



Stockpile Verification Mechanism and Business Plan

Operational framework: Phase 1 and Phase 2

MINISTRY OF ENVIRONMENT, ECOLOGY AND FORESTS

(Revision 02 August 2018)

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1. Executive Summary

The Government of Madagascar (GoM) would like to present the “Madagascar - Stockpile Audit Mechanism and Business Plan.” (Business Plan)

The Business Plan provides a comprehensive legal framework for Madagascar to systematically meet current CITES Standing Committee conditions to establish and control an audited and verified total volume of Officially Controlled Stockpiles of rosewood and ebony. Based on this systematic approach, Madagascar will implement a multi-phase process that will address traceability, enforcement, and a move towards sustainable forest management regarding CITES listed species. In order to implement this process, the GoM will seek approval, to lift the current moratorium in order for Madagascar to liquidate Officially Controlled Stockpiles through a sales option.

The Business Plan is a product of several years of multi-sector consultations for deliberating the best options for addressing the CITES mandate as well as the social and environmental issues that have resulted from the “rosewood crisis.” In June 2018, Madagascar and the International Tropical Timber Organization (ITTO) hosted a three-day workshop to deliberate and review the Business Plan for revising and presenting to the Standing CITES Committee, for 2018. Key attention was paid to the Business Plan’s governance structure, the control and auditing of the wood, financing options as well as the options for liquidating the wood to prevent further illegal demand. Deliberated options included destruction of all ‘stockpiles’ as well as the deliberation of a national wood processing program.

Ultimately, the conclusion was reached that there should be a multi-phase hybrid approach where the ‘stockpiles’ should be legally defined, audited, graded, coded controlled and reported to CITES to complete the conditions for lifting the moratorium. The goal is to then implement Phase 2 and systematically dispose of only Officially Controlled Stockpiles through a sales structure relative to a forest product enterprise. Phase 2 will take into account a need for local economic development for indigenous crafts as well as local processing based on conditions outlined in the strategy.

The Business Plan framework includes a comprehensive governance and financing structure, inventory systems that will be audited systematically, budgets, an asset evaluation process, traceability of all Officially Controlled Stockpiles, risk assessment, sales management structure, time-based deliverables, security methodology and funds distribution structure.

The GoM will institute the Business Plan based on Madagascar’s legal framework for addressing the rosewood and ebony crisis through Ordinance NO. 2015-056. The legal mandate provides for a multi-step process to control and verify the total volume reported to CITES. The proceeds from any potential sales will be independently accounted and distributed based on Madagascar’s legal framework DECREE N ° 2016 – 801 – August 18, 2016.

Governance will include Civil Society representation at the international, national and regional levels and include direct consultation with domestic and international stakeholders through an expert group of stakeholders in the form of an Oversight Committee.

The GoM is dedicated to the implementation of policies that pursue the most inclusive and transparent mechanisms for preventing any continued illegal harvesting and export of precious woods. Moreover, the GoM is dedicated to working with national and international partners to ensure that the implementation of

the Business Plan is not a catalyst for renewed illegal harvest or illegal market demand but is instead a comprehensive mechanism to solve the longstanding issues and break the chain of illegal activity.

The Business Plan outlines the conditions and the enforcement actions that will be taken against traffickers and Non-conforming stocks and in particular wood suspect of recent harvest, This wood will be seized, evaluated for legal action and prosecution. Only legally defined Officially Controlled Stockpiles that have been inventoried, verified and reported to CITES will be part of the Business Plan system.

Finally, Madagascar will establish official dialogue with countries that have been traditional markets for legal wood, countries where illegal wood was seized in transit ports and destination countries that have become direct links for illegally trafficked woods from Madagascar. The goal will be to develop Memorandum of Understandings to combat illegal trafficking and to work towards a long term sustainable forest management regime for CITES listed species of timber from Madagascar.

2. Mission Description:

The opportunity to successfully solve the “stockpiles” issues is presented in the Stockpile Audit Mechanism and Business Plan. This comprehensive strategy is complex and will require strong national and international support.

Madagascar will initiate this systematic control and market-based process to reach stock zero. Moreover, Madagascar is committed to fundamentally restoring the economic stability of communities and sustaining the integrity of the globally important species and landscapes in the regions most affected. By addressing the “stockpiles” issues and the instability the rosewood crisis has caused, this is a major step towards building the capacity for a strong sustainable forest management regime.

Through initiating this plan of action, The Government of Madagascar is ready to engage with the international community and national stakeholders to achieve the objectives. We are confident that the risks will be outweighed by proactive engagement. Risks will be mitigated through practical negotiations and expert management.

General Description:

The Stockpile Audit Mechanism and Business Plan is based of two main goals:

1. Phase 1 - Meet the requirements of the CITES Standing Committee by verifying the total volume of, 323,602 logs and forms of rosewood and ebony (reported from Madagascar to CITES, SC 69SC 69-49-01-R1). This figure represents the declaration received by the administrative authority. The official program is based on their control, grading and traceability through comprehensive coding and marking procedures. The inventory of at least a third of the stockpiles is to be done based on this volume in order to obtain the approval of the CITES Standing Committee for a partial sale of the audited stockpiles. These sales will provide funding to draw up an inventory of the remaining timber, that is, two thirds of the total volume of stockpiles of precious woods in Madagascar.
2. Phase 2 - Institute a high-end forest product enterprise system to formally liquidate the officially audited “stockpiles”.
3. Phase 3 – Institute programs based on key outcomes of the Business Plan including increasing investment in Non-Detriment Findings and species identification programs, sustainable forest management and increasing investment in enforcement actions against illegal logging and illegal trade of precious wood. Phase 3 is actually a parallel component of the Business Plan where investment in conservation and CITES species priorities are currently being developed through FAO and EU financing as well as multiple other agency initiatives on forest management regimes focusing on *Dalbergia* spp. and *Diospyros* spp.

The Business Plan is a product of multi-consultations and professional technical evaluations of the options for providing best practices for addressing the legal, social, economic and environmental issues that have increasingly destabilized and stigmatized Madagascar through the “rosewood crisis” especially up until 2014.

The Business Plan's key objective is to effectively mitigate and resolve the complex issues that have evolved as a result of the 'rosewood crisis' in order to move towards a more stable forest sector management. The Business Plan provides the most appropriate solutions for establishing the total volume of Officially Controlled Stockpiles. The Business Plan outlines the steps to gain control over what is defined in the Business Plan as uncontrolled "Declared" wood stocks, which were required to be controlled since the 2011 declarations.

- **Uncontrolled Declared Wood**

The uncontrolled "Declared" wood has remained a costly obstacle for completing the CITES Action Plan mandate. The majority of the stockpiles present in Madagascar reported to CITES are based on the "Declared" wood of which ninety percent remains outside of the control of the Government. Currently, this wood remains in the hands of the owners under the auspices of the 2011 declarations.

The 2011 Declarations are now seven years old with the majority of the wood in very remote sites only known to the owners. Each Declaration can have multiple sites. This uncontrolled "Declared" wood can be from various origins. Gaining control over the "Declared" wood will increase capacity for direct enforcement actions against all other unknown and illegal stockpiles outside of the Business Plan framework.

Consequently, these "Declared" woods will be verified, coded, marked and sealed during the inventory and "controlled" to prevent further laundering of illegal wood as well as establishing the audited and verified controlled volume of 323,602 Bois de Rose and 6717 logs and wood forms reported to CITES SC 69-49-01-R1. It is clear that it is not possible to audit or institute comprehensive traceability on wood that is not officially controlled by the GoM. This is a very costly process and requires a fundamental commitment from the GoM as well as the international community to commit to financing and implementation of the outlined steps of the Business Plan.

This destabilization and the resolution on legal definitions of "stockpiles" has lead to the conclusion that only Official Controlled Stockpiles can and will be audited to comply with the CITES Standing Committee mandate from the COP 17 in Johannesburg, South Africa September 2016 as well as the overall CITES Action Plan pertaining to rosewoods, ebonies and palisanders in Madagascar.

- ❖ All operators and individuals that possess Uncontrolled Declared Wood will be mandated to participate in the Stockpile Audit Mechanism and Business Plan program based on their 2011 declarations.
- ❖ All Non-conforming wood will be seized and processed using Business Plan inventory and coding procedures for evaluation. Prosecutions and enforcement actions will be determined through appropriate legal channels.

2.1. Financing Structure:

The successful implementation of the Business Plan requires a comprehensive financing structure. Each Phase has financing requirements that will be addressed through specific financing strategies.

Outlining the financing strategy and obtaining sufficient funds for Phase 1 is the most critical step for the success of the Business Plan as this is the most complex phase for systematically controlling the Uncontrolled Declared Wood as outlined above.

2.1.1 Phase 1 Financing Strategy

The budget of Phase 1 outlines the general estimated cost of \$8,400,000 for the implementation and completion of this phase of the Business Plan.

Phase 1 requires a substantial portion of the estimated budget to be allocated to the costly process of completing inventories, grading, coding, transporting and securing all Uncontrolled Declared Wood stockpiles. The official steps to complete this process are outlined below and the breakdown of costs and expenses is provided in the Phase 1 budget.

The Phase 1 Financing strategy is based on a stepwise process of instituting the Business Plan systems based on a regional focus. This will allow for a test of the Business Plan systems and provide tangible outputs from training as well as traceability and technology application for managing the inventory and audit process.

2.1.1.1 Financing for SAVA Region Tests and Implementation

In order to implement the Business Plan strategy the GoM has invested \$250,000 in November and December 2017, to institute inventory systems described in the Business Plan in the SAVA region where the majority of Uncontrolled Declared Wood is located.

Moreover, the GoM is going to invest an additional \$250,000 to apply the Business Plan technology systems in inventoried areas of SAVA and to continue to proceed with the Phase 1 systems.

The GoM is presenting two options to continue this process after this initial \$500,000 investment.

Table 1: Phase 1 Financing Options

Partial Sales	Implement the SAVA test to reach an audited inventory of 1/3 of the “stockpiles” in order to seek the lifting of the moratorium and move towards a partial sale in order to finance the continuation of work.
International Financing	Seek direct financing from multi-sector partners with direct interest in the successful completion of the Business Plan.
Private Sector	Search for potential funding from the private sector

2.1.2 Phase 2 Financing Strategy

Phase 2 financing will be based on the outcome of the financing of the Phase 1 strategy.

The budget for Phase 2 is primarily focused on the necessary infrastructure for moving towards a sales strategy. If the partial sales option for completing Phase 1 is implemented then it will be necessary to develop the Phase 2 infrastructure for sales based on the regional completion of officially verifying and controlling 1/3 of the ‘stockpiles.’

At Phase 2 implementation, the goal is to strategically develop a sales strategy in order to efficiently and successfully raise funds for completing the Business Plan systematically. This will involve developing direct relationships for investment from the private sector and through a staggered sales strategy presented in the Phase 2 timeline. A staggered sales strategy will allow for funds raised from sales to provide a continuation of the process if there is a partial sales option for Phase 1.

Sales projection models are presented in three models found in Annex 6 of the Business Plan.

2.1.3 Phase 3 Financing Strategy

The ultimate goal of the Business Plan strategy is to complete the CITES Mandate through a comprehensive use plan. The strategy is to leverage the successful control and disposal of the Officially Controlled Stockpiles in order to increase financing for a range of linked issues that require long-term investment. These include investment in species-specific conservation and forest management planning, non-detriment findings, species identification and national and local enforcement priorities against illegal harvest and trade of precious woods and moreover illegal logging of any species.

There are currently a number of different initiatives and pilot programs being developed in Madagascar to build the capacity of the CITES Management and Scientific Authority. They include the UN FAO and EU financing for scientific research for species identification and non-detriment findings. These initiatives will require further investment to develop national standards for implementation and monitoring of species and sustainable forest management.

Liquidating the Officially Controlled Stockpiles will provide a significant amount of funds to invest in these priorities. Moreover, it is critical systematically control and audit the “stockpiles” in order that investment in the conservation priorities and enforcement can be successful

2.2. Business Plan Timeline

Timeline 2018 -2020	J	J	A	S	O	N	D	2019	J	F	M	A	M	J	J	A	S	O	N	D	2020	J	F	M	A	M
Phase I																										
Business Plan Revisions Completed																										
MEEF Strategy Meeting Madagascar																										
ITTO Workshop 2018																										
Stockpile Management Team Meeting																										
Step 1 – Apply StarMark Technology to seized "Official Controlled Stocks"																										
Public Relations Campaign on Uncontrolled Declared Wood Requirements																										
Step 2 – Inventory Uncontrolled Declared Wood																										
Step 3 Test SAVA Region																										
Step 3 – Take Control of Uncontrolled Declared Wood (6 month Limited Open Door																										

3. Legal Mandate

The Government of Madagascar - Ministry of Environment, Ecology and Forests (MEEF) and Executive Secretariat will be the lead authorities managing and directing the Stockpile Audit Mechanism and Business Plan. MEEF will institute legal authority for managing the process through the implementation of legal mandates determined through Law NO. 2015-056¹. Enacted in 2015, this official decree condemns illegal logging and illegal trade of rosewood and ebony and sanctions the legal course of action for combating its complex nature.

The application of Law NO. 2015-056, enacted in February 2016, provides for the following definitions for legal designation of the “stockpiles” in order to ensure the successful communication and implementation of the goals of the Stockpile Audit Mechanism and Business Plan framework.

Legally, there is only one type of stockpile of precious woods – that is a stockpile that is controlled and in possession of the Government of Madagascar. Individual possession of stockpiles is illegal.

Based on this proclamation the following definitions for legal designation and implementation are presented below.

Table 2: Stockpile Definitions

Stockpile Definitions	Description	Legal Status
Official Controlled Stockpiles	All forms of rosewood and ebony that are in the possession of the Government of Madagascar and ready to be audited graded and coded.	Legal Status = Legal to proceed to the audit, grade and coding systems.
Uncontrolled Declared Wood	All forms of rosewood and ebony that are not currently in the possession of the Government of Madagascar but have been “declared” under Madagascar law - Ordinance No. 2011-001 of 8 August 2011 ² . This wood will be required to be registered at Official Government Depots to be initiated into the audit, grade and coding system.	Legal Status = Illegal to possess. Requires participation in the Stockpile Audit Mechanism and Business Plan program.
Non-Conforming Wood	All forms of rosewood and ebony that are not currently in possession of the GoM and that were not officially “declared” under the 2011 law. This is a designation for wood that is suspect of recent harvest, which can be seized and evaluated under the legal authority of the GoM Feb 2016 application of 2015-056 and August 2016 Decree 2016-801.	Legal Status = Illegal to possess. Subject to forfeiture and seizure. Enforcement of Special Chain law

MEEF will use all legal instruments at its disposal for successfully controlling, auditing and disposing of Officially Controlled Stockpiles through the Stockpile Audit Mechanism and Business Plan. This will

¹ Annex 10: Law NO. 2015-056

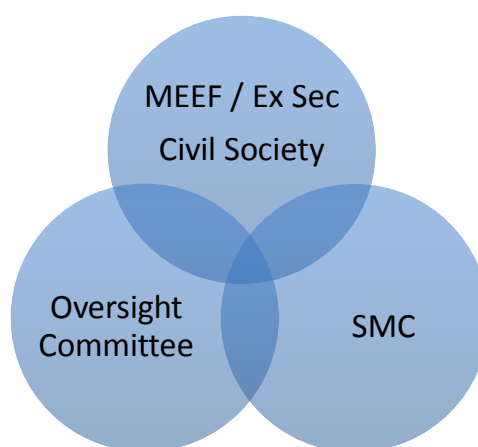
² Annex 11: Ordinance NO. 2011-001

include exercising robust inter-ministerial partnerships with the Executive Secretariat and Ministry of Justice pursuant to utilizing and implementing DECREE N ° 2016 – 801 – August 18, 2016. This Decree pertains to the trafficking of rosewood and ebony, enforcement as well as the legal formulation for the distribution of funds that are raised from disposal of stockpiles through sales.”³

4. Governance Structure of the Stockpile Audit Mechanism and Business Plan

The Stockpile Verification Mechanism and Business Plan will be governed through the following three-pronged interconnected structure. The goal is to establish a governance structure that will provide clear policies and mandates for successful implementation. The structure requires the inclusion of direct technical oversight by multisector international and national partners.

Figure.1. Governance



Governance Structure

Roles and Responsibilities

MEEF and the Executive Secretariat will be the key government entities in charge of the overall policy and management authority for implementation. Designated civil society participants will share direct joint management and policy advisor roles with the GoM.

Key Responsibilities:

Circle 1 – MEEF / Executive Secretary / Civil Society

- Set national and international policy for Verified Audit and Business Plan implementation
- Provide legal authorization for operations
- Adhere to transparent communication between the three core entities – monthly meetings and as needed Phase 1 and Phase 2.
- Report to CITES

Circle 2 – Oversight Committee

The Oversight Committee will provide technical, financial and governance support for ensuring integrity to the implementation of the Business Plan. It includes national and international stakeholders. The structure is to have representatives from Government of

³ Annex 12: Decree NO. 2016 - 801

Madagascar, key inter-governmental organizations as well as National and International Non-governmental entities as members.

Key Responsibilities:

- Ensure Business Plan systems are robust and meet conditions for completing CITES mandate.
- Provide technical support and advice on implementation strategies
- Review reports and provide feedback

Operations implementation will be managed by the Stockpile Management Commission - Comite Interministeriel Charge De L'Assessment De La Bois DE Rose and Bois De Ebene , defined by Decree no. 2016 – 801. This Commission has the power to monitor and manage declared, legally seized and confiscated stockpiles.

The Stockpile Management Commission will directly report to the “Ministry of Environment, Ecology and Forests” (MEEF) and SE COMINT.

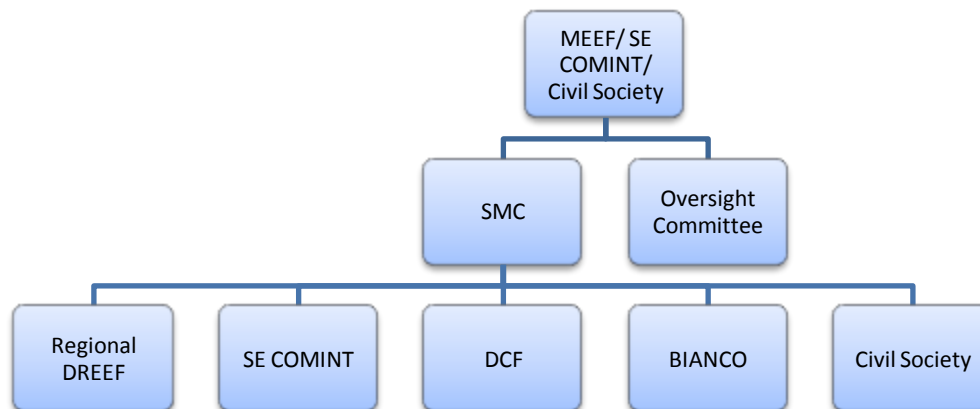
Circle 3 – Stockpile Management Commission

Key Responsibilities:

- Manage all operations for Phase 1 and Phase 2
- Institute Business Plan audit and verification systems
- Constitute and manage regional SE COMINT Inventory teams for controlling Uncontrolled Declared Wood
- Provide required audit and inventory reports

The reporting structure will involve a planned monitoring process that will provide an overview of the objectives and the management of the operations and will ensure that the strategic objectives are reached. This includes the respect of the deadlines as well as transparency and integrity to overcome any deadlocks and solve the complex governance issues that require the skills and advice of experts in order to reach consensus on the implementation of the tasks.

Figure.2. Governance Chart



The implementation of the Phase 1 Stockpile Audit Mechanism will be conducted through core teams of experts and observers known as the SMC - SE COMINT. The SMC operations will be officially managed by MEEF and SE COMINT.

The SMC President and SE-COMINT operations team will report directly to MEEF and Executive Secretariat. The Oversight Committee will sit in the hierarchy and provide direct consultation in conjunction with the SMC, MEEF, the Executive Secretariat and National Civil Society representatives.

5. Oversight Committee Structure

The Stockpiles Management - Oversight Committee will be formed with designate members determined primarily based on representation from stakeholders with direct expertise and investment in the process. The Oversight Committee will be limited to one or two representatives from each outlined sector.

Transparency and multi-stakeholder inputs are critical for effective implementation and successful completion of the Business Plan goals of liquidating the stockpiles through practical implementation and timeframes. Moreover, due to the international and national conditions that are governing the process, this oversight committee that will be working directly with the relevant Government of Madagascar Ministries, MEEF and Technical Team – SMC to ensure there is transparency and consensus on the proposed steps to meet the CITES conditions through the implementation of the program.

Table 3: Oversight Committee

Oversight Committee	Designate
Governmental	MEEF
Governmental	Executive Secretariat / GoM
Governmental	CITES Parties
Intergovernmental	ITTO
Intergovernmental	CITES Secretariat
Financial	World Bank
Non-governmental Technical Advisors	Domestic / International Env. Organization / Private Sector
Legal Advisors	Legal Advisors from MEEF and Ministry of Justice

6. Stockpile Management Commission

The SMC consists of the following core team positions and will work in conjunction with assigned Government of Madagascar entities that are mandated to complete the goals and objectives of the Business Plan. Below is a brief description of each proposed position.

