecuted, 17 (42.5%) did not end in conviction. This can be explained by the fact that the courts are often influenced by private interests, but also by the lack of resources available to forestry agents. The sites where the offences occurred are remote and difficult to access, presenting additional obstacles to forestry agents. Another major obstacle is the insufficient number and aging of forestry agents, due to the closure of forest technician training facilities.

3.1.3 Creation of ad hoc committee

Following the recommendations resulting from the United Nations Office on Drugs and Crime (UNODC) mission of February 2016, an ad hoc technical committee was created to combat forest and wildlife crime. Its members are: the Prime Minister, the Ministry of Foreign Affairs, the Ministry of Justice, the Ministry of Finance and Budget, the Ministry of the Interior and Decentralization, the Ministry of Public Safety, the Ministry of Tourism and Transport, the Ministry of the Environment, Ecology, and Forests, the State Secretariat for the Police, the Independent Anti-Corruption Bureau (*Bureau Indépendant Anti-corruption*, or BIANCO), Civil Aviation, the River and Sea Port Authority, and INTERPOL. This ad hoc committee actively contributed to the development of the implementing order for Law No. 2015/056 creating the “special chain to fight against trafficking of rosewood and/or ebony” and prevention of rosewood and/or ebony offences.

3.1.4 Intensification of cooperation with the Independent Anti-Corruption Bureau (BIANCO)

The Cooperation Protocol signed in 2011 between the ministry in charge of forests and BIANCO proved useful during the inventory of seized stockpiles. The Executive Secretariat team was systematically supported by a representative of BIANCO, not only during each inventory, marking, and securing operation, but also during a new seizure operation that occurred during the course of their mission.

3.1.5 Cooperation with the Police

Between April and [month not stated] 2016, the Police set and achieved its goal for tight surveillance of areas that are subject to trafficking in precious timber (source: Rapid Result Initiatives report, July 2016).

3.2 Progress in stockpile management

In 2014, inventories performed by the ministry in charge of forests recorded seized stockpiles totalling 28,582 logs for rosewood and ebony. These stocks are scattered across 80 sites in 11 different regions. Forty-nine of the sites are located in the regions of Analanjirofo and SAVA.

3.2.1 Current status of stocks

The results of inventory, marking, and securing operations carried out in 2015-2016 by the Executive Secretariat, and auditing operations carried out by international consultant SGS during the same period, are summarized in Table 3 below.

Table 3: Current status of stock management (source: Executive Secretariat, 2016)

Type of stock/ Characteristics	Number of logs /	Percentage	Observations
Seized	28,582	100	2013-2014: Ministry in charge of forests
Seized, inventoried, marked, and secured	27,725	97	2015-2016: Executive Secretariat
Seized, inventoried, marked, secured, and audited	17,211	62	2015-2016: Audit by international consultant SGS
Declared	274,111		2015-2016: Estimate by the Executive Secretariat

The number of declared logs—235,768, distributed over 191 storage sites—was revised upward, to 274,111 logs, in relation to the declaration made in 2011 by 104 operators, after the inventory carried out by the Executive Secretariat in 2015-2016. In its last report of April 2016, the Executive Secretariat estimated hidden stocks at over two million logs (2,000,000).

3.3 Scientific, identification and forestry management work

3.3.1 Capacity-building (training, personnel, equipment, identification, etc.)

- **November 2015 to 2017:** The Management Authority team provided training in CITES implementation to customs agents across the island.
- **February 2016:** Acquisition of 4 speedboats, financed by the World Bank, which were deployed to high-priority areas to patrol and monitor suspicious boats.
- **February and April 2016:** Two UNODC missions were deployed, one to provide instruction in the use of the Wildlife and Forest Crime Analytic Toolkit of the International Consortium on Combatting Wildlife Crime, or ICCWC; the other concerning threat assessment, the legal arsenal, and government law enforcement mechanisms by experts (UNODC report pending).
- **June 2016:** Publication of a Scientific and Technical Assessment to meet CITES objectives, and assist Madagascar in assessing its needs in terms of scientific knowledge concerning precious timber management, by the World Resources Institute, in collaboration with the Madagascar CITES Scientific Authority, ETH Zurich, and the Missouri Botanical Garden (recognized experts in the *Dalbergia* and *Diospyros* genera). The study identified four areas of focus:
 - 1) Evaluation of the geographic range and population status of Malagasy *Dalbergia* and *Diospyros* precious timber species.
 - 2) Technologies for identifying Malagasy *Dalbergia* and *Diospyros* species.
 - 3) Evaluation of the silvicultural potential for regeneration of these species.
 - 4) Identification of two pilot sites for developing a partnership with the private sector in activities of sustainable harvesting and extending the value chain.
- **July 2016:** Training of five surveillance officers in the piloting of surveillance drones.