Table 4: SMC

Structural Components	Agencies
Implementation Structure	MEEF Oversight Committee SMC– Technical Team Anti-counterfeiting Firm International Advisors
PR / Communication Strategy for Uncontrolled Declared Wood	MEEF Oversight Committee

	SMC SE COMINT
Institutional Capacity Building	MEEF Oversight Committee SMC International Advisors – Auditing and Business Dev.
Site Locations / Security	MEEF SE COMINT Enforcement Agencies
Enforcement for Non - Compliance	Enforcement Agencies / Mixed Brigade
Document Security	Security Marking Firm – Serialized Documents

Table 5: SE COMINT – Stockpile Management Technical Team

Stockpile Management Technical Team	Description	Sector
SMC Chief of Operations	Direct Management of SMC Operations. Oversight of inventory procedures.	Government of Madagascar / Executive Secretary
Regional DREEF Representatives	Responsible for Regional Madagascar Forest Departments	Government of Madagascar / MEEF
Department of Forest Control (DCF)	Responsible for Oversight of DREEF	Government of Madagascar / MEEF
BIANCO Representative	Responsible for onsite observation of inventory procedures	Government
Law Enforcement Officers	Magistrate of the trial jurisdiction of the Special Court or his representative Judicial Officer of the Special Court or his representative Judicial Police Officer of the National Police Member of the Joint Investigation Brigade Judicial Police Officer of the National Gendarmerie Member of the Joint Investigation Brigade Representative of the Ministry of National Defense Experts from National Police	Government of Madagascar
Civil Society Observers	Local community observers of inventory procedures.	Fokontany / Village Level

Nomination of members is done by inter ministerial decree. The SMC is chaired by the Regional Director in charge of Forests, depending on the case (DREEF). It draws up a statement of the stocks whether they have been confiscated or declared. The SMC will report directly to MEEF and SE COMINT. Given the fieldwork, the GoM can use specific skills as a service provider to train the inventory team such as:

- A wood grader: expert in noting, grading, valuing and stocking high value forest products – ie: ebony and rosewood
- An expert in inventory and auditing procedures
- An expert in security marking technology- wood marking and coding materials

Phase 1 – Stockpile Audit Mechanism

7. Stockpile audit mechanism in Phase 1⁴

The Stockpile Audit Mechanism provides four comprehensive steps to efficiently and effectively establish and implement the process as well as an appropriate mechanism for mandating individuals and operators that possess Uncontrolled Declared Wood to participate in the Stockpile Audit Mechanism and Business Plan program.

Phase 1 - Steps 1- 4, presented below, reflect a deliberative process and commitment to address the CITES Action Plan mandates as well as the national issues that are critical to complete the process. The process is based on the Madagascar national legal framework as well as a strategic program that reflects the realities on the ground, direct communication on the goals at the local level and a comprehensive capacity building program that will include a mechanism to ensure stability in the regions where the highest density of stockpiles exist.

Deliberations have concluded that, although it is illegal to possess Bois de Rose, Palisander and Ebony, based on the 2015 law, the realities on the ground require a potential concept of indemnification / compensation through an incentive mechanism for services. This concept is similar to the process of establishing - Imminent Domain – where the Government has the authority to act to benefit civil society as a whole.

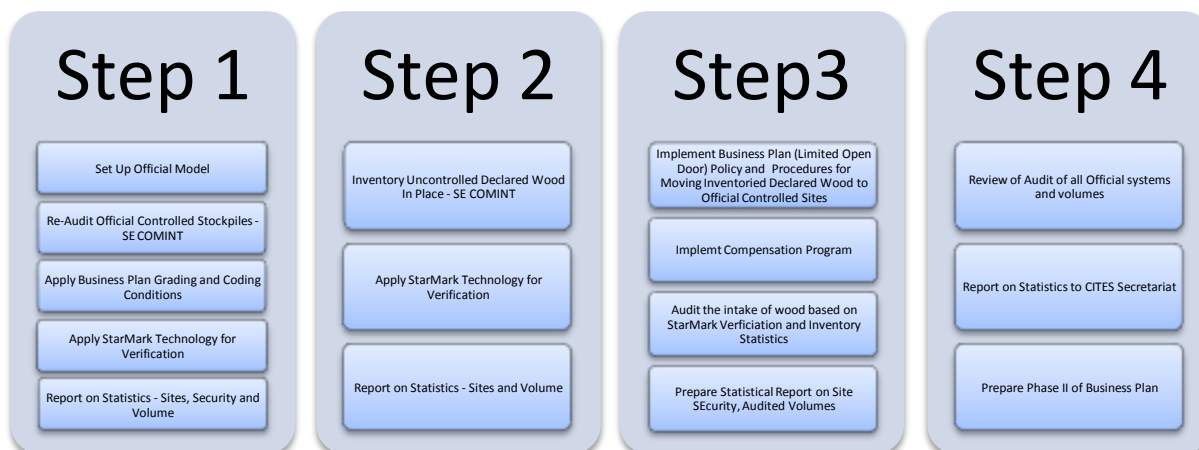
An example is the process of building a state owned road, which might displace a private home. The government will act to compensate the owner. In the “stockpile” case, the Government will use a controlled indemnification program to incentivize the smooth transfer and transport by the individual in possession of Uncontrolled Declared Wood to participate in the SMC program. We believe this will prevent adverse reaction in remote areas, prevent conflict and offer good will through a basic onetime indemnification contract for the service of transporting their Declared wood to Official Controlled Depots .The service contract will be structured through the SMC program. Anti-counterfeiting technology will be applied to each verified form of wood and documents that are officially sanctioned in the program.

The proposed Phase 1 Steps require a fundamental commitment from international and national stakeholders to work with Madagascar to understand the realities on the ground and to actively participate in the successful financing and implementation in order to reestablish stability for communities and eco-systems that have suffered as a result of the longstanding precious woods issues.

The following Phase 1 Procedural Steps are outlined based on four fundamental processes. The 03 steps of Phase 1 can be implemented simultaneously.

⁴ Annex 1 Terms and Conditions for Audit

Figure.3. Procedural steps



The Business Plan makes a fundamental distinction between an Audit of Official Controlled Stockpiles and completing an inventory of Uncontrolled Declared Wood. As stated – it is not possible to Audit what you cannot physically control. The Business Plan outlines the necessary steps to physically gain control of the wood that was Declared in 2011 in order to complete the conditions mandated by CITES.

Table 6: Distinction between Official “Audits or verification” and “Inventories”
Distinction between Official Audits and Inventories

Distinction between Official Audits and Inventories		Steps Applied
Definition of Audit or verification s: Assessment of all aspects of the Management System of Officially Controlled Stockpiles	<ul style="list-style-type: none"> Only Government Officially Controlled Stockpiles Verification of all inventories Verification of Security 	Step 1, 3 and 4
Definition of Inventory: Counting, marking and grading all wood outside of Government control using the Business Plan procedures	<ul style="list-style-type: none"> Uncontrolled Declared wood Count, code all Declared wood outside of Government Control 	Step 2

8. Step 1 – Review Past SGS Audits and GoM Seizures for re-auditing Current “Official Controlled Stockpiles”

Goal: Work with CITES and Oversight Committee to set precedent for Stockpile Audit Mechanism.

Official Controlled Stockpiles.	Begin implementation framework by reviewing and auditing seized stockpiles to set precedent for controlling and building capacity for addressing the “Uncontrolled Declared Wood”
Re-verify, Grade and Code	Implementation of Business Plan Audit Mechanism
Oversight Committee	Following the SMC procedures, audited, graded and coded stocks would be reported to CITES with copy to Oversight Committee to set baseline for audit procedures.
Legal Procedures	Establish comprehensive governance of process through national and international legal structure.
Public Relations / Community Liaison Program	Implement public relations procedures to effectively communicate the SMC community liaison program to individuals and local government leaders as well as Police.

8.1. Step 1 - Officially Controlled Stockpile Audit Mechanism⁵

The SMC will conduct a comprehensive audit of the Officially Controlled Stockpiles as required by the CITES Standing Committee and CITES Action Plan requirements. SMC operations will establish a total volume which is compulsory for completing an audit of 1/3 of the total to meet the conditions, stipulated by the CITES Standing Committee.

In order to reach a total audited volume, the SMC operations will re-verify all seized stocks systematically control and complete official inventories of Uncontrolled Declared Wood in order to move this wood to into the Officially Controlled Stockpile system. The verifications will be used to evaluate the following aspects of the stockpiles:

Table 7: Stockpiles Audit Mechanism

Audit Mechanism	Description
Inventory totals of wood components	Logs, squares, and any other form encountered
Asset evaluation / classification of grade	Apply a grading system based on standard rosewood and ebony classification
Marking and coding	Technology application for database management and specific coding for each log or form.
Location Management	Evaluations of security, systems for managing inventory and recommendations

⁵ Annex 1: Terms and Conditions for Audit Objectives

	for improvement.
Systems Management	Control of all data collected – dedicated web servers
Storage of Wood	Evaluate and make recommendations for effective security and maintenance of audited wood.

8.2. System Test – Implement Step 1 - Re-Audit Officially Controlled Stockpiles

The SMC Teams will test all audit procedures and systems based on re-auditing all seized and confiscated Stockpiles in order to prepare for the implementation of Step 2 and Step3. The current stockpiles under the Government's control were audited in 2015. Based on the development of the Business Plan and CITES mandates it was deemed critical to use these stockpiles as the test pilot for demonstrating the effectiveness of the procedures outlined in the Business Plan.

Specifically, the Step 1 system test will institute the process for decommissioning and controlling the Uncontrolled Declared Wood. The process is critical for demonstrating capacity for intake of large volumes of wood at officially certified depots.

The 2015 audit, by SGS, compiled an inventory of about 28,000 logs and forms of rosewood and ebony. This will form the basis for implementing a new verification to set the procedures for the Business Plan implementation. StarMark technologies will be an additional application to create continuity to the verification process.

8.3. Government Certified Stockpile Depots

MEEF / DCF and the Executive Secretariat are currently developing a list of potential certified depots in relevant regions and in particular the SAVA region as this is where the majority of current seized and Declared stocks exist. Vohemar, Sambava and Antalaha are the most likely municipalities for depots in the SAVA region. Each of these cities has had direct experience with managing seized stocks.

Depots are being considered based on the ability to provide security and control and to provide access for future Phase 2 sales potential. Both military and DREEF facilities are being considered. A key goal of Step 1 procedures will be to assess systems and capacity of current Official Controlled Stockpiles locations to determine gaps and opportunities.

9. Step 2: Implement (in-place) inventory procedures for Uncontrolled Declared Wood

Goal: Inventory Uncontrolled Declared Wood based on Official 2011 Declarations

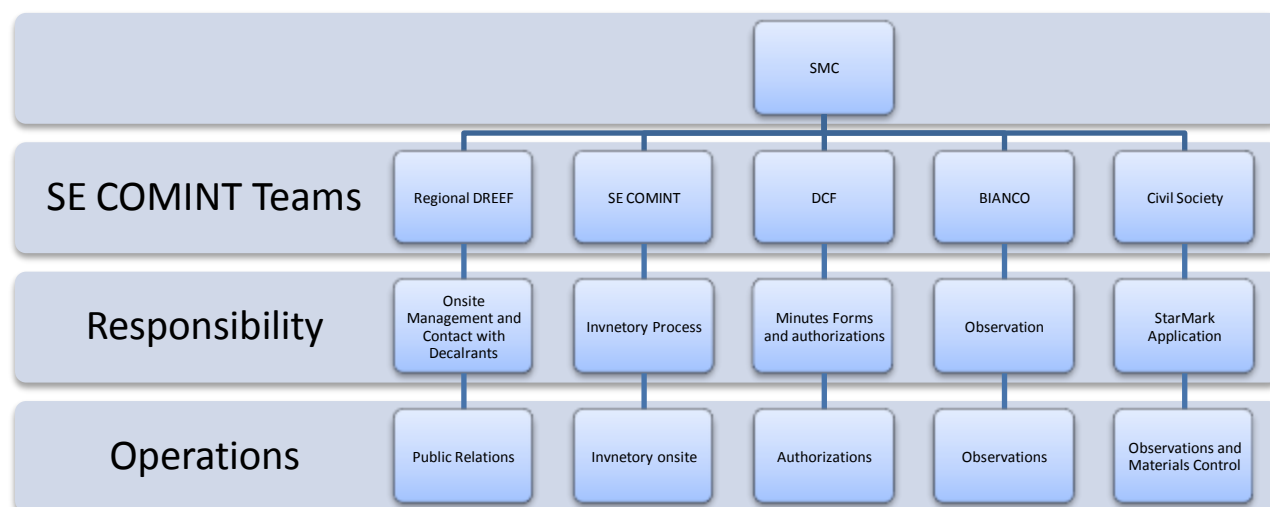
Uncontrolled Declared Wood	SMC will implement inventory based on Declarations from 2011 in current declared locations.
Official Authorization	Complete direct communication with owners of Uncontrolled Declared wood. Obtain official authorizations and direct official SMC Technical teams to complete inventories of wood in place of possession.
Count, Grade and Code	Implement Business Plan grading and coding procedures to complete and document inventory.

9.1. SMC Operations and Inventory Procedures for Uncontrolled Declared Wood Program Management

SMC programs will be managed through the outlined governance structure with all SMC data and reports presented to MEEF, Executive Secretary and the Oversight Committee. Reporting will be directly to the Ministry – MEEF. All official decisions, budgets and authorizations for SMC operations will be checked and mandated through appropriate channels of MEEF, Executive Secretariat and the Oversight Committee.

Based on Terms of Reference outlined in the Business Plan, SMC will form regional technical teams to systematically complete official inventories of the Uncontrolled Declared Wood based on the official 2011 Declarations. The official 2011 Declarations are currently filed with the Director of Forest Control (DCF) office under MEEF and the regional DREEF offices relevant to the declaration. As outlined, national and regional civil society representatives will have direct roles as official observers as well as in application procedures during the Step 2 implementation.

Figure.4. SE COMINT Field Operations Team Chart



The goal is to inventory the wood in its current location or in place, which is in the possession of the current owners. SMC will implement official procedures outlined in the Business Plan to effectively count all forms of wood, apply Starmark verification marking materials, apply a specific code to all forms and grade based on the proposed grading standard. All sites will be geo-located using GPS and StarMark applications loaded on designated mobile phones for the inventory process.

The Business Plan Step 2 procedures were implemented and tested during the SMC initial inventory work in November – December 2017, in the SAVA region. The initial inventory compiled data on 64 sites, which revealed multi-sites of wood for each Declaration assessment. The inventory assessed about 34,000 logs of the estimated 240,000 Declared logs in the SAVA region. There are 103 official declarations in the SAVA

region, which SMC will continue to inventory after presenting results and seeking financing from diversified sources.⁶

The results from the SAVA region will be used as a benchmark for continuing to implement the Step 2 Inventory procedures in SAVA and the other regions with official declarations. StarMark technology was not applied during the SAVA initial inventory but will be applied as verification to the November 2017 sites prior to continuing the inventory process. The following chart and map in Annex 1(b) outline the number of declarations, volumes and regional locations of the Uncontrolled Declared Wood.

Table 8: Uncontrolled Declared Wood Regional Locations

Regions	Official Declarations #	Number of Actual Sites	Number and form of Declared Stock
Diana	1	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = TBD • Plaquettes = TBD Bois de Ebene <ul style="list-style-type: none"> • Rondins = TBD • Plaquettes = TBD
Atsinanana	5	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = 12,126 • Plaquettes = 54,400 Bois de Ebene <ul style="list-style-type: none"> • Rondins = 0 • Plaquettes = 0
Sava	103	68 Sites inventoried 2017 Total SITES TBD	Bois de Rose <ul style="list-style-type: none"> • Rondins = 243,801 et 6 containers • Plaquettes = 83,852 et 4 containers Bois de Ebene <ul style="list-style-type: none"> • Rondins = 6,528 • Plaquettes = 450,409
Analanjirofo	47	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = 38,835 • Plaquettes = 625 Bois de Ebene

⁶ Annex 1 (a-e) document samples from SAVA region inventory test

			<ul style="list-style-type: none"> • Rondins = 116 • Plaquettes = 0
Vatovavy Vito Vinany	1	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = 22 • Plaquettes = 0 Bois de Ebene <ul style="list-style-type: none"> • Rondins = 63 • Plaquettes = 0
Anosy	1	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = 4,450 • Plaquettes = 0 Bois de Ebene <ul style="list-style-type: none"> • Rondins = 0 • Plaquettes = 0
Analamanga	6	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = 162 • Plaquettes = 43 Bois de Ebene <ul style="list-style-type: none"> • Rondins = 0 • Plaquettes = 0
Atsimo Atsinanana	1	TBD during inventory	Bois de Rose <ul style="list-style-type: none"> • Rondins = 0 • Plaquettes = 0 Bois de Ebene <ul style="list-style-type: none"> • Rondins = 262 • Plaquettes = 0
Total Official Declarations	165	TBD during inventory (Budget estimates at least 300 -400 Sites)	Bois de Rose <ul style="list-style-type: none"> • Rondins = 299,234 • Plaquettes = 138,295 Bois de Ebene <ul style="list-style-type: none"> • Rondins = 6,969 • Plaquettes = 450,409

9.2. Authorization and Access for SMC Operations⁸

SMC will follow strict Terms of Reference and procedures for obtaining authorizations and access to inventory the Uncontrolled Declared Wood sites. Official authorizations for accessing private property are required as well as all SMC Inventory teams are required to have all core team members onsite for the inventory.

9.3. SMC Inventory Operations - Public Relations Strategy

Strategic planning for SMC – SE COMINT inventory teams will be conducted during SMC logistics and planning meetings. Advice and consultation will be completed through MEEF, Civil Society members enforcement branches of the police and military as well as through local consultation with Civil Society observers.

The key goal of the SMC logistics and public relations strategy is to inform owners of Declared wood of the conditions of the SE-COMINT operations as well as to present a comprehensive message to local people that only wood that was Declared under the 2011 Decree will be accepted into the Officially Controlled Stockpiles audit system.

Public relations and legal notices concerning the SMC operations will be officially issued to local authorities in order to prevent potential unintended encounters or conflict. It is important to alleviate conflicts through transparency to the operations process as well as a timeline that does not allow continued theft and substitutions in the Declared stockpiles to be inventoried. Moreover, the key goal of the public relations process is to communicate directly to local people and officials that there will be zero tolerance for any new harvesting of precious woods.

Presentations and messaging will emphasize the penalties and immediate incarceration for illegal logging, possession and trafficking of Bois de Rose and Bois de Ebene. The communication process will include the legal process for forfeiture and seizure through enforcement by the Mixed Brigade and the immediate seizure of all interdicted wood suspected of recent harvest.

To date, this has included radio announcements, direct communication with owners of Uncontrolled Declared Wood based on Official 2011 Declarations and through the local DREEF officers. Continued means of communication may include community gatherings and through local village leaders.

All communication with owners of Declared wood will be documented through an official communication form which will include the following

Table 9: Contact and Communication Form

Date and time
Method of communication ie: mobil phone, direct meeting, through a third party,
Name and contacts of persons (owners of Declared Wood)
SMC team member completing direct communication: Name, Position and Contact.

⁸ Annex 1 (c) Copy of Authorization Form

***** SMC team members will be held legally liable for any promises of monetary compensation outside of the approved messaging concerning the SMC operations and procedures.

9.4. SMC Inventory Procedures

The SMC Uncontrolled Declared Wood inventory operations will complete a detailed inventory of all wood forms based on the 2011 Declarations. General practices will include the following:

Table 10: Inventory Procedures

Inventory Procedures	Description
Inventory	Use standard Volume / Dimensions cubic meter calculation methodology for measuring length and diameter for establishing Volume and Weight (Cubic meters and tonnage) for each log and wood form inventoried.
Data management systems	Code / number and document all forms of wood at each site. Employ database for all information collected and transferred to SMC person in charge, MEEF / SE / Civil Society and the Oversight Committee.
Site Management	GPS all sites and review management and security procedures with operators and individuals that own the property and have completed the Declared wood inventory process. Issue official copies of documents.

The inventory operations will be conducted in a systematic step-wise process with Sava region taking precedent, as it has the largest number of declarations. SMC has already completed an initial program in the Sava region in order to demonstrate the system, complete the formal authorizations and begin communicating with the operators and individuals that possess the Declared wood.

At the regional level, SMC will form official inventory teams, which will be tasked with direct operations implementation. The teams are composed of 7-10 members from national and regional officials as well as civil society observers and official team members. Each member is required to sign off on the official SMC Minutes Form “Proces-verbal de scellage et de mise en sequestre et nomination de garde sequestre de bois de rose et de bois ebene.” “Minutes of Sealing and Sequestration and Appointment of Sequestered Keeper of Rosewood and Ebony Wood.”⁹ This “Minutes” is to be established in 06 copies of which 03 copies to the Special Court, 01 to the concerned DREEF, 01 to SE COMINT and 01 to the Declarant.

The “Minutes” form is a key document in the inventory procedures. The form not only requires official signatures from each observer and official present, the form provides a comprehensive description of the location and type of the Declared Wood being assessed:

Table 11: Inventory Authorizations and Minutes Forms

Minutes Form	Description
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⁹ Annex 1 (d) Example of Official Minutes Form

Location (Site)	Foret, Village, Fokontany, Commune, District – GPS coordinates
Team Number	Agents, Organization, Function, Grade -
Name of Owner	Location of Stock, Declaration #, Products, Number declared / actual

Figure.5. GPS Inventory Site - Example



Example: GPS location of Inventoried Stock

The official Minutes form is required to be presented and filed for each declaration and related Declared wood stock sites. The form is based on key inventory processes to mark, code and grade all forms of wood present at each site.¹⁰ For verification, all sites will require GPS and StarMark marking applications, which are described below.

9.5. Grading / Classification Procedures¹¹

The Grading Team will be tasked with physically examining and documenting the logs and wood forms in order to create a value classification on the audited volume of different grades in the Declared stockpile inventories.

¹⁰ Annex 1 (e) inventory dimensions chart

¹¹ Annex 3 - Wood Grading Standards

Table 12: Grading Chart

Grading	Description
Grading / Classification Phase 1	Application of letter A-D for Grade, Number 1-5 for diameter, Letter a-d for length
Grading / Classification Phase 2	Greater scrutiny of physical characteristics such as color, grain, defects and more in depth assessment against the original number grade applied in Phase 1.
Plaquettes and Sawn Forms	Grading and Classification will be based on FAS – First and Seconds as well as specific application of A –D based on color, grain orientation, width, length and thickness dimensions.

Annex 3 provides basic standard for applying grades during Phase 1 and Phase 2, during the audit process. The SMC team will work directly to inspect all logs and forms. As dimensions and codes are applied, the Grading Team will inspect the characteristics and give it an A-B-C-D grade.

Color and traditional species characteristics will be applied to further identify and segregate species based on classification of Bois de Rose and Palisander, as these have traditionally been used in different target markets. One fully understands that this is not a scientific method and samples will be made available to the scientific community and expert researchers compiling statistics for species identification.

9.6. Verification / Traceability - Security Coding and Marking Procedures¹²

Data management and securing the integrity of the Declared stockpiles through the inventory process will be increased through a multi-component coding and marking strategy which is a key tool for verification and traceability of wood through out the Business Plan process. The StarMark application will provide traceability and verification of where the wood was originally stored as Declared all the way through to potential sales. The system will also provide key information during sampling for species identification purposes.

Security coding and marking procedures will be applied during the Step 1 Systems Check and Step 2 Declared Wood inventory and grading process and used for verification at Step 3. The verification – security coding and marking procedures will include databases of inventoried stock as well as through the StarMark unique marking technology that will be applied at each specific location.

Application of the StarMark materials will be managed by a dedicated SMC team member – such as BIANCO or a responsible Environmental NGO. The SMC inventory process will institute a specific code for each declaration and associated sites. Each form of wood will be numbered and classified which will integrate the classification and noted characteristics information in the SMC inventory database.

The StarMark system is applied through two processes: Wood Marking and Mobile Data

Table 13: Starmark Applications Table

StarMark	Description	Team Member
Materials	Physically spray materials onto all forms of wood. The material will be furnished in standard paint-spray cans with specific colors designated for	SE COMINT – Civil

¹² Annex 2: Security Marking Technology

Application	different SMCteams at the regional level. The paint has specific markers that can only be verified using proprietary StarMark detection devices.	Society Team Member
GPS - Geolocation	StarMark will provide a series of mobile phones that are loaded with their mobile application for geolocation and data management systems. Each device will be accounted for using its serial number and a Phone ID.	SE COMINT – Civil Society Team Member
Data Management	The StarMark data management systems will provide a verified time stamp, geolocation, user information and any specific site codes dedicated to the SMC Inventory Teams.	MEEF / SE / Oversight Committee
Data Transfers	The Mobile Phone devices will be paired with the StarMark detection devices using bluetooth for data transfers.	SE COMINT – Civil Society Team Member
Access to Data	All data uploads will be web-based and uploaded to a designated StarMark server. Data access will be tiered based on MEEF, SMC and Oversight Committee review and authorizations.	MEEF / SE / Oversight Committee

Table 14: Marking and Coding Procedures

Marking and Coding Procedures	Description	Verified at Step 3
Official Depot Code	Designate Codes issued for each Official Regional Depot.	
Official Controlled Wood	Star Mark markers applied during re-audit along with inventory data	Markers checked and verified
Declared Wood Site Verification Code	All regions, declarations and associated sites issued an official SMC code	All signatures and documents and GPS locations
SMC Teams	Each team identified by specific code – issued verified and documented materials	All signatures and documents checked against data base.
Declared Wood Inventory	Star Mark markers applied on site during inventory	Markers checked and verified
Serialized Official Documents	All official documents related to declaration verification, SMC Minute Forms, Inventory statistic docs and will be serialized, coded and imbedded with StarMark anti-counterfeiting markers.	Markers checked

9.7. Uncontrolled Declared Wood (Declared) Locations Management

Stockpile Location Management will be assessed during the inventory. All forms of wood will be inventoried and marked using the StarMark anti-counterfeiting markers.

The sites will be documented and noted for any obvious security issues and geo-located through the StarMark application, which is a key tool for verification and traceability throughout Phase 1 and Phase2. In order to move towards Step 3, SMC operations will develop a logistics plan with each owner of the Declared wood for eventually moving the inventoried and verified wood to a Government Controlled depot.

The owners of the Declared wood will be issued a receipt, a “Minutes” copy and copy of the official authorization. It is the responsibility of the owners to maintain security and control over the Step 2 inventoried stock.

9.8. Non-Conforming Wood – Undeclared

SMC operations will implement a policy of no exceptions for non-conforming wood discovered in the process. Preliminary 2017 inventories have reflected additional wood declared as well as potential deficits. These issues required careful consideration and will be handled through legal processes.

Any wood discovered that is not compliant by SMC operations, under these conditions, will be subject to forfeiture and seizure. The wood will be evaluated using the SMC Step 2 inventory, grading and verification marking procedures.

As Step 2 success depends on building trust and gaining access to the Uncontrolled Declared Wood based on the 2011 Declarations, the SMC teams will initially implement the same Step 2 procedures on all wood at the sites inventoried. If additional volumes of wood are found at Declared sites they will be coded and entered into the Minutes and inventory forms. SMC teams will work with enforcement agencies such as the Mixed Brigade to determine enforcement actions and prosecutions, if warranted.

If wood is suspect of recent harvest, the SMC inventory teams will implement a policy of zero tolerance and will immediately contact the Mixed Brigade for enforcement action and prosecution. The Special Court will make the decision of these woods.

All non-conforming wood will be identified and segregated by coding procedures.

Figure.6. Process for evaluating non-conforming wood during Step 2 field inventories.



9.9. Species Differentiation and Identification

The SMC operations will work to roughly distinguish “stockpiles” by genus – ebony (*Diospyros spp.*) rosewood – Bois de Rose (*Dalbergia spp.*) – rosewood – Palisander (*Dalbergia spp.*). It is important to point out that species identification issues cannot be fully addressed through this rapid response classification. Attempts to segregate or at least notate species differentiation will be done in coordination with both Phase 1 and Phase 2 grading and classification procedures.

Understanding species diversification is important in the species identification process and CITES but will be limited to color and basic species knowledge at the time of SMC inventory, grading and coding procedures.

All “stocks” will be coded based on the three basic classifications but will present a controlled opportunity for scientific sampling and testing using a variety of tests including mass spectrometry, DNA analysis, Stable Isotope analysis as well as local knowledge.

There has been extensive deliberation on the need for species identification for CITES and enforcement actions. While all attempts to segregate species will be made, the reality of reference to actual required scientific fundamentals such as leaves and flowers will not be possible as the wood is already cut and separated from its natural habitat.

Based on the outlined issues of scientific sampling requirements, samples will be collected by all SE-COMINT inventory teams at each inventory site. Information for each sample will be correlated based on the SE-COMINT Minutes Form, which will provide the team number, GPS location, number of logs and forms inventoried and basic species. The samples will be coded based on the log number that the core samples were obtained. The basic information will include:

Table 15: Samples Collection Form

Samples Collection Information
1. SE COMINT Team Number
2. GPS Location
3. Size of Sample
4. Log Number where sample was taken
5. Number of Samples
6. Species designation

10. Step 3: Set Conditions for Uncontrolled Declared Wood – Limited Open Door Policy

❖ Goal: Control and Decommission Uncontrolled Declared Wood.

Uncontrolled Declared Wood	GoM / MEEF will set a physical time frame of six months starting Oct 2018 for Private Operators and Individuals to participate in the indemnification program
Indemnification Program	Six month – Open Door
Audit, Grade and Code	At the end of the Limited Open Door time frame the door will close and all wood will be audited, graded and coded as “Official Controlled Stockpiles”
CITES Report	Statistics of a total audited volume would form the basis of reporting on 1/3 of that volume for moving towards a partial or initial sale.
Non-conforming Wood	Will be seized and referred for prosecution . This includes wood suspect of recent harvest.

10.1. Implement Limited Open Door Indemnification Program –

Step 3 goal is to physically take control of the inventory of Declared wood in order to follow the Business Plan and present the total audited and verified volume reported of Officially Controlled Stockpiles to the CITES Standing Committee.

The process will be completed based on the concept of *Imminent Domain* and the application of Law NO. 2015-056, enacted in February 2016, which definitively makes possession of Bois de Rose, Palisander and Bois de Ebene illegal.

A key strategy of the Business Plan is to systematically address these complex issues while maintaining stability in the regions most affected by the illegal harvest and trade of precious woods. The concept of an indemnification for transport services program was deemed the most effective mechanism to work with the official Declarants of the Declared wood in order to increase cooperation and participation to physically present and verify a total volume of wood as Officially Controlled Stockpiles.

The concept of Imminent Domain presents an official process to mandate participation in the indemnification program while addressing the longstanding legal conflict of ownership of the Declared wood. Moreover, it was deemed critical to act in the best interest of civil society in the regions and for Malagasy as a whole at the National level as the public opinion considers that the “stockpiles” should be sold to benefit Madagascar and its population.

It is necessary to take control of all marked and coded Uncontrolled Declared Wood for several key reasons.

- Present an Audited total of marked, coded and secured Official Stockpiles to complete the CITES mandate
- Prevent further laundering of illegal wood
- Security for people and locations where Step 2 inventories have been completed
- Create a controlled system for valuing the wood
- The wood is losing 7-10 percent of its value per year from deterioration
- Simplifying logistics for any potential sales of wood

10.2. Step 3 – Conditions

Incentive Mechanisms – Under the Limited Open Door Policy

Table 16: Indemnification for Transport Services Options for Uncontrolled Declared Wood

Option 1 Indemnification Service Contract Cash Payment	Transport	This is a structured indemnification contract for services for transporting Uncontrolled Declared Wood based on covering transportation costs per ton through a payment of 25 cents (0.25 US dollars) per kg of rosewood and ebony. This equals \$250 per ton.
Option 2 Dividend Voucher		Structured voucher program for transport costs through payments of dividends from actual sales once Uncontrolled Declared wood is turned over and is audited into the Business Plan system. Payment of 0.40 US dollars per kg of rosewood and ebony. This equals \$400 per ton.
Incentive / Purpose		Help stabilize regions affected by “rosewood crisis” - incentive for participants to rid themselves of the legal and financial problem incurred by possessing the stocks without a legitimate path to legal sales and possession.
2011 Declarations		Subject to burden of proof by the owners of these woods. Private Operators and Individuals will not only have to provide access to show these woods exist; they will have to officially participate in the program for systematic Inventory and dispossession for liquidation to reach stock zero.
“Uncontrolled Declared Wood”		Will be inventoried and graded rapidly in current declared locations and then moved official secure zones which would form the basis for reporting to CITES on total volume of stock.
SMC		Will oversee the audit of the compensation program.
Security Marking		Anti-counterfeiting technology will be imbedded in the documents of any voucher, transport, receipt, and any other official documents that were produced and used for the Audit – Grading and Coding of the wood.

The management of the incentive – indemnification program will be a key function of the Business Plan to gain control over the Uncontrolled Declared wood.

This issue of the legal status of the 2011 declarations to be subject to compensation is currently under consideration though a new Decree, which would institute a legal process for indemnification for services put forward as a stabilization mechanism in the Business Plan. The oversight structure of the Business Plan and SMC operations will play a key role in implementing the compensation for transport services program. It will require a transparent financial management program and the budget to effectively implement and monitor the process.

Step 3 requires a comprehensive set of conditions to be in place and verified. The Business Plan reporting, monitoring and oversight process will play a key role in providing a chain of command and required authorization for all transactions, accounting, transport and intake of wood transferred to (Step 1: Government Certified Depots) from (Step 2: inventoried and marked Declared Wood).

The projected volume of wood to be transferred through the indemnification program is based on the official Madagascar estimates of Declarations from 2011 and report to CITES SC 69.

Table 17: Declared Wood Totals

Bois De Rose	Bois De Ebene
<ul style="list-style-type: none"> Rondins = 299,234 	<ul style="list-style-type: none"> Rondins = 6,969
<ul style="list-style-type: none"> Plaquettes = 138,295 	<ul style="list-style-type: none"> Plaquettes = 450,409

Table 18: Indemnification Table

Components	Conditions	Verification / Oversight
Indemnification for Transport Services	<p>Option 1: Cash payment of 25 cents (0.25 US dollars) per kg of rosewood and ebony. This equals \$250 per ton.</p> <p>Option 2: Dividend Payment after official sales of 0.40 US dollars per kg of rosewood and ebony. This equals \$400 per ton.</p>	<ul style="list-style-type: none"> Only logs /forms inventoried Step 2 Vetted and assessed through Business Plan Governance structure.
Financial Transactions	Completed through SMC with Ministry of Finance management structure at Official Depots	<ul style="list-style-type: none"> Official StarMark Documentation Oversight Committee BIANCO
Transport / Transfer	1. Owners of inventoried Declared wood responsible for transferring logs to Official Depots based on compensation per ton.	<ul style="list-style-type: none"> Special authorization documents issued SMC/ DREEF
	2. Military transportation Option	
Accounting	Independent accountants hired to work with Ministry of Finance to manage financial transactions and accounting.	<ul style="list-style-type: none"> Report directly to Oversight Committee
SMC Teams	Prepare infrastructure at Official Depots	<ul style="list-style-type: none"> International Advisors

Documents	All official documents must have StarMark markers including receipts for compensation, authorization to transport, accounting reports.	<ul style="list-style-type: none"> StarMark Markers Checked using detectors by designated verifiers by Oversight Committee

10.3. Step 3 - Program Management

The Step 3 program will be completed through a step-wise process one region at a time. The SAVA region will take precedent with the highest volume of Uncontrolled Declared Wood.

SMC will implement the indemnification program in conjunction with MEEF, Ministry of Finance and Ministry of Justice.

The basic format for implementation is based on the proposed Steps 1 and Step 2 completion. The process will involve communication with each Declarant on the conditions and time frame for transfer of their inventoried Declared Stock to a designated Official Depot that is logistically feasible for secure transport.

Figure.7. Declared Wood Official Transfer Chart



10.4. Transport Projections

The transport of the inventoried Uncontrolled Declared Wood from the Step 2 inventory sites to Official Depots is the most challenging aspect of Phase 1 of the Business Plan.

Transport projections are based on review of average dimensions of Officially Controlled Stockpiles of seized wood as well as the statistics from the November 2017 initial Declared wood inventories in the SAVA region,

The average dimensions reviewed:

- Length = 2.5 meters
- Width = 23 cm

Table 19: Transportation Cost Estimates

Transport Projections	Number of Loads	Cost
1. Semi – Trucks (1 load = 1 container)	1200 @ \$500 per load	\$600,000
2. Six Ton Trucks	2000 @ \$300 per load	\$600,000
3. One – Ton 4 x 4 Trucks	2000 @ \$200 per load	\$400,000
4. River Boats	500 @ \$200 per load	\$100,000

Estimated Independent Transport Cost - Total	\$1,700,000
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Below are two options for efficiently addressing the logistics and cost for this critical component of Step 3.

10.4.1 Indemnification Program for Owner Transport

As described, the goal is to create a process for addressing stability and efficiency for decommissioning the Uncontrolled Declared Wood once inventoried. Owners of Declared wood would receive a one time indemnity based on the tonnage of wood transported directly to designated Official Controlled Depots.

Indemnification / Compensation would only be paid once all wood is received and verified at the official depots. This will require checking all StarMark markets against the SMC inventory records from the sites inventoried. All traceability imbedded documents are required to be checked against the StarMark system. This will keep traceability in tact for each coded form of wood and logs. Based on the StarMark system all forms and logs will be traceable throughout the chain of custody all the way through Phase 2.

10.4.2 Military Transport

The other option is to enlist the military to provide transport services which would be compensated by the per ton indemnification program and subtracted from owner indemnification. The owners would be compensated based on expenses deducted per ton once the wood is secured at official depots.

10.5. Financial Management:

All financial management policies will be legally verified and structured through the Ministry of Finance and Budget and the SMC mandate.

10.6. Verification and Risk Management

The Step 3 verification and risk management strategy requires very strict oversight and transparent systems checks.

Table 20: Indemnification Risk Management Chart

Valuation vs. Compensation Levels Proposed	<p>As cash and payment transactions can be manipulated, each step in the supply chain must be thoroughly controlled.</p> <p>The program is designed to scale compensation service contracts to a level where the level of risk is spread out over the multiple potential grades and values of wood that will be transferred. The Step 2 inventory will provide a roadmap for grade and condition of the Declared wood but in order to alleviate complicated negotiations over grades and value, Step 3 will only offer two options for compensation for the service of transporting Declared wood to Official Depots.</p>
Compensation for Transport Level Argument	<p>Government is taking all the risk and must only compensate for services based on Imminent Domain concept, which provides only pathway for inventoried Declared wood to have legal disposal. Compensation should reflect multiple grades and potential high risk of low-grade wood.</p>

Verification Checks	Each component of the compensation, transfer and securitization of the Official Stockpile system will be verified through the proposed steps and oversight structure.

11. Step 4: Report to CITES Standing Committee

Step 4 is the final component to completing Phase 1 of the Business Plan. The goal of Step 4 is to secure, verify and control the total volume of Official Controlled Stocks to be reported to CITES.

**** Step 4 is basically a repeat of Step 1 – Verify Official Controlled Stockpiles. Step 4 requires Step 1-3 completion.

Key Elements:

- Official Depots Secured
- StarMark Verification Tools
- Inventory Data systems available
- SMC Teams onsite
- Monitoring – Oversight Committee

12. Phase 1 Budget

Madagascar Stockpile Audit Mechanism Estimated Budget		
	Time / Units	Cost
International Coordination		
1: Coordination of Business Plan (Personnel; field mission; experts recruitment; international travels)		\$238,000.00
2: StarMark Technology		
2.1 Starmark Wood Marking Material	300,000 Applications	\$280,000.00
2.2 Imbedded Document Stationary	4500 units	\$4,500.00
2.3 Hand held IRIS devices	18 @ \$400 each	\$7,200.00
2.4 Infrared Cameras	3 @ \$1500 each	\$4,500.00
2.5 Motorola Phones – StarMark App load	12 @ \$200 each	\$2,400.00
2.6 Portable Batteries	12 @ \$70 each	\$840.00
3: Official Depot Management Expenses		
3.1 Official Depot Site Security	\$10,000 per site x 25	\$250,000.00
3.2 SMC Audit Team Official Depot Mgmt	\$2,000 per site x 25	\$50,000.00
3.3 Government Transfer of Seized Wood	Estimated 400 loads x \$200	\$80,000.00
4: Declared Stockpile Inventory Expenses		
4.1 SMC Local Team	165 Declarations / 400 Sites @ \$3,000 per Declaration	\$495,000.00
4.2 Accommodation - SMC		
4.3 Transportation to Sites		
4.4 Equipment – GPS, paint, etc...		
4.5 Trucks for Field Ops		

5: Indemnification Cost Estimate		
	Price per tonne = \$250 cash and \$400 voucher (Total Vol TBD) (Transport Estimate included in compensation estimate of \$1,700,000)	\$7,000,000.00
Estimated Total		\$8,412,440.00

- ❖ Budget will be vetted and deliberated between the MEEF, SE and Oversight Committee.
- ❖ Indemnification estimate cost of seven million USD would technically be recouped through the official sales mechanism.
- ❖ Transport of Declared Wood Step – 3 is included in the indemnification estimate. Transport is very costly and is estimated to be \$1,700,000.00 for approximately 5000 truck-loads of timber to be moved.

13. Timeline for implementation – based on agreement between MEEF, Executive Secretary and the established Oversight Committee approval.

The implementation process will also be deliberated based on actual available funding. The key goal is to base all implementation on the Steps of the Business Plan and fund each Step based on compliance to the highest standard.

Timeline 2018 -2020	J	J	A	S	O	N	D	2019	J	F	M	A	M	J	J	A	S	O	N	D
Phase 1																				
Business Plan Revisions Completed																				
MEEF Strategy Meeting Madagascar																				
ITTO Workshop 2018																				
Stockpile Management Team Meeting																				
Step 1 – Apply StarMark Technology to seized "Official Controlled Stocks"																				
Public Relations Campaign on Uncontrolled Declared Wood Requirements																				
Step 2 – Inventory Uncontrolled Declared Wood																				
Step 3 Test SAVA Region																				
Step 3 – Take Control of Uncontrolled Declared Wood (6 month Limited Open Door Incentive)																				

Phase 2 – Sales and Marketing

**Officially Controlled Stockpile
Business Plan**

15. Disposal of Officially Controlled Stockpiles Sales and Marketing Plan – Phase 2

15.1. Disposal through Market-Based Sales Strategy

The disposal through sales options is based on multiple consultations and deliberation of disposal and or storage strategies.

Three fundamental strategies were deliberated.

- a) Destroy all stocks
- b) Sales of wood as is or current form (logs and sawn forms)
- c) Develop a national wood processing infrastructure

The decision was made to move towards (b) for several key reasons.

Financing	Sales of the “Officially Controlled Stockpiles” is necessary to raise the funds to complete the CITES Mandate as the process of auditing and verifying all “stockpiles” is a very expensive process and there is currently limited funds to actively secure all Uncontrolled Declared Wood.
Conservation / SFM	Sales would provide funding for conservation and a move towards sustainable forest management of precious woods in Madagascar.
Enforcement	Sales would provide funding for increasing enforcement actions on non-conforming wood and illegal harvest and trade
Value	The wood is deteriorating by 3-5% per year in unknown conditions – so the value is decreasing

The Business Plan liquidation methodology is to coordinate disposal of the stockpiles through the framework of standard operating procedures of managing a high value (niche market) forest products enterprise.

As local market development is critical in coordination of the sales options, the Phase 2 process will provide access for identified craftsman and local processing based on a number of traceability and yield conditions outlined below.