3.4 Support for local communities

3.4.1 International assistance from UNESCO:

- Grant of 1 million USD from the Norwegian Government to finance an emergency plan for the Rainforests of the Atsinanana World Heritage Site (Masoala and Marojejy national parks, and Makira natural reserve). The project includes an ecological monitoring, impact assessment, and surveillance component, and an economic development component for communities living around the protected areas (expansion of rice production, reforestation projects, improvement of fireplaces, promotion of tourism).
- Grant of 100,000 USD for the UNESCO international assistance project for the Conservation and Management of the Rainforests of the Atsinanana with a view to removal from the List of World Heritage in Danger (equipping village informers, awareness campaigns concerning forestry laws, strengthening of forest monitoring);
- From 28 September to 03 October 2015: the World Heritage Centre/IUCN conducted a reactive monitoring mission at the Rainforests of the Atsinanana World Heritage Site.

4. Prospects

Madagascar would benefit from developing the value chain of its forests by building:

- (i) its silvicultural knowledge of precious timber species, and using this knowledge to plant nurseries;
- (ii) good governance of the forestry sector, to support the development of a non-detrimental transformational wood industry based on existing forests and nurseries, in the medium term;
- (iii) the capacities of government agents (forestry, customs, law enforcement, investigators, judges).

To achieve these ends, Madagascar requires funding, quality personnel, and reliable partners. Prior to embarking on any form of sustainable development, inventory, marking, securing, and auditing operations must continue (with the goal of arriving at “zero stock”); this calls for additional resources that the country does not currently possess.

N°	Activity	Leader/Partners
Scientific		
1	2017-2019: Building of the capacities of national research institutions to produce a Catalogue for identifying precious timber (height > 15 metres and diameter > 30 cm) <ul style="list-style-type: none"> ▪ 21 species of <i>Dalbergia</i> ▪ 50 species of <i>Diospyros</i> 	<u>Lead:</u> Ministry of the Environment, Ecology, and Forests (MEEF) <u>Funding:</u> World Bank and European Union <u>Partners:</u> National and international research institutions / ITTO
2	2017-2019: Research/action program concerning the silviculture of precious timber species	<u>Lead:</u> MEEF <u>Funding:</u> World Bank <u>Partners:</u> National Silo of Forest Seeds and national and international research institutions
Political, legislative, and administrative		
3	2017: Sale (international call for bids) of secured and audited stockpiles to finance sector reform operations (conditional upon the deliberations of SC67 and COP17)	MEEF
4	Beginning in 2016: Effective implementation of the special chain in order to arrive at zero stock, conditional upon the availability of financial resources (sale of seized and audited wood stocks)	MEEF <u>Funding:</u> Proceeds from the sale of seized and audited stock
5	Beginning in 2017: Building of institutional capacities of the ministry in charge of forests regarding forest regulation	MEEF <u>Funding:</u> European Union (€2.4 million)
6	Late 2016: Revision of forestry policy	MEEF <u>Funding:</u> Food and Agriculture Organization (FAO)
7	2017-2019: Revision of forestry legislation	MEEF <u>Funding:</u> to be determined
Sustainable forest management		
8	Development and implementation of the Biodiversity Management Plan for the precious timber of the Malagasy genera <i>Dalbergia</i> and <i>Diospyros</i>	<u>Lead:</u> MEEF <u>Funding</u> currently in negotiation: World Bank (2.5 million USD)
9	2017-2019: Development of pilot sites for sustainable harvesting and transformation (promote extension of value chain) – Forest Law Enforcement Government and Trade (FLEGT) process	<u>Lead:</u> MEEF <u>Funding:</u> World Bank and European Union <u>Partners:</u> FAO/ITTO
10	2017-2020: Restoration of 4 million hectares of forest	MEEF <u>Funding:</u> GIZ, NEPAD, and to be determined
11	2017-2019: Improvement of the forest coverage monitoring system	<u>Lead:</u> MEEF <u>Funding:</u> UNEP and WRI

Conclusion

Many activities have been carried out, but much remains to be done in the fight against precious timber trafficking. The sale of seized and audited wood stockpiles is essential in order to obtain the financing needed to fund the mechanisms and activities that will make it possible to reach the goal of zero stock and sustainably manage Madagascar's biodiversity in precious timber species.

At the June 2016 SADC preparatory meeting for the CoP17, this proposal was supported by the Member States. In fact, at this meeting, Madagascar committed to the transparent and equitable allocation of the proceeds and, thus, to continuing the fight against trafficking and helping to preserve its biodiversity.