We understand that the legitimate global market for high-end precious woods, like rosewood and ebony, has rigorous standards and is extremely competitive. It is not just a matter of opening the doors to a sales process. It is about calculated strategic value and volume analysis. It is about building a reputation that the business venture can provide a sales channel that has certainty and capacity for meeting the stringent international requirements of quality and regulatory compliance at every stage of the process.

This Business Plan is meant to highlight risks and opportunities but also build capacity for successfully addressing both with a high level of knowledge of pricing, value, market access, options for sales, timing for sales, understanding competition and moreover, the ability to negotiate business deals with confidence.²¹

²¹ Annex 7 – Sales and Marketing SWOT

15.2. Sales Team

A core structural component of the Business Plan is the Sales Team and Systems Management of the process of marketing and ramping up for actual sales of the stockpiles. The stock management commission is responsible for monitoring and managing the stocks seized by the court and confiscated.

The procedures for the sale of precious wood products are listed in chapter IX, article 18, 19, 20, 21, 22 of the decree 2016 - 801. The wood is ceded, after decision of the Special Court, by way of public tender. There are two types of wood sales.

Phase 2 of the Business Plan requires a strong business management capacity building process. Recruiting an expert and training on forest product business management will be necessary to build the capacity of the GoM team to manage the sales sites for proper implementation of Phase 2 process. Private sector experience is critical to the process of managing the type of product that will be made available. This will be achieved through contracting expert forest product business management. The terms of reference will be presented during the Oversight Committee meeting.

Sales Strategy Components

Sales Strategy Components	Description
Sales Options Structure	The Business Plan will focus on an auction option based off the current and longstanding Indian model.
Target Market ²²	Target customers with long historical connections to the legitimate rosewood trade in multiple market regions and sectors.
Unique Position	MEEF will establish direct communication with Management Authorities in each target market country to present the Business Plan objectives for sales of the Officially Controlled Stockpiles.
Logistics for Sales – Location	SMC operations are taking into consideration: Site security for monitoring audited inventories, Onsite sales options – Auction vs. Grade Sales Proximity to Shipping Ports Access for Buyers Payment Terms
Products / Form of Wood	Primary products will be Whole Logs / Billets
Advertising	Multiple Forms: Government required Tender Notifications Direct target market customer communication Web and Multi-media strategies

²² Annex 5 – Target Market Analysis

16. Type of sales

An essential component of the business plan is the systems management of the marketing process as well as the progression of actual sales of inventory.

The procedures for the sale of precious wood products are listed in chapter IX, article 18, 19, 20, 21, 22 of the decree 2016 - 801. The wood is ceded, after decision of the Special Court, by way of public tender. There are two types of wood sales

i.A national call for tenders

In order to support craft activities and to allow the development of processing capacity at the national level, this decree recognizes the allocation of a portion of the products for the benefit of groups of artisans legally constituted and officially recognized by the Ministry of Crafts.

A notice of invitation to tender will be drawn up and issued by the Stock Management Commission in the concerned circumscription and will be posted on placards provided for this purpose in the premises of the concerned District, the concerned prefecture, the Circumscription and the cantonment in charge of forests, the Commune, the Chamber of Commerce, Industry and Agriculture if necessary.

ii.An international call for tenders

For high value products, an international tender will be made. Where appropriate, the MEEF and the GoM may use an expert of high-end precious wood markets. This expert will work with the MEEF team in implementing the sales strategy and building the capacity of CGS team members regarding sales site management.

17. Sales Options Structure

Sales options depend heavily on the audit-grade-coding operations and data developed on the actual stocks during Phase 1. With this in mind, our goal remains the same - to effectively liquidate the stocks as well as gain the highest value from the potential commercial sales.

17.1. Auctions – India model – government depots with onsite bidding

For the purposes of working from precedent for auctioning rosewood, the Business Plan will focus the auction option description based off the current and longstanding Indian model.

India has successfully controlled the sales of Indian rosewood (*Dalbergia latifolia*) through official auctions, for over 50 years. The auctions are managed by the Forest Department and are held periodically at specific sites or government depots. The auctions are advertised with a list of graded logs and species available and are open for direct site inspections by potential bidders before the actual auction takes place. The government of India sets the price on each log or each lot of logs.

****All log auctions are now online and this format could present an opportunity for controlling bidding and logistics issues.**

The Madagascar auction system will be based on a similar format as India and would establish conditions and price based on the SMC operations grading system.

Auctions will allow customers to be onsite or through online systems as well as presenting the opportunity to have regional or multi-site auctions reducing the need to move logs or stocks from certified regional depots.

Table 22: Sales Options

Sales Strategy	Conditions / Requirements
Option 1: Auction	
Mixed Grades - Lots	Onsite bidding (potential online option)
Option 2: Graded Logs Direct	
Sell by Grade / Individual Logs	Onsite purchase (potential online option)
Option 3: Auction	
Specific Grades - Lots	Onsite bidding (potential online option)

17.2. Log Sales Based on Grade

The Auction model will also include a traditional approach to sales based on creating an inventory or business stock like a distributor of logs. Sales will be based on grade and volume/ weight. This strategy relies on the expert sales and grading experience to use the audit – grade – coding system to develop a specific volume of each grade as well as incorporate Phase 2 of the grading system to detail and develop data on specific characteristics of each log of wood form in order to segregate or sort for inventory.

Sales based on this method will be used to formulate a pricing per ton or cubic meter of each grade of log or wood form. This method of sales has the potential to increase the value of the individual, and in particular the higher grades but also can have the consequence of having inventories of wood that is not sold. The actual value is in the higher grades.

17.3. Bidding Conditions – Requirements for Participation

The GoM will institute a policy for bidding conditions and requirements for participation in any sales or auction system. The process will include a requirement for registering interested parties and direct contact with potential markets.

Registration requirements will include a stipulation for proving identity of the registrant so as to prevent fraud or illicit activity during the auction process.

The proposed auctions will be open to international and national buyers with conditions.

International Participants	International participants will be allowed to physically inspect wood lots before auctions	Register as actual buyer Provide proof of financial means
National (Malagasy) Participants	National participants will be allowed to participate. Owners of Declared wood will not be able to participate.	Register as actual buyer Provide yield assessment on processing annually Provide report on storage of inventory of logs and forms annually

18. Pricing and Valuation:

Pricing and valuation will be conducted through the Sales and Marketing team and will be based on a multi-phase grading and classification strategy, as outlined above.

Pricing will also depend on current market trends and the sales structure that is implemented. These factors represent the core process for evaluating the timing for sales as well, which can greatly affect price. The key goal is to set and manage prices based on the confidence built through this business plan process and moreover through having a very good inventory analysis of volumes and grades available through the audit –grade – coding procedures.

19. Sales Projections²³

Sales projection is another area of the Business Plan that will depend on the audit-grade-coding operations data from Phase 1 and the timeframe to initiate sales based on approval of the CITES Standing Committee. Sales projections are available in Annex 6. .

20. Sales Contracts and Payment Terms

All sales will be contractual and payment terms will be based on standard market procedures for sales of auctioned commodities. Sales contracts will require deposits of at least 10% at the time of sale and 30 day final payment stipulation. Sales contracts will require time based logistics and removal stipulations.

All contracts, transport documents and shipping documentation such as CITES certificate, Certificate of Origin and Bill of Lading will be coded using a security anti-counterfeiting technology deployed by MEEF and CITES Management Authority.

21. Financial Management – Legal Structure

The potential for disposal through sales of Officially Controlled Stockpiles, which includes seized and declared wood inventoried into the Stockpile Audit Mechanism and Business Plan, will be officially governed by DECREE N ° 2016 – 801 – August 18, 2016. This Decree outlines an official breakdown of the distribution of funds from any sales of Officially Controlled Stockpiles. For the purpose of this document we will list the percentages from Chapter XI, Article 26.

Official DISTRIBUTION OF SOLD PRODUCTS

Art. 26. - Pursuant to Article 85 of Act No. 2015-056 of 3 February 2016, receipts from the sale of seized and secured products shall be paid into the Treasury of the Treasury. The distribution is the following:

Funds	Sector	Percentage Allocation
25%	General Budget of the State	

²³ Annex 6 – Sales Projection Models

25%	Decentralized Territorial Communities	<ul style="list-style-type: none"> • 15% Province • 15% Region • 70% Municipality
50%	Atbre Faveur de l'Atbre	<ul style="list-style-type: none"> • 50% is used to finance activities related to the management, restoration and protection of biodiversity and protected areas affected by abstraction; • 18% is used to finance income generating activities for the development of the basic communities concerned; • 8% is paid to informants; • 8% are paid and repaired, in equal shares, as a bonus on minutes to the verbatim agents of the Joint Investigation Brigade and the prosecution officer of the Forestiere Administration; • 4% is paid, as a bonus, to the prom of all State agents in particular agents belonging to any other Administration having lent a hand to the elements of the Mixed Brigade of Inquiry; • 4% is paid as a bonus, for the benefit of the Executive Secretariat of the Committee the removal of sanitation from the rosewood and ebony wood industry; • 4% is paid for the operation of the Ad Hoc Technical Committee on Biodiversity Crimes: and 4% is paid for the operation of the Management Commission of the Inventories.

22. Overseas Stockpiles

The Stockpiles Audit Mechanism and Business Plan will be used to address precious woods seized abroad as part of the Phase 2 strategy. The GoM will actively develop official dialogue with the government and management authorities of the specific countries of interdiction. The GoM will seek to develop an accurate audit of the overseas stocks and will seek a joint plan of action for either official repatriation as well as joint settlement on legal action.

The GoM stipulates its support for overseas stockpiles to be audited and systematically prepared for disposal through sales in the country where the wood is seized in cooperation with the government and management authorities.

23. Non-Detriment Findings – Special Case

The Government of Madagascar – CITES Management Authority and Scientific Authority will work directly with the CITES Secretariat and members to implement the most effective species level identification strategies. We also recognize that the “stockpiles” issue is a special case that requires a fundamental negotiation on the most appropriate process to reach the stock zero goal and move towards a sustainable forest management regime.

The Business Plan framework will be used to address multiple aspects of conditions from CITES including increasing enforcement actions against illegal logging and providing access so that scientific methodologies for species identification and Non-detrimental Findings can be completed for establishing a sustainable CITES export quota at the forest level.

Before this is possible, it is critical to have a negotiated agreement on the case of disposing of the “stockpiles” through a special case controlled program that will be based on the verification / tracability systems imbedded in the coding and marking strategy of the SMC program.

24. Sales budget Estimate

Madagascar Sales and Marketing: Estimated Budget		
	Time / Units	Cost
International / National		
1. Personnel:		
1.1 Market expert	90 days @\$800 per day	\$72,000.00
2. International Travel		
2.1 SMC Team	6 Trips @ \$5,000 x 1 person	\$30,000.00
3. Sales and Marketing Expenses		
3.1 Log sorting for Auctions	Prep before and during actual sales	\$25,000.00
3.2 Site Management / Security	\$10,000 per site x 10	\$100,000.00
3.3 Communication with Buyers	\$1000 per month x 6 months	\$6,000.00
3.4 Advertising / Marketing		\$10,000.00
3.5 Security anti-counterfeiting Imbed in Transport docs, Auction receipts, Shipping docs	\$30,000	\$30,000.00
3.6 Security Hand held devices	4 @ \$500 each	\$2,000.00
3.7 Office Space	TBD	TBD
3.8 Data Management Systems		\$10,000.00
4. National Expenses		
4.1 Sales Support Local Team / Auctions Training and Support	25 people	\$50,000.00
4.2 Transportation		
4.2.1 Air to Auction Sites		TBD
4.2.2 Trucks for Auction Staff		\$20,000.00
4.3 Trucking for transporting Stocks	1200 loads @ \$500 per load	\$100,000.00
5. Loader	Rental 100 days	\$10,000.00
6. International Stockpiles Audit	(example Singapore) Separate Budget will be prepared	TBD
Estimated Total		\$465,000.00

❖ Funds management from sales will be based on government legal structure outlined above.

25. Sales Timeline - Based on Oversight Committee and CITES Approval

Phase 2 2019 - 2020	J	F	M	A	M	J	J	A	S	O	N	D	20 20	J	F	M	A	M	J
Phase 2 Business Plan Oversight Meeting s																			
Sales Management TEAM Assembled for Training																			
Regional Auction Site Preparation																			
Public Relations / Marketing																			
MEEF / SMC Strategy Meetings																			
Partial Sales /Auction Previews																			
Partial Sales Auction Schedules																			

The timeframe for initiating sales will depend on a number of factors including traditional buying cycles as well as the determination of site locations for actual sales.

Another key determination on sales will be developed in coordination with the timeline for completing the SMC Operations for auditing, grading and coding as well as on the timeframe for the Options decided for incorporating the “Uncontrolled Declared Wood.”

Communication with the target markets will be an important factor that is completed through the Marketing and Sales structure.

26. Risk Mitigation Strategies – Marketing and Sales

Based on the Strengths, Weakness, Opportunities and Threats (SWOT) exercise included in the Marketing and Sales strategic planning.

Table 23: Sales Risk Mitigation
Sales and Marketing Risk Mitigation

- Sufficient funds are available to institute the Marketing and Sales strategy effectively.
- Robust management procedures and policies
- Clear communication policies between SMCoperations and Oversight Committee
- Data management of inventory with a particular emphasis on grade, sites and stock availability update procedures.

-
- **Clear procedures for initiating and follow through on sales procedures including negotiating sales, pricing, and communication with potential customers and policies for reporting on activities.**
-
- **Data driven marketing**
-
- **Procedures outlining logistics and transport policies including: storage, trucking, shipping and required documentation.**
-
- **Clear legal mandates concerning export and import of the stockpiles to targeted markets.**

Annexes

Annex 1: Terms and Conditions for SMC Auditing – Grading - Coding Operations

The Terms and Conditions for Auditing – Grading - Coding are as follows. The Stockpile Audit Liaison Team will be given unfettered access to complete the objectives of the Business Plan.

The auditing will be structured through a site-by-site evaluation. The SMC Coordinator, in consultation with MEEF, will be in charge of determining the site list and the timeframe for each audit. The Stockpile Audit Mechanism Phase I, requires a professional third party auditing firm to be engaged to complete statistical evaluation of log count and estimated volumes. The SMC Coordinator will be onsite and work directly with the firm and team to implement the procedural format described in the implementation procedures.

The grading and classification of assets (rosewood and ebony) will be coordinated and completed in conjunction with the audit and will be governed by harmonized and agreed procedures along with co-graders from the SMCteam and international advisors.

- After Step 1, Step 2 and Step 3 of the Limited Open Door Program is closed, a final cutoff date for all stocks that will be included in the audit of Official Controlled Stockpiles will be set at least one month before operations begin. After this date there will be no exceptions on adding or subtracting any logs or any forms of wood to be included in the audit and grading process.
- Previous audits and classifications and assessments by the World Bank and consultants will be analyzed for potential statistical comparisons and best practices highlighted. They will not be used as the basis for completing the audits or grade classifications.
- All conditions, contracts, terms of reference and budgets will be confirmed prior to any groundwork.
- All materials and equipment that require customs clearance for importing into Madagascar in order to complete the operations will be presented and agreed with MEEF and will be cleared for entry.
- Security and access will be instituted and guaranteed for the SMC operations to be successful.

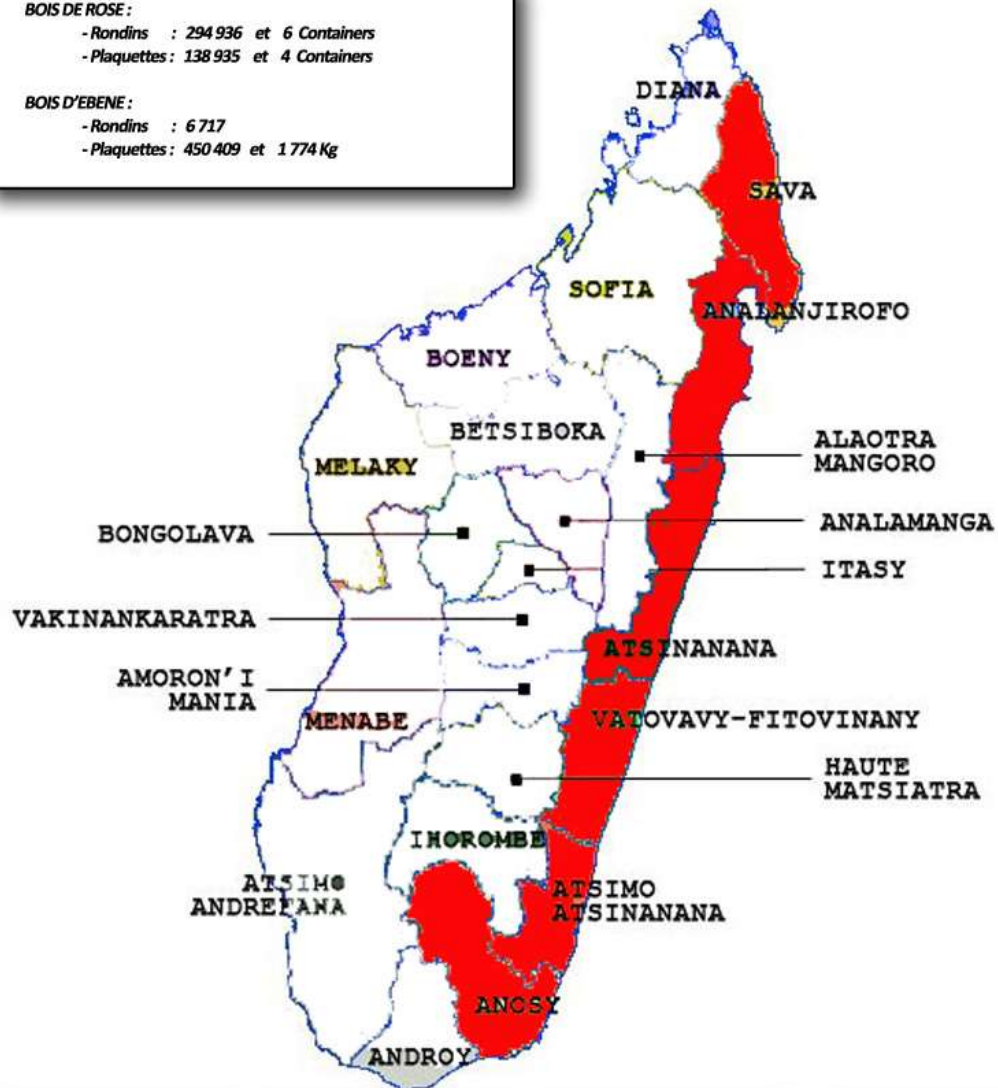
SITUATION DES BOIS DECLARES Janvier 2015

BOIS DE ROSE :

- Rondins : 294 936 et 6 Containers
- Plaquettes : 138 935 et 4 Containers

BOIS D'EBENE :

- Rondins : 6 717
- Plaquettes : 450 409 et 1 774 Kg


SAVA

Bois de rose
 - Rondins : 243 801 et 6 containers
 - Plaquettes : 83 852 et 4 containers
 Bois d'ébène
 - Rondins : 6 528
 - Plaquettes : 450 409

ANALANJIROFO

Bois de rose
 - Rondins : 38 835
 - Plaquettes : 625
 Bois d'ébène
 - Rondins : 116

ATSINANANA

Bois de rose
 - Rondins : 12 116
 - Plaquettes : 54 400

ANALAMANGA

Bois de rose
 - Rondins : 162
 - Plaquettes : 43
 Bois d'ébène
 - Rondins : 10
 - Plaquettes : 1 774 Kg

ATSIMO ATSIANANA

Bois d'ébène
 - Rondins : 262

VATOVAVY FITOVINANY

Bois de rose
 - Rondins : 22
 Bois d'ébène
 - Rondins : 63

ANOSY

Bois de rose
 - Rondins : 4 450 (stock volé)

SITE
SBV RSJ5 ABM1

- AUTORISATION :
- DECLARATION : NEANT
- PV DE COMPTAGE :
- PV DE SCELLAGE/SEQUESTRE :
- FICHE DE COMPTAGE :

- CODE BARRE : NEANT
- ETIQUETTE NON PLASTIFIEE :

N° 0162 à 500 = 339 rondins
N° 5001 à 5138 = 138 rondins
TOTAL = 477 rondins

- ETIQUETTE PLASTIFIEE : NEANT

RESPONSABLE : EQUIPE CO3

Décembre 2017

FORMULAIRE G1

AUTORISATION D'ACCES SUR LES SITES DE STOCKAGES DE BOIS DE ROSE OU BOIS D'EBENE DECLARES

N° 013 M^r RACONINISIA Josephine titulaire de la
Je soussigné
CIN 310072000389 délivrée
à Sananda commune
de Sananda district de Sananda

donne autorisation par la présente à l'Equipe Procédurale de SECRETARIAT EXECUTIF du Comité Interministériel chargé de l'assainissement de la filière bois de rose et bois d'ébène, d'accéder librement à toute propriété contenant les lots de bois de rose et bois d'ébène, conformément à la déclaration N° 429 du 31/01/19 m'appartenant sise à :

- Sananda Fokontany de NOSIAPINA
- Sananda Fokontany de Sananda
- Sananda Fokontany de Sananda
- Sananda Fokontany de Sananda
- Sananda Fokontany de Sananda

Dans laquelle/esquelles les bois de rose ou les bois d'ébène que j'ai déclarés auprès de l'Administration forestière sont stockés.

Cette autorisation d'accès est délivrée pour valoir ce que de droit.

Fait à Sananda le 22 NOVEMBRE 2017

Le Déclarant
[Signature]

PRIMATURE
COMITE INTERMINISTERIEL
CHARGE DE L'ASSAINISSEMENT
DE LA FILIERE BOIS DE ROSE ET BOIS D'EBENE
SECRETARIAT EXECUTIF



FORMULAIRE I

**PROCES-VERBAL DE SCELLAGE ET DE MISE EN SEQUESTRE ET NOMINATION DE GARDE SEQUESTRE
DE BOIS DE ROSE ET DE BOIS D'EBENE**

N° 003 SBV autorisation d'accès et d'inventaire du 24 Novembre 2017

Nom du déclarant : RASOANIRINA Joséphine
Référence du PV de déclaration 429/DREF SAVA du 08/09/11

N°005/17/PM/SE COMINT/ DREEMF SAVA-CEEF.2.02.006

LOCALISATION GPS : S 14°15'54.4" / E 050°02'40.4"; adresse (déclarant) : Soavinandrina, CU Sambava
Contact (déclarant) : 032 04 265 08 - 032 04 295 40 - 034 29 097 53

N°	DATE	FORET	VILLAGE	LIEU (SITE N°003)	COMMUNE	DISTRICT
005	27/11/2017	-	Ambohimahavelona	FOKONTANY Antsambalahy	Ambohimalaza	Sambava

MARQUAGE DE RONDINS DES BDR : n° début : 1015

Rondins N° étiquette : 162 à 500 ; 5 001 à 5 138

n°fin : 1491

AGENTS VERBALISATEURS	ORGANISME	FONCTION	GRADE
CLARISSE Olivia	DREEF SAVA	Chef Service Régional des Forêts	2° cl, 1 ech
JAONASY Clairmon	DREEF SAVA	Chef Cantonnement Sambava	
RATSIMBASON Lala Sariaka Prince	DCF/MEEF	Agent de Contrôle Forestier	E4,2E
NDIMBINIONY Radotiana Tanjoniaina	DCF/MEEF	Agent de Contrôle Forestier	E4,2E
RAINIHARONAHITANTSOA	DREEF SAVA	Collaborateur CEEF Sambava	

Vu les articles 123, 129, 141, 210, 211 du code de procédure pénale,

Vu les articles 13, 14 et 17 de l'ordonnance n° 60-128 du 03 octobre 1960

Désignons après scellage des produits :

La dame RASOANIRINA Joséphine titulaire du CIN 310 072 000 389 du 09/10/1989 à Toamasina II

Profession opérateur demeurant à Soavinandrina comme garde-sequestre des produits identifiés au procès-verbal N°005/17/PM/SE COMINT/DREEF SAVA.2.02.006 du 27 Novembre 2017 dont copie ci-jointe.

Lieu de dépôt Ambohimahavelona, Fokontany Antsambalahy, Commune Rural Ambohimalaza lui avisant que tout déplacement, toutes substitutions, toutes soustractions de ces produits sans décision judiciaire seront poursuivis conformément aux dispositions de l'article 17 de l'Ordonnance 60-128 précitée.

Le présent procès-verbal a été clos le même jour que dessus à 18 heures 30 minutes,

Estimation de volume des produits constatés en m³ ($V=0,08 \times C^2 \times L \times \text{NOMBRE}$) :

Quarante mètre cube trois cent quatre de rondins de BDR (40,304m³)

CLASSES EN POURCENTAGE : 100%

Estimation des poids réel des produits en tonne

Quarante-neuf tonnes neuf-cent soixante-dix-sept kilos de rondins de BDR (49,977t)

Nombre total des rondins quatre cent soixante-dix-sept (477 rondins).

Fait à Sambava, le 27 Novembre 2017.

Le garde-Séquestre

[Signature]

Les Agents Verbalisateurs

[Signature]
[Signature]
[Signature]

L'Agent du BIANCO

RAKOTOARIMANANA Jean Berthollet
Investigateur du BIANCO

RASOANIRINA L.S.Prince
Agent des Eaux et Forêts

NDIMBINIONY R.
Agent Technique

CODE BARRE	CODE SE	NUM	COULEUR	GERCE	RECTITUDE	TROU	DIAMETRE (cm)	LONGUEUR (m)	R (points quartré)	CLASSE QUALITE	CLASSE DIAMETRE	CLASSE LONGUEUR	QUALITE FINALE	VOLUME (m3)	POIDS (t)
162	SVB RSJS ABM1 1015	1	4	2	4	1	45	1,9	11	C	2	D	C2D	0,304	0,377
163	SVB RSJS ABM1 1016	2	4	5	2	5	20	3	16	B	4	B	B4B	0,095	0,117
164	SVB RSJS ABM1 1017	3	4	5	5	5	25	1,8	19	B	4	D	B4D	0,089	0,110
165	SVB RSJS ABM1 1018	4	4	5	5	3	18	2,9	17	B	4	C	B4C	0,074	0,092
166	SVB RSJS ABM1 1019	5	4	2	2	3	23	1,85	11	C	4	D	C4D	0,077	0,096
167	SVB RSJS ABM1 1020	6	4	3	5	3	19	2,6	15	B	4	C	B4C	0,074	0,092
168	SVB RSJS ABM1 1021	7	4	3	5	3	22	1,5	15	B	4	D	B4D	0,073	0,090
169	SVB RSJS ABM1 1022	8	4	5	5	5	20	2,27	19	B	4	C	B4C	0,072	0,089
170	SVB RSJS ABM1 1023	9	4	3	2	3	25	1,9	12	C	4	D	C4D	0,094	0,116
171	SVB RSJS ABM1 1024	10	4	5	4	5	26	2,15	18	B	4	C	B4C	0,115	0,142
172	SVB RSJS ABM1 1025	11	4	5	4	5	25	1,75	18	B	4	D	B4D	0,086	0,107
173	SVB RSJS ABM1 1026	12	4	3	2	3	18	2	12	C	4	C	C4C	0,051	0,063
174	SVB RSJS ABM1 1027	13	4	5	5	5	17	2,5	19	B	4	C	B4C	0,057	0,071
175	SVB RSJS ABM1 1028	14	4	3	4	5	30	1,2	16	B	3	D	B3D	0,085	0,106
176	SVB RSJS ABM1 1029	15	4	5	5	5	40	1	19	B	2	D	B2D	0,126	0,157
177	SVB RSJS ABM1 1030	16	4	3	3	3	53	1	13	C	1	D	C1D	0,222	0,275
178	SVB RSJS ABM1 1031	17	4	3	4	3	24	1,93	14	C	4	D	C4D	0,088	0,109
179	SVB RSJS ABM1 1032	18	4	4	4	5	45	1,05	17	B	2	D	B2D	0,264	0,327
180	SVB RSJS ABM1 1033	19	4	3	4	3	68	2,1	14	C	1	C	C1C	0,767	0,951
181	SVB RSJS ABM1 1034	20	4	4	5	5	57	1,7	18	B	1	D	B1D	0,436	0,541
182	SVB RSJS ABM1 1035	21	4	3	4	3	42	1,76	14	C	2	D	C2D	0,245	0,304
183	SVB RSJS ABM1 1036	22	4	5	4	5	34	1,7	18	B	3	D	B3D	0,155	0,192
184	SVB RSJS ABM1 1037	23	4	3	4	3	43	1,8	14	C	2	D	C2D	0,263	0,326
185	SVB RSJS ABM1 1038	24	4	5	5	5	34	1,5	19	B	3	D	B3D	0,137	0,170
186	SVB RSJS ABM1 1039	25	4	5	4	5	35	1,6	18	B	2	D	B2D	0,155	0,192
187	SVB RSJS ABM1 1040	26	4	5	4	5	36	1,5	18	B	2	D	B2D	0,153	0,190
188	SVB RSJS ABM1 1041	27	4	5	4	5	69	1,4	18	B	1	D	B1D	0,526	0,653
189	SVB RSJS ABM1 1042	28	4	5	4	5	56	1,4	18	B	1	D	B1D	0,347	0,430
190	SVB RSJS ABM1 1043	29	4	5	4	5	45	1,15	18	B	2	D	B2D	0,184	0,228
191	SVB RSJS ABM1 1044	30	4	5	4	5	34	1	18	B	3	D	B3D	0,091	0,113

Annex 2: Security Marking Technology

The Security Technology firm – Starmark - will be contracted for applying anti-counterfeiting and anti-diversion technology. We are investigating products that are being successfully used as a key technology for adding protection against illegal substitutions or thefts in global timber supply chains.

StarMark Security marking technology is a very easy to use application that uses unique markers that are applied through a manual application process. The markers will allow the SMC team to detect wood that is included or removed from the inventory. These markers can be embedded in a clear or color spray and applied to live trees or cut logs and can only be detected or identified using a special device, detector that will only be available to the SMC expert team. The marker stays with the wood as it moves along the supply chain and can be detected at any point using the hand held detectors. The marker is invisible to the naked eye both on the surface and in the bulk of the wood.

The Stockpile Audit Team will use this technology for several different applications in the Business Plan objectives. Key areas will include:

- Key component for identifying logs in the audit system.
- Detection and interdiction of logs that have been stolen from the stockpiles after audits.
- Identification of logs that have been potentially added or substituted to the stockpiles after the cut-off date of stocks to be included in the audits.
- Supply chain management for sales and logistics. Only wood forms that have the unique markers will be added to the sales lists.
- Key systems management tool for grading and making sure logs transported to ports after sales and loaded are identifiable.
- Additionally, all official documents will have anti-counterfeiting technology embedded.

StarMark was chosen over other technologies for three key reasons. The application is the most practical field level technology that can be applied and controlled through with basic training, Second, it is cost effective for the scale and size of the “stockpiles that need to be verified and traced throughout the Steps of the Business Plan from setting up systems in Step 1 all the way to verifying and tracing wood that might be sold to private parties in other countries.

Third, StarMark technology offers an integrated mobile application that can create tiered databases as well as imbedded serialized documents that can be issued for all transactions in the Business Plan process. This is a key traceability feature that is not available in other types of technology.

Initial inventories of seized wood by SGS applied paper barcodes that have been observed deteriorating. These types of coding procedures are very good for inventories but are not sufficient for the type and scale of the Madagascar stockpiles.

Other technologies considered were RFID (Radio Frequency Identification) tags which can be a useful tool but not the right choice based on cost and ability to remove the tag in stockpile locations.

Annex 3- Wood Grading Standard

Tables of Phase 1 – Grading Dimensions:

The following table outlines the basic dimensions for Phase 1 grading which will be used to administer and document classifications during the audit.

Grade / Class	Quality	Dimensions	Code / Marking
A - log	Exceptional	See Grade Chart	StarMark – Green
B - log	Above Average	See Grade Chart	StarMark – Green
C - log	Standard	See Grade Chart	StarMark – Green
D - log	Below Average	See Grade Chart	StarMark – Green
Plaquettes	Based on A-D Color and defect characteristics as well as (FAS)	See Grade Chart	StarMark – Green

It is important to point out that during Phase 1 grading and applying initial classification determinations, additional characteristics will be noted in order to increase information used for asset evaluations during Phase 2. This will include issues that are common to determine saw logs versus veneer log type characteristics. This will be done in accordance with the Grade Chart.

Grade Chart

Grade / Classification	Diameter (Centimeters)					Length (Meters)				Example
	1	2	3	4	5	A	B	C	D	
Grade A	50>	35-45	30-35	25-30	<20	6m>	3-5m	2-3m	1-2m	A -1-A is highest grade – very rare
Grade B	50>	35-45	30-35	25-30	<20	6m>	3-5m	2-3m	1-2m	
Grade C	50>	35-45	30-35	25-30	<20	6m>	3-5m	2-3m	1-2m	C3B will be 60% of logs in a standard log count
Grade D	50>	35-45	30-35	25-30	<20	6m>	3-5m	2-3m	1-2m	

Description of Grade A-D	Characteristics	Average Percentage of Standard Rosewood Log Sorts
Grade A	Large diameter; Straight length; No checking; No defects, No pin holes No rot; can be mix diameters and lengths – over 50cm x 4m> is preferred. Accommodation is made for shorts. (Age, weather and	2%

	storage are considered)	
Grade B	Larger diameters; Straight lengths; No checking, No defects, No pinholes. No rot; can be mix diameters and lengths – over 45cm x 3m> is preferred. Accommodation is made for shorts. (Age, weather and storage are considered)	8%
Grade C	Mix diameter; Mix lengths; Knots not bigger 64mm; limited pinholes; minimum curvature of log for grain orientation; over 45cm x 3m> is preferred. Accommodation is made for shorts. (Age, checking, weather and storage are considered)	45%
Grade D	Mix diameter; Mix lengths; Defects such as rot, pin holes; knots and twisting; 30% of log is straight for grain orientation; over 40cm x 3m> is preferred. Accommodation is made for shorts. (Age, weather and storage are considered)	45%

Annex 4: Audit Mechanism - Strengths, Weakness, Opportunities and Threats - Table
Stockpile Audit Mechanism SWOT

	Strengths	Weaknesses	Opportunities	Threats
Audit	<ul style="list-style-type: none"> Consensus has been reached on Audit process and harmonization of grading 	<ul style="list-style-type: none"> Funding for operations Seized vs. Declared issues need to be resolved Total volume needs to be determined in order to complete audit Conditions for non-conforming wood need to be agreed 	<ul style="list-style-type: none"> 2017 is a key year Business Plan and audit operations will provide data for CITES requirements 	<ul style="list-style-type: none"> Funds are not available Security is weak Access is denied or obstructed at audits sites Non-conforming wood presents enforcement issues.
Grading	<ul style="list-style-type: none"> Business Plan will give MEEF and GoM an advantage to entering market 	<ul style="list-style-type: none"> Audits must have secure sites. 	<ul style="list-style-type: none"> Grades and classes of volumes will be critical for income projections Provides ability to engage in International High Value Markets 	<ul style="list-style-type: none"> Volume of higher grades are lower than expected High percentage of low Grades limit sales opportunities
SMCTeam	<ul style="list-style-type: none"> Multi-sector experience on audits, grades, sales and technology Business Plan outlines key conditions 	<ul style="list-style-type: none"> Funds are not available to begin operations in mid 2017 	<ul style="list-style-type: none"> Complete the audits and grading in 2017. Systematically liquidate stocks to zero Provide a comprehensive reporting system for CITES requirements. 	<ul style="list-style-type: none"> Limited funds prevent completion of goals Security is not provided Access to declared wood is limited.
Finance	<ul style="list-style-type: none"> Consensus on Business Plan goals to liquidate stocks 	<ul style="list-style-type: none"> Funds from WB and International sources need to be confirmed 	<ul style="list-style-type: none"> Build International support through Options program 	<ul style="list-style-type: none"> Buyback program is not accepted by CITES
Legal	<ul style="list-style-type: none"> Business Plan will help build legal options and case for SE COMINT 	<ul style="list-style-type: none"> International support needs to be confirmed 	<ul style="list-style-type: none"> GoM can issues a decree to authorize a new framework or Special Authorization governing stocks 	<ul style="list-style-type: none"> Mission Report Options are not mandated
Operations/ Management	<ul style="list-style-type: none"> SMCwill have multisector experience SMChas technology to secure stocks 	<ul style="list-style-type: none"> Institutional capacity needs to be built for Indemification and Sales options 	<ul style="list-style-type: none"> Oversight Committee will provide critical international oversight and integrity to the SE COMINT. Bring on SMCto audit-grade-code current "Officially Controlled Stockpiles." 	<ul style="list-style-type: none"> Forest Administration does not have grading and sales experience. Security of sites is limited First year funding needs to be confirmed.

Logistics	<ul style="list-style-type: none"> SMCteam can be rapidly deployed 	<ul style="list-style-type: none"> Need to establish a baseline for controlling official “stockpiles” 	SMCcan secure regional sites through the audit and coding systems	Uncontrolled Declared Wood is too spread out for Indemification efficiency
Security	<ul style="list-style-type: none"> Consensus on SMCgoals 	<ul style="list-style-type: none"> Enforcement Agencies will need training 	<ul style="list-style-type: none"> SMCteam and enforcement agencies build capacity 	Lack of security increases theft and substitution

Annex 5: Target Market

Defining and developing a potential and legitimate customer base is key to the transparent liquidation of the Madagascar rosewood and ebony stockpiles. Our goal is to efficiently develop a Marketing and Sales strategy for obtaining the highest value for the stockpiles, through legitimate markets and sales.

Our goal is to not only build the best pricing structure but to also build market knowledge into our grading and classification process. This will enable a more comprehensive marketing and sales strategy to effectively discern which lots of logs are best suited for individual market sectors such as furniture versus musical instruments. We expect our SMC grading team to work with the private sector and our Oversight Committee to add expert advice on our strategy and inputs.

The definitions of our ideal customer are:

- A name brand company with long-term rosewood and ebony product development.
- A well-known rosewood and ebony processor / supplier that has distribution channels with name brand companies globally.
- Companies that have regional or cultural sector relationships and that have the ability to effectively and legally distribute high-end rosewood and ebony in those markets.
- Customers that understand the value and investment opportunity to work with Madagascar on achieving a successful and transparent liquidation of the stockpiles through market-based sales and Public Relations.

With these definitions and goals in place the key sectors that will be targeted are:

- High-end musical instrument companies in Europe and the United States
- Suppliers of high quality processed products to the musical instrument sectors in Europe and the United States and have the capacity to buy logs and rough forms.
- High-end furniture companies in Asia.
- Suppliers of high quality forest products to the furniture and musical instrument sectors in Asia
- Suppliers of crafts based products in the United States, Europe and Asia. This will be target at the shorts, plaquesttes and smaller diameter grades of wood.

Target Market Table 1

	Target Market 1	Target Market 2	Target Market 3	Target Market 4
	USA Musical Instrument - Guitar Co Direct	USA Musical Instrument Suppliers	European Musical Instrument Suppliers	Japanese Musical Instrument Suppliers
Distribution Channel	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase 	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase 	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase 	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase
Key Demographics	<ul style="list-style-type: none"> • Acoustic Guitars • Electrics Guitars • Companies that produce 75,000 – 200,000 guitars per year 	<ul style="list-style-type: none"> • Small to Medium Size (SME) companies that supply many companies - acoustic guitar, electric guitars, violin, double bass, cello 	<ul style="list-style-type: none"> • Small to Medium Size (SME) companies that supply many companies - acoustic guitar, electric guitars, violin, double bass, cello 	<ul style="list-style-type: none"> • Larger companies that supply multi-species companies that have musical instrument grade wood available
Wood Purchasing Habits	<ul style="list-style-type: none"> • 1-10 containers of high-end wood per year – per company targeted (depends on their sales market and the sector economy at given time) 	<ul style="list-style-type: none"> • 1-5 containers per year • Orders can take 3-6 months to fill and ship – so they are planning 6-12 months in advance of their needs 	<ul style="list-style-type: none"> • 1-5 containers per year • Orders can take 3-6 months to fill and ship – so they are planning 6-12 months in advance of their needs 	<ul style="list-style-type: none"> • Based on inventory and market • 1-5 containers per year
Market Size and Share	<ul style="list-style-type: none"> • USA companies 85% of Market Share for products \$1000-\$10,000 • Sales are global but main markets are USA, EU and Japan 	<ul style="list-style-type: none"> • 25 percent of musical instrument market for rosewood and ebony • Global but mainly USA sales • Supply other sectors that use rosewood and ebony such as turning and craft based industries 	<ul style="list-style-type: none"> • 75 percent of musical instrument market for rosewood and ebony • Global • Supply other sectors that use rosewood and ebony such as turning and craft based industries 	<ul style="list-style-type: none"> • 75% of Japanese musical instrument market for rosewood and ebony • Mainly supplying Japanese companies
Location	<ul style="list-style-type: none"> • USA 	<ul style="list-style-type: none"> • USA 	<ul style="list-style-type: none"> • Spain • Germany 	<ul style="list-style-type: none"> • Japan

Target Market Table 2

	Target Market 5	Target Market 6	Target Market 7	Target Market 8
	Chinese Furniture Direct	Chinese Furniture Suppliers	USA Crafts Based Markets	Chinese Musical Instrument Co.
Distribution Channel	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase 	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase 	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase 	<ul style="list-style-type: none"> • Direct Purchase • Site Visit to inspect before purchase
Key Demographics	<ul style="list-style-type: none"> • MEEF is developing data on prospects 	<ul style="list-style-type: none"> • Small to Medium Size (SME) companies that supply high-end hongmu markets • Developing data on prospects 	<ul style="list-style-type: none"> • Small to Medium Size (SME) companies that supply many companies - 	<ul style="list-style-type: none"> • Larger companies that supply multi-species companies that have musical instrument grade wood available
Wood Purchasing Habits	<ul style="list-style-type: none"> • Estimated 1-5 containers per year 	<ul style="list-style-type: none"> • 1-5 containers per year 	<ul style="list-style-type: none"> • 1-5 containers per year 	<ul style="list-style-type: none"> • Based on inventory and market • 1-5 containers per year
Market Size and Share	<ul style="list-style-type: none"> • TBD 	<ul style="list-style-type: none"> • Supply other sectors that use rosewood and ebony such as turning and craft based industries 	<ul style="list-style-type: none"> • Supply other sectors that use rosewood and ebony such as turning and craft based industries 	<ul style="list-style-type: none"> • TBD
Location	<ul style="list-style-type: none"> • China 	<ul style="list-style-type: none"> • China 	<ul style="list-style-type: none"> • USA 	<ul style="list-style-type: none"> • China

Annex 6: Sales Projection Models and Sample Sales Forecast Table

Model 1

Model 1 is taken from the World Bank Disposal Report. This model uses .1 cubic meters per log calculation for establishing the price. Analysis from market research shows this is appropriate but due to the unknown condition of the wood it should be halved and this representation will be presented in Model 3.

Model 1	HYPOTHESIS ON THE ANNUAL VOLUME OF ILLEGAL		
Taken From WB – Disposal Report	TRADE 100,000	200,000	300,000
Total wood stock estimation (log)	342,000	398,000	455,000
Total wood stock estimation (m3) (*)			
Sale price per m3 = USD 2,000			
Sale's revenue	68,400,000	79,600,000	91,000,000
Fixed costs	1,500,000	1,500,000	1,500,000
Variable costs	4,104,000	4,776,000	5,460,000
Benefits	62,796,000	73,324,000	84,040,000
Sale price per m3 = USD 2,500			
Sale's revenue	85,500,000	99,500,000	113,750,000
Fixed costs	1,500,000	1,500,000	1,500,000
Variable costs	5,130,000	5,970,000	6,825,000
Benefits	78,870,000	92,030,000	105,425,000
Sale price per m3 = USD 3,000			
Sale's revenue	102,600,000	119,400,000	136,500,000
Fixed costs	1,500,000	1,500,000	1,500,000
Variable costs	6,156,000	7,164,000	8,190,000
Benefits	94,944,000	110,736,000	126,810,000
(*) The average volume per log is estimated at 0.10 m3.			

Model 2

This model uses the real statistics of volume from the SGS 2015 Audit to calculate the potential sales based on the average volume per log is estimated at 0.075 m3.

Model 2		Grade / Sales Projection Model		
SGS Audit 2015 – 29 Sites		Logs	Shorts	Plaquettes
Total SGS audited BRS stock (log)		24,742		
Total SGS audited BRS Log stock (m3)		1,791		
(*)				
Total SGS audited shorts (log)			5,672	
Total SGS audited shorts (m3)			85.93	
Total SGS audited Plaquettes (pieces)				6,045
Total SGS audited Plaquettes (m3)				40.78
Grade A	Log Sale price per m3 = = 2% USD 4,000			
	Potential Sale's revenue	1,432,800	68,744	32,624
Grade B	Sale price per m3 = USD			
- 3%	3 500			
	Potential Sale's revenue	1,880,550	90,226	48,936
Grade C	Sale price per m3 = USD			
- 50%	2 500 /m3			
	Potential Sale's revenue	2,238,750	107,412	50,975
Grade D	Sale price per m3 = USD			
- 45%	1 000 /m3			
	Potential Sale's revenue	805,950	38,668	18,351
	Total by Grade and Form	6,358,050	305,050	150,886
	Fixed Audit and Sales costs			
	500 000			
	Variable costs			
	Total Sales	6,318,986		

(*) The average volume per log is estimated at 0.075 m3.

Model 3

Model 3 is based on the estimated volumes of wood that are believed to be “seized: at 73 Sites and “declared” 193 Sites. A more conservative calculation was incorporated, which based the average volume per log to be 0.05 m3. This is based on discussions with rosewood experts that have proclaimed, that based on dimensions and photos, that there needs to be a very conservative estimation of value with consideration of age, harvest methods, maintenance, and many other potential defects that could lower the value significantly.

Model 3		Grade / Sales Projection Model	
Comparison Based on grade of Perceived Totals of Logs		OC	UD
Hypothesis of “Uncontrolled Declared: is 8 times higher than “Officially Controlled Volume”			
Speculated “Officially Controlled” 75 Sites		30,302	
Speculated “Uncontrolled Declared” 193 Sites			235,768
Total BRS Logs (Rounded to nearest 100)		30,300	236,000
Total BRS Log stock Estimation (m3) (*)		1515	11,800
Grade A	Log Sale price per m3 = USD 4,000		
	Potential Sale’s revenue	1,212,000	9,440,000
Grade B	Sale price per m3 = USD 3,500		
	Potential Sale’s revenue	1,590,750	12,390,000
Grade C	Sale price per m3 = USD 2,500 /m3		
	Potential Sale’s revenue	1,893,750	14,750,000
Grade D	Sale price per m3 = USD 1,000 /m3		
	Potential Sale’s revenue	681,750	5,310,000
	Totals	5,378,250	41,890,000
	Audit and Sales costs	500,000	3,000,000
	Variable costs Indemification		2,950,000
	Total Sales	4,878,250	32,030,000

(*) The average volume per log is estimated at 0.05 m3.

➤ Estimates will change based on cash and voucher compensation mechanisms.

Sample Sales Forecast Table

Auction Sales Forecast Table (Sample) – No data is available until Phase 1 completed

Fiscal Year		Jan-1-2018												
Begins		12-month Sales Forecast												
		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Annual
Cat 1 units sold														0
Sale price @ unit														
Cat 1 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Cat 2 units sold														0
Sale price @ unit														
Cat 2 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Cat 3 units sold														0
Sale price @ unit														
Cat 3 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Cat 4 units sold														0
Sale price @ unit														
Cat 4 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Cat 5 units sold														0
Sale price @ unit														
Cat 5 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Cat 6 units sold														0
Sale price @ unit														
Cat 6 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Cat 7 units sold														0
Sale price @ unit														
Cat 7 TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
Monthly totals: All Categories		0	0	0	0	0	0	0	0	0	0	0	0	0

❖ Fiscal year could change based on CITES approval of Options for audits and sales.

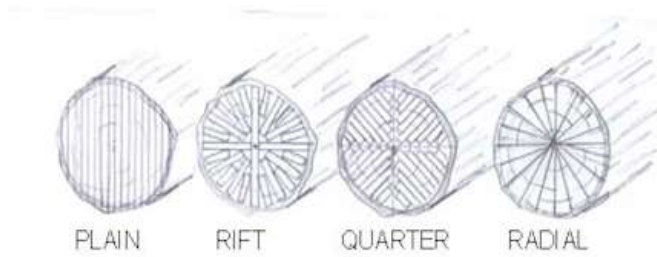
Annex 7: Sales and Marketing -Strengths, Weakness, Opportunities and Threats - Table
Sales & Marketing – SWOT Table

	Strengths	Weaknesses	Opportunities	Threats
Product	<ul style="list-style-type: none"> High Value depending on grade (Class) and form GoM owns resource and stockpiles Local markets such as handicrafts and furniture fittings are potential secondary market 	<ul style="list-style-type: none"> Grade and projected market value need to be completed. 	<ul style="list-style-type: none"> Key source for the market Potential for multi-product global sales 	<ul style="list-style-type: none"> Competition from other producers Expectations of value are too high High value logs are removed from graded stockpiles
Brand/ Marketing	<ul style="list-style-type: none"> Madagascar ebony and rosewood is very famous for its quality especially in Asian furniture and in high end musical instruments 	<ul style="list-style-type: none"> Stigma from illegal logging Need capacity for completing high level business transactions 	<ul style="list-style-type: none"> CITES Authorization for selling is in place Audits and systems are in place to move to marketing and sales 	<ul style="list-style-type: none"> Lack of Funding to complete Business objectives
Sales	<ul style="list-style-type: none"> Business Plan will be key asset to enter market 	<ul style="list-style-type: none"> Depots of stockpiles are not centralized for sales Wood might not be worth moving to centralized sites. 	<ul style="list-style-type: none"> Liquidation of stocks will increase funds and integrity Dalbergia genus now App II Diospyros is only available in three other countries 	<ul style="list-style-type: none"> Sales do not meet expectations of GoM Logistics discourages buyers CITES won't endorse Business Plan Countries of import such as US, EU etc... deny import Lack of interest from Target companies and markets due to negative public pressure
Financing	<ul style="list-style-type: none"> CITES and GoM want to solve issue. International community wants to solve issues 	<ul style="list-style-type: none"> Limited funding has been secured for Audit and Sales operations 	<ul style="list-style-type: none"> Leverage Business Plan to key stakeholders ITTO, WB etc... 	<ul style="list-style-type: none"> Lack of funding to complete business objectives
Legal	<ul style="list-style-type: none"> Cites authorization after 1/3 of total is audited. MEEF and GoM have the legal means to issue legislative or decrees that will formalize and authorize audits and sales 	<ul style="list-style-type: none"> Need commitment from all Ministries 	<ul style="list-style-type: none"> Strengthen mandate to enforce laws through liquidation Liquidation provides opportunity for investment in SFM 	<ul style="list-style-type: none"> Illegal logging continues Stocks are added and or removed from controlled depots CITES rejects Plan
Operations/ Management	<ul style="list-style-type: none"> Strong GoM MEEF commitment 	<ul style="list-style-type: none"> MEEF and Forest Administration need institutional capacity 	<ul style="list-style-type: none"> Business planning will be key asset to achieve step-wise 	<ul style="list-style-type: none"> Sales strategy is not well funded Lack of institutional

		building on business administration and <ul style="list-style-type: none"> Phase II requires fast implementation 	goals	Capacity undermines Operations
Market / Target Customers	<ul style="list-style-type: none"> Madagascar has a historically loyal market for its species 	<ul style="list-style-type: none"> Only a few high-end sectors are interested in this wood Audits and valuation need to completed 	<ul style="list-style-type: none"> Liquidation provides funding and opportunity to invest in SFM. High profile sectors are good potential clients and can provide additional value through the process. 	<ul style="list-style-type: none"> Pressure to not buy from International NGOs Competition from other producers Import restrictions on contraband Sales strategy and market analysis is not followed Potential to flood market and reduce price.
Competition	<ul style="list-style-type: none"> Dalbergia and Diospyros markets are small from other countries of origin Madagascar has species that the high-value market wants 	<ul style="list-style-type: none"> Madagascar does not have a strong high-end wood business structure Other producers have longstanding relationships in the marketplace 	<ul style="list-style-type: none"> Business plan analysis will provide knowledge of competition threats Relationships can be formally developed with legitimate companies 	<ul style="list-style-type: none"> Prices are reduced globally More stable markets undermine the sales strategy

Annex 8: Target Market Product Forms and Statement on Yield

Yield from ebony and rosewood processing can be as little as 15 - 20% even when processed by experts on professional equipment.



Product manufacturers, such as musical instrument manufacturers, prefer to buy forms of wood that have already been processed into semi-finished products and are almost at a retail level. This reduces risk and allows for close inspection of the characteristics for which they are willing to pay high prices.

Furniture manufacturers prefer a mix of forms depending on the component as well. Flat or plain sawn up to quarter-sawn material is desired for grain orientation, aesthetics as well stability. This is the same for musical instruments which depending on the component require quarter or flat sawn for stability.



These are examples of Madagascar rosewood processed products from lumber to back and sides ready for production to a finished product.

Product Form Comparisons – Log / Rough Forms versus Semi - Processed Products

The goal of the Business Plan is to outline the options or combinations of options that will cost effectively achieve the highest value in the shortest amount of time. If there is interest in developing structured Public Private Partnerships with international private sector companies that will be considered.

Log and Rough Forms

For the purposes of this Business Plan, there are several forms of wood that have been documented in previous audits, with the majority being in the log or billet form.

Processing high value forest products requires expert skills and professional well maintained equipment. It also requires very good storage and systems management. These issues are often the deciding factor, in the debate, over whether it is practical or feasible to process ebony and rosewood products to the specifications of the markets the Business Plan is targeting, in Madagascar. Of course, it makes sense to do so when the infrastructure is available and the expertise is available to manage the process.

There are pros and cons in comparing log and rough forms to processed product forms. One important aspect will have to be taken in consideration. Until the audit, grading and coding is completed, there will not be sufficient data to thoroughly understand the risks and the opportunities for the best options for products and sales.

In general, log and rough forms of products will be the easiest form of the “stockpiles” to commercially manage and market.

Log and Rough Forms

Pros	Cons
Logs would be sold, as is, with no additional cost to processing.	Valuation could be lower than expected
Logs can be audited, graded and coded much faster than keeping track of processed products.	Greater risk to theft and substitution of logs in current forms.
Logs could be sold to a wider international market.	Reduces potential investment in domestic wood sector.
Rapid liquidation of logs would reduce the ability for illegal operators to base any further activities off of fake declarations related to the “stockpiles”	

Semi Processed Products

Pros	Cons
Processing can increase investment in domestic wood sector.	Mills and equipment require capital investments.
Transforming current forms that have been audited could reduce thefts and substitutions.	Difficult to monitor the yield and management of multi-site mills which could be used to launder logs outside the official operations.
Could provide jobs and opportunities for PPP.	Managing mills and training personnel would require direct oversight from businesses.
The stockpiles offer a substantial resource base to have long term supply.	Investment from international businesses must have a long-term supply of high quality wood that meets the specifications as well as a mature regulatory structure in place.

Statement on Processing

A short note to emphasize the risks involved with processing high-end forest products. It is important to understand that this type of business requires partnerships and investment.

Without the proper infrastructure and oversight this would have to remain a Domestic Market program.

International Partnership Opportunities for Processing – Private Sector PPP

Structuring the Marketing and Sales program could have an investment opportunity, as emphasized above, to form a partnership with specific private sector companies that would prefer to have access to purchase “stocks” and process them in Madagascar with the caveat of investing in Sustainable Forest Management of rosewood and ebony species going forward.

Pilot programs that would involve multi-sector investments for management regimes for rosewood and ebony as well as mechanism to continue to sustainably use the species is a very positive step that we hope can be explored as a result or in parallel of the liquidation process.

What to do with material not sold or is waste – Science – Handicrafts

The Business Plan will incorporate a program for dealing with materials not sold through providing materials to the University of Antananarivo and other institutions for species-specific research. Additionally, there will be a provision deliberated to increase development in the tourist based handicraft trade that can benefit from the resources of rosewood and ebony.

A key concern is to increase local economic development with this material but to also prevent further illegal logging by supplying a resource base through a managed program.

Annex 9: Competition In the Global Market Place

The goal of liquidating “stockpiles” through commercial enterprise needs to consider the competition in the global marketplace. It is not only important to consider the competition, it is important to consider the timeframe for entering the marketplace based on buying cycles which is important for pricing and measuring the targeted market for achieving the highest value. This was covered in the Marketing and Sales SWOT analysis.

Similar Species in the Market

Considering that Madagascar has been out of the official global market for selling rosewood and ebony species for a number of years, other markets have matured and have set the standard for pricing, quality and bulk of volumes for supplying these species.

In addition, regulatory requirements such as CITES and legality frameworks such as the US Lacey Act and EUTR have increased the pressure on companies to find alternatives to using rosewood and ebony in products that have traditionally relied on these species.

Even the companies that continue to have a preferred specification and traditional use of rosewood and ebony are continuously competing for the rather narrow supply of stable and legal sources.

Composite products and alternative species are being integrated but the main focus of the competition analysis is focused on other countries that are producers of rosewood and ebony.

Rosewood and Ebony Country of Origin Producers

There are only a handful of commercially viable rosewood and ebony producing countries globally.

The majority of commercially traded rosewood is, *Dalbergia latifolia* (Indian rosewood), from India and Indonesia. This species, for the most part, has been silviculturally propagated in plantations dating back 100 years. After Brazilian rosewood (*Dalbergia nigra*) was listed as CITES Appendix I, Indian rosewood became the species of choice for traditional rosewood users. Latin America is also a significant producer of rosewood species but the volumes are low compared to India and Indonesia.

Rosewood and Ebony Producing Countries

Country of Origin	Species	Market Share
India	Rosewood (<i>Dalbergia latifolia</i>)	50%
Indonesia	Rosewood (<i>Dalbergia latifolia</i>)	40%
Tanzania	Rosewood (<i>Dalbergia melanoxylon</i>)	1%
Nicaragua	Rosewood (<i>Dalbergia spp.</i>)	3%
Guatemala	Rosewood (<i>Dalbergia spp.</i>)	3%
Brazil	Rosewood (<i>Dalbergia spp.</i>)	3%
Cameroon	Ebony (<i>Diospyros crassiflora</i>)	95%
Gabon	Ebony (<i>Diospyros crassiflora</i>)	2%
Republic of Congo	Ebony (<i>Diospyros crassiflora</i>)	3%

❖ Markets for primary processed / rough sawn / logs – India, China, EU, USA and Japan

❖ Markets with most competitive finished products –USA, Japan, China, and EU

Annex 10: Legal texts

MINISTRY OF ENVIRONMENT, ECOLOGY AND FORESTS

DECREE N ° 2014-906

Establishing the Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony wood industry

THE PRESIDENT OF THE REPUBLIC,

Given the Constitution;

Given the amended law n ° 90- 033 of December 21, 1990 concerning the Malagasy Environment Charter;

Having regard to Law No. 97-017 of 8 August 1997 revising forestry legislation;

Considering the law n ° 2001-005 of February 11th, 2003 bearing code of management of the protected areas;

Considering the ordinance n ° 2011-001 of August 08, 2011 relating to the repression of the infractions relating to the rosewoods and ebony wood;

Having regard to Decree No. 2010-141 of 24 March 2010 prohibiting the cutting, harvesting of rosewood and ebony in Madagascar;

Having regard to Decree No. 2014-200 of 11 April 2014 appointing the Prime Minister, Head of Government;

Considering Decree No. 2014-235 of 18 April 2014 appointing members of the Government;

On the proposal of the Minister of the Environment, Ecology and Forests,

In Council of Ministers;

DECREES:

TITLE I

GENERAL PROVISIONS

Article 1

The purpose of this Order is to create a structure for decision-making and coordination of all actions relating to stock management and sanitation of the rosewood and ebony wood industry. This structure, attached to the Prime Minister office, is called Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony industry.

TITLE II

MISSION AND RESPONSIBILITIES

Article 2

The Inter-ministerial Committee, who is responsible for the sanitation of the rosewood and ebony industry is a decision-making body and coordination which mandate is to promote coherence and synergy of actions between concerned ministerial departments to arrive at a "zero stock" situation as well as "zero tolerance" for illegal logging and to eliminate the laundering of new cuts.

Article 3

The Inter-ministerial Committee in charge of the sanitation of the rosewood and ebony industry, in the accomplishment of its mission, establishes and implements an action plan which main objectives are:

- to liquidate rosewood and ebony stocks in Malagasy territory and abroad;
- to establish a mechanism to eliminate any illegal cutting of rosewood and ebony;
- to settle all existing disputes in this area under reserve of the legal authority, and,
- to ensure the enforcement of the texts in force.

This action plan aims at establishing good governance in the rosewood and ebony wood industry. The inter-ministerial committee in charge of the sanitation of the rosewood and ebony industry is responsible for identifying key actions to fight against illicit trafficking, monitor their implementation and, where appropriate, take corrective necessary measures.

Article 4

The Inter-ministerial Committee in charge of the sanitation of the rosewood and ebony industry, in the accomplishment of its mission, can use appropriate ways both national and international customs and judicial cooperation.

TITLE III COMPOSITION

Article 5

The Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony industry is chaired by the Prime Minister, Head of Government, who sits ex officio on the committee.

It is composed by:

- The Prime Minister, Head of Government;
- The Minister of National Defense;
- The Minister of Foreign Affairs;
- The Attorney General, Minister of Justice;
- The Minister of Finance and Budget;
- The Minister of the Interior and Decentralization;
- The Minister of Public Security;
- The Minister of the Environment, Ecology and Forests;
- The Minister of Commerce and Consumer Affairs;
- The Minister of Transport and Meteorology;
- Minister of Crafts, Culture and Heritage;
- The Secretary of State for the Gendarmerie.

Article 6

The Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony industry has an Executive Secretariat. Each member of the inter-ministerial committee responsible for the sanitation of the rosewood and ebony industry appoints a representative who sits on a temporary basis of the Executive Secretariat. These representatives are appointed by order of the Prime Minister, Head of Government on the proposal of each concerned ministerial department. The Executive Secretariat is headed by a full-time Executive Secretary. Its selection is done through a call for applications conducted by an evaluation committee set up by the Ministry of Environment, Ecology and Forests. The powers, organization and functioning of the Executive Secretariat are governed by regulations. The Executive Secretary is appointed by order of the Prime Minister, Head of Government. Terms of reference of the Executive Secretary are attached.

Article 7

The Executive Secretariat's mission is to ensure the implementation of the key actions identified by the Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony wood industry. For proper implementation of its mandate, the Inter-ministerial Committee in charge of the sanitation of the rosewood and ebony wood industry makes available to the Executive Secretariat all appropriate means including human, material, financial resources and expertise.

Article 8

Ministries that are not officially part of the Inter-ministerial Committee responsible for the sanitation of the Rosewood and ebony sector remain fully responsible for the missions to which they are assigned.

Article 9

In accordance with Article 4, the Inter-ministerial Committee for the Sanitation of the Rosewood and ebony Wood Industry can seize the entities likely to be concerned by the good realization of its mission, for instance:

- Protected Areas Managers;
- The financial and technical partners and;
- Civil society.

TITLE IV

OPERATION

Article 10

The Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony industry holds a monthly meeting or as necessary as called by its President. In the event of new seizures of rosewood and ebony stocks, the Inter-ministerial Committee for the Sanitation of rosewood and ebony chain must complete the steps at its level, within three months after the date of seizure, allowing the enforcement of the procedures in accordance with the provisions of the laws and regulations in force regarding prosecution and repression. The Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony industry reports quarterly on the progress of the implementation of the action plan and the results of the prosecution and repression in case of seizures of rosewood and ebony stocks in the Council of Ministers. The public is informed by way of press and by any other means deemed useful.

Article 11

On the proposal of the Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony, dedicated budget line is made available to cover the costs of the operations and operation of the Executive Secretariat. This budget line also includes the salary of the Executive Secretary. The use of funds in this budget line is made public at the end of January of the following year. The Inter-ministerial Committee in charge of sanitation of the rosewood and ebony industry ceases to publish details on use of the budget when the Government begins to publish the results of the overall budget execution.

TITLE V

FINAL PROVISIONS

Article 12

The duration of operation of the Inter-ministerial Committee in charge of sanitation of the rosewood and ebony wood industry is fixed until the achievement of the objectives stipulated in the action plan.

Article 13

All prior provisions contrary to this decree, in particular order n ° 22143/2012 of 16 August 2012 relating to the creation, organization and functioning of the Steering Committee in charge of the management and the sanitation of the precious wood sector are and remain abrogated.

Article 14

To the urgency and in accordance with the provisions of Article 4 of Ordinance No. 62-041 of 19 September relative to general provisions of domestic law and private international law, this Decree comes into force with publication by broadcast, television or billboard, regardless of its insertion in the Official “Paper” of the Republic of Madagascar.

Article 15

The Minister of National Defense,
The Minister of Foreign Affairs,
The Attorney General,
The Minister of Justice,
The Minister of Finance and Budget,
The Minister of Interior and decentralization,
The Minister of Public security,
The Minister of Environment, Ecology and Forests,
The Minister of Commerce and Consumer affairs,
The Minister of Transport and Meteorology,
The Minister of Crafts, Culture and Patrimony, and
The secretary of State of the Gendarmerie
Are responsible, each as far as it is concerned, for the execution of this decree which will be published in the Official Paper of the Republic.

Antananarivo, June 24, 2014

Hery RAJAONARIMAMPIANINA
President of the Republic

The Prime Minister, Head of Government
KOLO CHRISTOPHE Laurent Roger

The Minister of National Defense, Divisional General
Dominique Jean Olivier RAKOTOZAFY

The Minister of Foreign Affairs
Arisoa Lala RAZAFITRIMO

The Attorney General, Minister of Justice
Noëline RAMANANTENASOA

The Minister of Finance and Budget
Jean RAZAFINDRAVONONA

The Minister of the Interior and Decentralization
Solonandrasana Olivier MAHAFALY

The Minister of Public Security, the Police Comptroller General
Blaise Richard RANDIMBISOA

The Minister of the Environment, Ecology and Forests
Anthelme RAMPARANY

The Minister of Commerce and Consumption
Narson RAFIDIMANANA

The Minister of Transport and Meteorology
Jacques Ulrich ANDRIANTIANA

The Minister of Crafts, Culture and Heritage
Vaonalaroy RANDRIANARISOA

The Secretary of State for the Gendarmerie
Major General Didier Gérard PAZA

NATIONAL ASSEMBLY

LAW N ° 2015 - 056

Establishing the "special chain for controlling the traffic of rosewood and / or ebony" and the suppression of offenses relating to rosewood and / or ebony

The National Assembly adopted in its meeting of December 17, 2015, the law with following content:

TITLE I

GENERAL PROVISIONS

Article 1 - The purpose of this law is to:

create a special unit called the "Special Chain to Control the Trafficking of Rosewood and / or Ebony wood";

determine the composition, the mandates and the procedure applicable to the said chain;

provide the punishment for offenses relating to rosewood and / or ebony;

guarantee the management of seized or confiscated rosewood and / or ebony stocks.

Art.2.- The cutting, the felling, the possession, the storage of cut rosewood and / or ebony wood, the exploitation, the transport, the selling and the export of rosewoods and / or ebony are prohibited.

TITLE II

COMPOSITION, MANDATES AND PROCEDURES APPLICABLE TO THE SPECIAL CHAIN

Art. 3.- The Special Chain to control the rosewood and ebony trafficking is composed of:

1. The joint Investigation Brigades established in the localities with high sensitivity for traffic of rosewood,
2. The Special Court based in Antananarivo and,
3. The Stock Management Commission.

Art.4.- The terms and conditions for allocating indemnity to Special Chain to control rosewood and/or ebony wood trafficking members are determined by decree.

CHAPTER I

THE JOINT INVESTIGATION BRIGADES

Section I

Composition

Art.5.- A joint investigation brigade (BME) is created at the level of each locality with high sensitivity in terms of rosewood traffic. Localities with a high sensitivity of rosewood traffic king are determined by decree.

Art.6- The Joint Investigation Brigade is made up of judicial police officers and judicial police agents of the national police, the gendarmerie and forestry agents. It is chaired by a forest agent qualified as Judicial Police Officer.

Art.7.- It is placed under the direct authority of the prosecution department of Special Court. The activities of the Brigade consist of implementing the instructions ordered by this Special Court prosecution department and reporting only to this one.

Art.8.- In case of close connection and / or indivisible link between offenses relating to rosewood and ebony and offenses under the jurisdiction of another administration, one agent from such administration becomes ex officio one of officers reporting an offense.

Section II

Assignments

Art.9.- The Joint Investigation Brigade is in charge of:

Collecting all necessary information relating to possible rosewood and ebony traffic, including the use of special investigation techniques such as controlled deliveries, undercover operations, wiretapping on written order from Magistrate of the Public Ministry or an order of the chamber of the Special Court;

Identifying offenses relating to rosewood and ebony;

Investigating on the said offenses.

Section III

Procedures

Art.10- The Joint Investigative Brigade may be seized of a complaint or denunciation from an association or an organization whose statutes define in their object the defense of the environment, the protection of the forests or from a third person. Anyone who is aware of any offense relating to the trafficking of rosewood and ebony is also obliged to report it to the joint Brigade Investigation under penalty of penal sanctions stipulated by Article 71, 5 ° of the present law. The Joint Investigation Brigade may also take action ex officio.

Art.11- In the hour following the notice of the offense, the Joint Investigation Brigade sends data information on the apprehended author (s) to the Ministry in charge of Forests, to the prosecution department of the Special Court and to the Ministry of Justice. The agents of the Joint Investigation Brigade, who found the offense, make a report within twenty-four hours after the places of deposit of the seized objects, which are fixed by decree, are decided.

Art.12.- The close watch duration is in accordance with the provisions of Article 136 and the Code of Criminal Procedure.

Art.13- The Joint Investigative Brigade has the right to seize all goods liable to confiscation, to retain shipments and all other documents relating to the seized objects which contributed to the realization of the offense.

The report of the finding and seizure or sequestration may be drafted at the place of deposit of the seized objects, or at the venue of notice of the offenses.

Art.14- The reports of finding and seizure state:

The date and cause of the seizure;

The names, qualities and residency of the person (s) responsible for the prosecution;

The nature of the seized objects and their quantity;

The presence or not of the offender and any request for attendance of the offender ;

The name and the quality of the guardian;

The venue of offense reporting and the time of completion.

The minutes are composed of:

The reports of the finding of the offenses and their nature;

The reports of seizure stating the nature and quantity of the seized objects;

The reports of sequestration indicating the name and quality of the custodial guard;

The records of investigation.

Art.15- If the offender is present; the records have to mention that he has read the contents and signed.

The reports made in the absence of the offender have the same effects and validity as those written in his presence.

Art.16- Once the report completed, one copy is sent to the Ministry in charge of the Forests for conclusions which will be annexed to the reports. When the investigation is completed, the Joint Investigation Brigade is required to transmit the case and refer the arrested person(s) to the Special Court's prosecution department.

Art.17 – The reports made by a single sworn agent shall be authentic in the absence of evidence to the contrary. The reports made by two sworn agents are authentic until false entries of the material findings they relate. They are authentic in the absence of evidence to the contrary by the accuracy and sincerity of the confessions and statements they report. The reports which record the infringements systematically include the seizure of the products. Templates of the reports, seizure or confiscation are available in annex of the present law.

Art.18 - The agents of the Joint Investigation Brigade may directly request the members of Fokonolona for the search and seizure of rosewood and / or ebony in fraud or illicit circulation. They may also remunerate any non-governmental person who has provided them information that has led directly to the discovery of the offenses referred to in this Act or the identification of the offenders. The modalities of the remuneration of these persons are determined by decree.

Art.19- In the respect of the texts in force, they can penetrate in all the places which they consider useful during the investigation on the infringements. They can search in any transportation equipment. The officials responsible for noting the offenses of trafficking in rosewood or ebony which, for the sole purpose of obtaining evidence relating to the offenses covered by this Act and under the conditions set out in this Act, are not punishable for committing facts that could be interpreted as elements of an offense referred to in articles 69, 70 and 71 of the present law. In order to obtain proof of the offenses provided by this Law, the judicial authorities of the Special Court may order, in case of serious evidence and for a fixed period: the placing under surveillance of bank accounts and similar accounts, the access to computer systems, networks and servers, the placing under surveillance or tapping of telephone lines, fax machines or electronic means of transmission or communication for a maximum of 4 months, audio and video recording of the acts and conversations, the communication of authentic acts and private contracts, banking, financial and commercial documents. They may also order the seizure of the aforementioned documents.

Art. 20- Where the investigations or orders relative to an infraction relating to rosewood or ebony justify it, the Prosecution department of the Special Court or, after the opinion of the Magistrate, the seized investigating chamber, may authorize, under their respective control, an undercover operation under the conditions set out in the following paragraphs. The infiltration consists, for an officer or a judicial police officer specially authorized under conditions fixed by decree and acting under the responsibility of a judicial police officer in charge of coordinating the operation, of supervising persons suspected of committing an offense by masquerading as one of their co-perpetrators, accomplices or receivers. For this purpose, the officer or the judicial police officer is authorized to use an assumed identity and to commit, if necessary, the acts mentioned in articles 69, 70 and 71 of this law. For their nullity, these acts can not constitute an incentive to commit offenses.

CHAPTER II THE SPECIAL COURT

Art.21- The Special Court, with national jurisdiction, is based in Antananarivo.

Art.22.- Without prejudice to the application of the provisions of article 13 of the organic law n ° 2014-043 of 9 January 2015 relative to the High Court of Justice, it is only competent to prosecute and judge the offenses relating to rosewood and ebony wood, provided by articles 69, 70, 71 and 72 of the present law, whether committed in or outside protected areas. The Special Court has full jurisdiction. It can rule on the legality of administrative acts. It is not obliged to comply with any act it deems illegal. In case of illegality, the administrative act is not applicable but is not canceled.

Art.23.- The Special Court shall have jurisdiction over offenses provided by the present Law:
when they were committed on the land, sea and air territory of the Republic of Madagascar;
when committed on board of a flying flag ship; an aircraft registered in accordance with the legislation of the Republic of Madagascar or a fixed platform on its continental plateau;
when they were committed on board or against an unmanned leased aircraft to a person who has the principal headquarter of his business or his permanent residence in the Republic of Madagascar;

When rosewood or ebony from Madagascar is apprehended in a foreign territory.

Art.24.- The Special Court has the jurisdiction to examine and judge cases concerning minors under the age of eighteen at the time of committing the acts alleged against them.

Art.25- The jurisdiction of the Special Court extends to the offenses which, combined with the one subject of prosecution, become indivisible case, as well as to those that are connected to, provided that they have been pursued in the same procedure.

Art.26.- Any case must be examined and tried within a period not exceeding six months from the date of deferment of the defendant.

Section I

Composition

Art.27- The Special Court includes:

The prosecution department of court ;

The investigating chamber;

The trial court;

The clerk' office.

Art.28.- The trial court is composed of:

- 1) A magistrate of the judiciary organization, President having effectively been a magistrate within the body of the magistracy for at least ten (10) years ;
- 2) Four magistrate advisors of the judiciary organization, having effectively been a magistrate for at least eight (08) years within the body of the magistracy, including two years as titular and two year as substitute;
- 3) Four technical assessors from forest administration selected by lot for each case and type of offense, including two incumbents and two substitutes.

Art.29.- The investigating chamber is composed of three magistrates, having actually performed as magistrate for at least eight (08) years within the body of the magistracy and one registrar. The most ancient magistrate with the highest grade is by right President of this chamber.

Art.30.- The Public Prosecution department is composed of two magistrates who have practiced at least ten (10) years as magistrate within the body of the magistracy and one secretary. The most ancient magistrate with the highest grade is by right the head of the Public Prosecution department.

Art.31.- The magistrates composing the Special Court are designated by the Attorney General, Minister of Justice on the proposal of the Superior Council of Magistracy.

Art.32.- The Special Court is assisted by clerks who are specially assigned to it.

Section II

Assignments and procedures

Sub-section I

The Public Prosecution department

Art.33.- The Prosecution department of the Special Court is specifically responsible for the prosecution of offenses relating to rosewood and ebony. It has direct authority over the Joint Investigative Brigades.

Art.34.- The procedure of the preliminary investigation is only applicable at the level of the Special Court.

Art.35.- The magistrate of the public prosecution department of the Special Court appeals the investigating chamber with introductory speech for prosecution to conduct the preliminary investigation in accordance with the Code of Penal Procedure.

Art.36.- At any moment of the investigation, the magistrate of the public prosecution department, by additional indictment, may require the investigating chamber to carry out all acts which it deems useful for manifestation of the truth.

Art. 37.- The magistrate of the public prosecution department may, at any time of information, request the investigating chamber to communicate the record of the case file to him, to be returned within twenty-four hours.

Sub-section II

Investigation

Art. 38. The investigating chamber proceeds, in accordance with the law, with all acts of information which it judges useful for manifestation of the truth. It has the duty to make the case for prosecution and defense of the accused. It may also have information acts by means of rogatory commission.

Art. 39. - The investigating chamber may issue the warrants listed in Article 100 of the Code of Criminal Procedure. It may, upon consultation of the magistrate of the Public Ministry, issue a warrant for arrest that may be executed outside the territory of the Republic.

Art. 40.- If the accused is left at liberty, the investigating chamber shall refer to the competent authority for measures to have him banned for leaving the country.

Art.41.- The Public Prosecutor and the civil party have the right to oppose a decision of the investigating chamber to leave the accused at liberty, in accordance with the provisions of Article 223 bis of the Code of Criminal Procedure.

Art.42- Any irregular release of a detained person shall be deemed to be an act of complicity of the prison officer or any other person who has participated in or facilitated the unlawful departure in any manner whatsoever and is punished by the same penalty as the offender under this Act.

Art. 43. - Anyone detained for any of the offenses provided by this law may not benefit from the provisions of articles 104 and following of Decree No. 2006-015 of 17 January 2006 on the general organization of the Prison Service relating to the work of detainees.

Art.44.- The investigating chamber may require any judge of the Courts of First Instance, to proceed with information acts that are considered necessary, by sending a rogatory commission to this end.

Art. 45. In the context of information, the investigating chamber may send international rogatory commissions to foreign judicial authorities, in conformity with international conventions and the Code of Criminal Procedure. These will be particularly necessary in case of seizure or discovery in the territory of another State of rosewood or ebony from Madagascar.

Art.46.- When the case file is ready for hearing, the investigating chamber communicates it to the public prosecution department of the Special Court, which must take its requisitions within ten (10) days. If the board considers that the act does not constitute a crime or offense or that there is no charge against the defendant, it makes an order of non-suit with all the legal consequences thereof. If the act constitutes an offense or a crime and if there are sufficient charges against the accused, the Investigating Chamber makes an order for the return of the accused to the trial court of the Special Court.

Art.47.- In the case of deferment, the Public Ministry of the Special Court immediately transmits the case file to the President of the trial court to be judged.

Sub- section III

The Trial Court

Art.48.- The trial court, composed of the President, two councilors and two assessors, permanently sits in Antananarivo, if need be, in the concerned regions.

Art.49.- At the request of the Public Ministry of the Special Court, the President of the trial court shall fix the date of hearing within a period of one month upon reception of the case file.

Art.50.- At all hearings of the trial court, the public prosecutor is represented by a member of the prosecution department of the said court. The server of notice or, as the case may be, an officer of the Forest Administration is heard at the trial Court to support the accusation and to prove the materiality of the facts. He attends and sits after the magistrate of the Public Ministry.

Art.51. - The incumbent assessors and substitutes are chosen by lot for each case from a list of twenty (20) names of forest administration technicians, aged 25 and over, enjoying their civic and political rights. The list is established yearly by the Ministry in charge of Forests. The conditions for establishing this list are specified by decree.

Art.52.- None can be an assessor in a case in which he/she has performed an act of judicial police or investigation or in which he/she is a witness, informant, interpreter, expert, plaintiff or civil party. Anyone found in one of the cases provided for in Article 41 of the Code of Criminal Procedure may be removed from the list of assessors at the request of one of the parties. If one of the members of the trial formation is in one of the listed cases, he or she must withdraw.

Art.53.- There are as many drawing lots as there are cases on the docket. Notice shall be given to the assessors, immediately and in writing, at the instance of the Public Prosecutor, of the days and times at which the cases for which they are selected and called.

Art.54.- The assessors failing, either at the opening of the hearing or at the special appeal of the causes, without valid excuse, will be condemned to a fine of 20.000 Ar to 100.000 Ariary pronounced by the President without formality nor delay, either automatically, or on the requisitions of the public prosecutor. After the closing of the hearing, the validity of the apology will be assessed by the President of the trial of the Special Court who will discharge on the requisition of the public prosecutor near the Special Court the assessor, if failing, of the fine pronounced against him.

Art.55.- The drawing of lots is carried out publicly, in the presence of the Public Ministry, the assessors, the accused and their defenders or those duly summoned, the civil party and its council or those duly summoned and an interpreter if necessary.

Art.56.- For each case, the assessor drawn by lot shall take an oath in front the trial court, in the following terms: "I swear that I will fully take my responsibility to judge legitimately, and with justice, to be honest, to maintain and never disclose the secret of the litigation process, to keep the truth and the dignity required by my position as assessor at the Special court for control of rosewood and ebony trafficking."

Art.57.- The Public Prosecutor, the defendant or the civil party may each challenge an assessor, without giving reasons for their refusal.

Art 58. – The court clerk establishes a report of the draw. A copy is attached to each case file.

Art.59- The trial court is competent for the judgment of the minors under eighteen at the time of offense. The excuse of minority is applicable and the minors will benefit, as regards to the penalties, from the provisions of articles 35 to 37 and 43 to 46 of the ordinance n ° 62-038 of September 19, 1962 on the protection of the childhood. When a juvenile is involved in proceedings involving adults, the trial court adjudicates cases by separate debates and judgments.

Art.60.- Any request for nullity of a pleading must be presented, on pain of final foreclosure, at the latest at the opening of the debates. If there is no foreclosure, the nullity is pronounced only if it is proved that the sanctioned non-observance contravene the interests of the person it concerns.

Art.61.- From the opening of the hearing, the President of the trial court is vested with a power by virtue of which he may, in his honor and conscience, take all necessary measures for the manifestation of the truth. He may specifically make a warrant to summon and hear any person or to bring to him any new documents which appear to him useful for the manifestation of the truth. He ensures the police of the hearing in accordance with the provisions of articles 356 and following of the Code of Criminal Procedure.

Art.62.- The State and any aggrieved person, including any association or organization envisaged in article 10 of the present law, can constitute a civil party at the Trial Court which is competent to rule on actions on damages resulting from the offense. If the victim has not been able to present his claim to the Trial Court and the latter is definitively unsuccessful or has failed to rule on his claims, he may refer again to the Trial Court by simple demand.

Art.63.- The selected cases are awaiting judgment.

Sub-section IV

Legal remedies

Art.64.- The decisions rendered by the Trial Court are rendered in first and last resort.

Art.65.- Conflicting or deemed contradictory decisions rendered by the Trial Court may be appealed in higher court.

Art.66.- Default decisions rendered by the Trial Court are subject to opposition at the said Court in accordance with the provisions of the Code of Criminal Procedure.

Art.67.- The opposition and the appeal to the Supreme Court are received by declaration at the Clerk's Office which holds, for this purpose, an ad hoc register numbered and initialed by the President of the Trial Court. The time limits for opposition and appeal to the Supreme Court are provided by the Code of Criminal Procedure and Law No. 2004-036 of 1 October 2004 on the organization, powers, functioning and procedure applicable to the Supreme Court and the three Courts composing it.

Art.68.- In case of appeal, the case file is, within twenty days of the declaration, transmitted by the clerk of Special Court directly to the Prosecutor General of the Supreme Court under penalty of a fine of 10,000 Ar per case file sent late. This fine is pronounced by the First President of the Supreme Court on the requisition of the Public Prosecution department.

TITLE III

OFFENSES AND PENALTIES

Art.69.- Anyone who has made or attempted to cutting or felling rosewoods and / or ebony woods shall be punished with 10 years' hard labor and a fine of fifty million Ariary (50,000,000 Ar) to one hundred million Ariary (100,000,000 Ar).

Art.70.- Are punished with a sentence of forced labor of 20 years and a fine of one hundred million of Ariary (100 000 000 Ar) to five hundred million of Ariary (500 000 000 Ar):

Those who have exploited or attempted to use rosewood and / or ebony;

Those who have, unlawfully, put into circulation by land, sea or air, or transported or transported rosewood and / or ebony;

Those who have stored and / or held in any place without permission, rosewoods and / or ebony;

Those who have made the sale and purchase of rosewood and / or ebony;

Those who have illegally exported in any way rosewood and / or ebony;

Those who directly or indirectly intervene in the rosewood and / or ebony traffic circuit, whatever title and level of responsibility, including sponsors and beneficiaries, in addition to complicity provided by the Penal Code in Articles 60 and following;

Any captain, officer or crewman or any person who transports or conceals rosewood and / or ebony wood in any type or form of sea transport;

Those involved in the organization, preparation or perpetration of any of the offenses under this Act by providing any form of support or service and knowing that such support or service will be used for the commission of one of the said offenses, are punishable by the same penalty as that applicable to the main offense.

Art.71- Are punished with:

Imprisonment of 6 months to 2 years and a fine of one million (Ar 1,000,000) to five million (Ar 5,000,000) Ariary or only one of these two sentences anyone who has threatened to violence or prevented verbalisers from performing their duties.

A prison sentence of 2 to 5 years and a fine of ten million (AR 10 000 000) to forty million (AR 40 000 000) Ariary or only one of those two penalties, whoever destroyed evidence or concealed evidence of an offense under this Act.

A prison sentence of 2 to 5 years and a fine of ten million (Ar 10,000,000) to forty million (Ar 40,000,000) Ariary or one of these two penalties only, any holder of materials used to commit offenses under this Act.

A prison sentence of 2 to 5 years and a fine of ten million (AR 10 000 000) to forty million (Ar 40 000 000) Ariary or only one of these two penalties, any member of the Joint Investigation Brigade which, having knowledge of the commission of one of the offenses provided for by this law, has not taken action of its own motion.

A prison sentence of two to five years and a fine of ten million (Ar 10,000,000) to forty million (Ar 40,000,000) Ariary or only one of those two penalties, whoever was able to prevent by his immediate action, without risk to him or to a third party, the commission of any of the offenses provided by this present law, willfully refrain from doing so.

Art.72.- When infractions under this present law have been committed on behalf of a legal entity by its organs, representatives or leaders, the latter is punishable with fine of hundred millions Ariary (Ar100,000,000) to five hundred millions (Ar 500,000,000) Ariary. The legal persons can be in addition condemned to:

- a permanent or a five years maximum period of time ban to carry on directly or indirectly certain professional activities;
- a definitive or a five years maximum period of time closure of the establishment used for providing services for infringement;
- dissolution when they have been created to commit the incumbent facts;
- the diffusion of the decision by the way of written press or any other audiovisual media communication.

The criminal responsibility of the legal entity does not exclude the individual authors or accomplices of the acts.

Art.73.- The co-authors, the accomplices and the receivers are punished with the same penalties as the principal authors and are sentenced jointly and severally to the costs and damages. The attempt is punishable in the same Title as the offense itself.

Art.74.- Notwithstanding articles 40 and following of the Ordinance n ° 60-128 of October 3rd, 1960 fixing the procedure applicable to the repression of the infringements with the forest legislation, in no case, the offenses envisaged by the present law cannot be the subject of a transaction.

Art.75.- Notwithstanding the provisions of articles 462 and 463 of the Penal Code, no mitigating circumstance may be retained in favor of persons found guilty as authors, co-perpetrators or accomplices of the offenses listed above.

Art.76.- The faculty granted to judges by articles 569 et seq. Of the Code of Criminal Procedure to order the suspension of the execution of imprisonment or a fine shall be abolished towards individuals convicted of any of the offenses listed above.

Art.77.- The provisions of articles 75 and 76 of the present law do not apply to the minors under 18 years at the time of the offenses.

Art.78.- Judicial authorities and officials responsible for the detection and punishment of offenses related to the cutting, felling, exploitation, transport, marketing and export of rosewood and / or ebony can seize the possessions in connection with the offense under investigation, as well as any elements likely to identify them, in accordance with the rules of ordinary law.

Art. 79. - The competent judicial authority may, ex officio or at the request of the public prosecution department or of another concerned administration, order at the expense of the State provisional measures, including the blocking of bank accounts, the freezing of capital and financial transactions of legal entities and / or individual persons suspected of trafficking in rosewood and / or ebony on property of any kind that may be seized or confiscated.

Art.80.- The request for the release of these measures may be made at any time to the Jurisdiction of the Special Court by the Public Ministry of the Special Court or, after the opinion of the latter by the competent Administration or by the owner. The decision of the jurisdiction of the Special Court is subject to appeal.

Art.81.- The decision for condemnation may further pronounce the confiscation for the benefit of the State, decentralized territorial authorities, public and parapublic bodies, all or part of the possessions of the condemned up to the suffered prejudice.

Art.82.- Except in the case of repetition, shall be exempted from punishment, any person, author of any of the offenses provided for by this Act, who, before any prosecution, has revealed the offense to the administrative or judicial authority and identified the other people involved. Except in the case provided for in the preceding paragraph, the maximum penalty incurred by any person, perpetrator or accomplice of any of the offenses provided by this present Law, who, after the commencement of proceedings, has permitted or facilitated the arrest of the others involved, will be reduced by half. In addition, the person will be exempted from the additional penalties provided for in articles 79 and 81 of this law.

Art.83.- The accused, prejudiced and convicted of offenses provided for and punished by the present law can be incarcerated in a special section.

TITLE IV

SEIZURE, CONFISCATION, TRANSPORTATION AND STOCK MANAGEMENT

Art.84.- All rosewood and / or ebony seized or confiscated is the property of the State and is sold at the behest of the Commission for Stock management provided for in Article 88 of this Act by decision of the Special Court.

Art.85.- The proceeds of the sale of seized and confiscated rosewoods and ebony are classified as State revenue. For this purpose, they are paid to the Public Treasury. The distribution of the proceeds of the sale of seized and confiscated rosewoods and ebony woods shall be determined by decree.

Art.86.- No decision of justice or other decision can order the restitution or the release of the seizure of seized or confiscated rosewood and / or ebony under penalty of penal prosecution envisaged by the article 70 , 6 ° of this present law and possibly disciplinary sanctions.

Art.87.- Only transport operations related to and necessary for the movement of seized and confiscated products, in particular from the unloading site to the places of sequestration or storage, the evacuation of

confiscated products at the completion of the procedures by the Forestry Administration may be subject to an authorization for transport, for evacuation or pass, which modalities are fixed by decree.

Art.88.- A commission for management of seized or confiscated stocks of rosewood and / or ebony is created.

The composition, the assignments and operation of the said commission shall be fixed by regulation.

Art.89.- All export licenses already issued by the Ministry in charge of the Environment, Ecology, Sea and Forests are repealed by this present law.

TITLE V

PROTECTIVE MEASURES

Art.90.- The State shall take adequate measures to ensure the protection of witnesses or persons conducting the investigation and their families against violence, threats of violence or any other form of intimidation or reprisal due to complaints, hearings or statements made, reports made or the investigation.

Art.91.- The President of the Special Court may order the application of testimonial aids for victims and vulnerable witnesses in order to facilitate their testimony at the Special Jurisdiction.

These testimonial aids may include:

- allowing a witness to testify outside the courtroom using a CCTV device, to testify behind a screen or other device that allows him or her not to see the accused or,
- authorizing the presence of a support person while testifying.

Art.92.- Any witness under the age of 18 or with a disability that makes it difficult for him/her to communicate may use testimonial aids or other measures if he/she made the request.

Art.93.- The President of the Special Jurisdiction must grant the measure of protection, unless he is of the opinion that it would be detrimental to the smooth administration of justice, and not to compromise the right of the accused to a fair and equitable trial. The President of the Special Jurisdiction may prohibit any communication between the person of trust and the witness while the witness is testifying. To obtain from the witness or the victim a full and candid testimony, the President of the Special Court may order protective measures taking into account the age of the witness, the physical or mental deficiencies of the witness, the nature of the offense and the nature of any relationship between the witness and the accused.

Art.94.- However, he/she has the power to exclude the public or certain persons from the courtroom, for all or part of the debates, when such a measure is in the interest of public morality, the maintenance of order or the proper administration of justice. The president may prohibit the media from disseminating the identities of victims and witnesses in all court proceedings, including preliminary investigations. Publication bans are designed to protect the privacy of victims and witnesses, and to allow them to participate more fully in the criminal justice system.

Art.95.- When the hearing of a person witness is likely to seriously endanger his life or his physical integrity or that of the members of his family or his relatives, the Prosecutor's office or the investigating chamber of the Special Court may, by reasoned decision, authorize the statements of that person to be collected without his identity appearing in the record of the proceedings. The decision of the judicial authority, which does not reveal the identity of the person, is attached to the witness's record of hearing, on which does not appear the signature of the concerned person. The identity and address of the person are recorded in another report signed by the concerned person, which is entered in a separate file of the record of the proceedings. The identity and address of the person are entered in a numbered and initialed register which is opened for this purpose in the Special Court.

Art.96.- Under no circumstances may the identity or address of a witness who has benefited from the provisions of Article 95 be disclosed. The disclosure of the identity or address of a witness who has

benefited from the provisions of Article 95 shall be punished with imprisonment of six months to two years' imprisonment and a fine of one million (Ar 1,000,000) to five million (Ar. 5,000,000) Ariary.

Art.97.- The accused person may, within 10 days from the date on which he has been informed of the content of a hearing conducted under the conditions of Article 95, contest to the President of the Jurisdiction the recourse to this procedure. The President of the tribunal entertaining Jurisdiction decides by reasoned decision not subject to appeal, in view of the documents of the proceedings and those appearing in the identification file of the witness. If he considers the challenge justified, he orders the cancellation of the hearing. He may also order that the identity of the witness be disclosed on condition that he has expressly accepted it. The person who is charged or referred to the tribunal entertaining Jurisdiction may request to be confronted with a witness heard under the provisions of Article 95 by means of a technical device allowing the witness to be heard. The voice of the witness is then made unidentifiable by appropriate technical methods. No sentence may be pronounced solely on the basis of statements collected under the conditions provided for in article 95 and in the preceding paragraph of this article.

TITLE VI

INTERNATIONAL COOPERATION

Article 98. Requests for extradition of persons sought for the purposes of proceedings in a foreign State shall be executed for the offenses provided by this Law or for the purpose of enforcing a sentence relating to such an offense. The procedures and principles provided for the extradition treaty in force between the requesting State and Madagascar are applied. In the absence of extradition treaties or legislative provisions, extradition shall be carried out in accordance with the procedure and the principles defined by the Model Treaty on Extradition adopted by the United Nations General Assembly in its Resolution 45 / 116.

TITLE VII

TRANSITIONAL AND FINAL PROVISIONS

Art.99.- On the date of the establishment of the Special Court, the Economic and Anti-corruption criminal courts, the Courts of first instance, the Courts for children, the investigating judges, the children's judges, the Prosecution departments simply seized or acting in summary information to judge or investigate offenses under the jurisdiction of the Special Court are required to divest themselves, as they stand, for the benefit of the said Court. The warrants issued continue to have effect and need not be validated unless their period of validity is about to expire under the provisions of ordinary law. The extension will be done under the conditions provided by Article 334 bis of the Code of Criminal Procedure. The Court of Appeal will continue to hear cases judged in first instance that were the subject of an appeal before it, prior the date of the establishment of the Special Court.

Art.100.- The provisions of the Penal Code and those of the Malagasy Code of Criminal Procedure which are not contrary to the provisions of this present law shall apply.

Art.101.- Statutory texts will be taken as necessary for the application of this law.

Art.102.- Are and remain repealed all provisions contrary to this law in particular:

- Ordinance n ° 2011-001 of 08 August 2011 on the regulation and repression of infringements relating to rosewood and ebony
- Decree n ° 2011-590 of 20 September 2011 laying down the modalities of transport of seized and confiscated rosewood and ebony wood
- Decree No. 2011-589 of 20 September 2011 setting transitional provisions for the Jurisdiction in charge of the prosecution and adjudication of offenses relating to rosewood and ebony
- Decree No. 2010-141 of 14 March 2010 prohibiting the cutting, harvesting and export of rosewood and ebony in Madagascar

Art.103.- This law will be published in the Official Paper of the Republic. It will be executed as Law of the State.

Art.104.- Due to the urgency and in accordance with the provisions of Articles 4 and 6 of Ordinance No. 62-041 of September 19, 1962 on General Provisions of Domestic Law and Private International Law, the present Law enters immediately in force as soon as it is published by radio, television or billboard, independently of its insertion in the Official Journal of the Republic.

Antananarivo, December 17, 2015

THE PRESIDENT OF THE NATIONAL ASSEMBLY

THE SECRETARY,

RAKOTOMAMONJY Jean Max

DECREE N. 2016-801
implementing law no. 2015-056 of 03 February 2016

on the creation of the "Special Chain for rosewood and/or ebony trafficking control" and repression of offenses relating to rosewoods and ebony

THE PRESIDENT OF THE REPUBLIC,

Given the Constitution;

Having regard to Ordinance No. 60-128 of October 3, 1960 laying down the procedures applicable to the punishment of infringements of forest legislation, hunting, fishing and nature protection;

Considering the law n ° 97-017 of August 08, 1997 revising the forest legislation;

Considering the law n ° 2005-018 of October 17, 2005 on the international trade of the species of fauna and flora;

Considering the law n ° 2015-005 of February 26, 2015 on revision of the Code of Management of the protected areas;

Given the law n ° 2015-056 of 03 February 2016 establishing the "special chain against the traffic of rosewood and / or ebony" and repression of offenses relating to rosewood and / or ebony;

Considering Decree No. 2014-906 of June 24, 2014 establishing the Inter-ministerial Committee in charge of the sanitation of the rosewood and ebony wood industry;

Having regard to Decree No. 2016-250 of 10 April 2016 appointing the Prime Minister, Head of Government;

Having regard to Decree No. 2016 -265 of April 15, 2016, amended and supplemented by Decree No. 2016-460 of May 11, 2016 appointing members of the Government;

Considering the decree n ° 2016-352 of May 4th, 2016 fixing the attributions of the Keeper of the Great Seal, Minister of the Justice, as well as the general organization of the ministry;

Considering the decree n ° 2016-298 of April 26th, 2016 fixing the attributions of the Minister of Environment, Ecology and Forests as well as the general organization of the Ministry;

On the joint proposal of the Attorney General, the Minister of Justice and the Minister of the Environment, Ecology and Forests

In the Council of Ministers,

DECREES:

CHAPTER 1

GENERAL PROVISIONS

Article 1 - This decree lays down the procedures for the enforcement of the law n ° 2015-056 of February 3, 2016 on the creation of the "Special chain for rosewood and / or ebony trafficking control" and the repression of offenses relating to rosewood and ebony.

Art. 2. – It determines the locations with high sensitivity in the traffic of rosewood and ebony wood, the composition of the Joint Investigation Brigade, the cost for operation of the Joint Investigation Brigades, the determination of the places of deposit of seized goods, the modalities of remuneration of the informants, the conditions of authorization for an infiltration mission, the conditions for drawing up the list of assessors sitting in the special jurisdiction based in Antananarivo, the composition, the mandate and the functioning of the Stock Management Commission, the arrangements for seized and confiscated rosewood and ebony wood, the arrangements for distributing the funds from the sale of seized and confiscated products and the lines of use of the funds from sales of seized and confiscated products.

CHAPTER II

LOCALITIES WITH HIGH SENSITIVITY IN TRAFFIC OF ROSE WOOD AND EBONY WOOD

Art. 3. –The locations with high traffic sensitivities are the following areas, including:

- Diana region including the Districts of Antsiranana and Ambilobe,

- SAVA region, including the Districts of Vohémar (Iharana), Sambava, Antalaha and Andapa;
- Analanjirofo region including the Districts of Maroantsetra, Mananara Nord, Soanieran'Ivongo and Fénériver-Est;
- Atsinanana region including the districts of Toamasina I and II and Brickaville;
- Vatovavy Fitovinany Region including the District of Manakara;
- Atsimo Atsinanana region including Farafangana and Midongy Atsimo Districts;
- Anosy region including the Tolagnaro District;
- Menabe region including Districts of Morondava, Belo sur Tsiribihina, Mahabo and Miandrivazo;
- Atsimo Andrefana region, including the districts of Ankazoabo Atsimo, Toliara I and II, and Sakaraha;
- Melaky Region including the Maintirano District,
- Boeny region including Districts of Mitsinjo, Ambato-Boeny and Mahajanga I and II;
- Analamanga region.

CHAPTER III

THE JOINT INVESTIGATION BRIGADE

Art. 4.- The joint investigation brigade is composed of four (04) forest agents, three (03) members of the National Police, and three (03) elements of the National Gendarmerie in the accomplishment of their mission. It is chaired by the sworn forest officer who is a water and forest engineer, chosen and appointed by the Minister in charge of Forests from a list proposed by the General Director of Forests. The proposed agents must demonstrate good character. The joint investigation brigades are set up in the regions of the high-sensitivity localities for the trafficking of rosewood and ebony

CHAPTER IV

THE COSTS FOR FUNCTIONING OF THE JOINT INVESTIGATION BRIGADE

Art. 5.- The operating expenses of the Joint Investigation Brigade, the transportation of seized and confiscated products, the means inherent to all movements, and others in particular the premises, are financed among others by the account of trade "Action in Favor of the Tree" , The General Budget of the State and if necessary, the funds obtained from the Technical and Financial Partners. The State commits itself to accelerate the disbursement procedures for the functioning of the JIB.

CHAPTER V

PREMISES FOR DEPOSITING THE SEIZED GOODS

Art. 6.- In the event of sequestration, the seized goods must be transported and deposited in secured places by the Forest Administration with the support of the police.

CHAPTER VI

MODALITIES OF REMUNERATION OF INFORMANTS

Art. 7.- The amount of compensation that may be paid under Article 18 paragraph 2 of Law No. 2015-056 of 03 February 2016 establishing the "Special Chain for control of the trafficking of rosewood and / or of "ebony" and the punishment of offenses relating to rosewood and / or ebony shall be determined by regulation. However, compensation must not exceed four per cent (4%) of the market value of the seized and confiscated products and must be justified by a decision to award compensation to informants issued by the Ministry in charge of Forests.

The Joint Investigation Brigade or the unit that used the informant is required to keep, in a confidential and protected manner, any document that establishes the identity of the informant. The informant may be a corporation or individual.

This amount is covered by the "Action in Favor of the Tree" trade account and cannot be appealed. The payment from is established by the forest judicial officer (OPJ) but upon cashing, a receipt is issued by the payer to the payee. Payment status and receipts are kept confidential and filed by the Joint Investigation Brigade. The beneficiaries are the Fokonolona members who participated in the information. This information retribution system must be used with the maximum of precautions to avoid any drifts.

CHAPTER VII

THE CONDITIONS OF EMPOWERMENT FOR INFILTRATION MISSION

Art.8.- May be authorized to participate in undercover operations as defined by Article 20 of Law No. 2015-056 of 03 February 2016 on the creation of the "Special Chain for control of the trafficking of rosewood and / or ebony" and the suppression of offenses relating to rosewood and / or ebony, officers or judicial police officers of the national police service or the units of the national gendarmerie and agents of the Administration, to whom the law has invested judicial power, who are specially empowered to carry out investigations and who have fulfilled the following conditions:

- demonstrating good character ;
- being honest and never having been convicted by the courts or by a disciplinary body ;
- having a sense of cooperation ;
- having no direct or indirect link with persons subjects to investigation

They are considered to be qualified to fulfill the missions of infiltrated agents at the end of a relative training course. The authorization referred to in paragraph 1 of this article shall be issued by the Public Prosecutor or, where appropriate, by the Substitute, who has received the written authorization from the first, territorially competent after approval of higher authorities. This approval can be granted only on the proposal of the superiors to whom the agent reports to. This authorization and the approval may be withdrawn at any time by the authorities which issued or granted them. The withdrawal of the accreditation cancels the authorization.

CHAPTER VIII

CONDITIONS FOR ESTABLISHING THE ANNUAL LIST OF ASSESSORS

Art. 9.- An ad hoc commission composed of the President of the Special Court, two (02) representatives of the Directorate General of Forests is responsible for preparing a preliminary list of assessors to be submitted to the Minister in charge of Forests. This commission meets at the latest on September 1st of each year. The lists are valid from January 1st to December 31st of the year for which they were established.

Art. 10.- Before the meeting of the commission and in sufficiently useful time, the Forest Administration gathers all information on the persons likely to be registered on the annual list and fulfilling the conditions envisaged with the article 409 of the Code of the penal criminal procedure and draws up a list of at least **forty (40) names** selected among the technicians of the Forest Administration. Each person presented will have a sheet indicating his name, first name, date and place of birth, filiation, profession, education and residence as well as information on his morality. The registration of each name is decided by majority. When it is divided, the president has the casting vote. A statement is established and signed by the president and the members of the commission, which is deposited at the office of the General Direction of Forests. A copy, certified by the president, is transmitted to the Minister of Forests, with his observations and proposals, before 1 October. To this copy are annexed by the president of the information sheets of the proposed citizens. Each of these information sheets must indicate the names, first names, age, nationality, profession and residence of the person concerned, as well as a brief assessment of his behavior and morality.

Art. 11.- In view of the preparatory list and its annexes, the Minister in charge of Forests, establishes by decree a final list of **twenty (20) technical assessors** of the Special Court. The decree is published in the Official Paper of the Republic. A copy is sent to the Trial Court of Special Court and to the Prosecutor at the Special Court.

Art. 12.- Upon receipt, the Public Prosecutor's Office shall notify each of the **twenty (20) assessors** of the order concerning him. This notification must be made to person. In the absence of notification to person, it must be made both at home and to the mayor, who must notify the person without delay. The Public Prosecutor's Office of the Special Court is obliged to immediately inform the Minister in charge of Forests of the deaths, incapacities or legal incompatibilities that would affect one of the twenty (20) assessors on the annual list, as well as long duration absences and changes of residence coming to his knowledge, to the end of his replacement.

Art.13.- As a transitional measure, this list is sent to the Special Court no later than forty (40) days after it has been set up. It is valid only during the year in which it was established.

CHAPTER IX

COMPOSITION, ASSIGNMENT AND FUNCTIONING OF THE STOCK MANAGEMENT COMMISSION

Art. 14.- The Stock Management Commission is composed of:

- a magistrate of the jurisdiction of the Special Court or his representative,
- a magistrate of the Special Court Prosecution or his representative,
- Forest Judicial Police Officer who chairs the Joint Investigation Brigade,
- the Regional Director in charge of Forests, depending on the case,
- a judicial police officer of the National Police member of the Joint Investigation Brigade,
- a judicial police officer of the National Gendarmerie member of the Joint Investigation Brigade,
- a representative of the Ministry of National Defense,
- a representative of the Executive Secretariat of the Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony wood industry,
- a representative of the concerned Region or District,
- The Director General of Bianco or his representative,
- a representative from an association or organization whose statutes define in their object the defense of the environment, the protection of forests.

The appointment of members is done by inter-ministerial decree.

Art. 15.- The Stock Management Commission, provided by the Article 88 of Law No. 2015-056 of 03 February 2016 on the creation of the Special Chain to control the Rosewood and / or Ebony Wood trafficking" and repression of offenses relating to rosewood and / or ebony, is competent to monitor and manage the stocks seized by the courts and confiscated.

Art. 16.- The Stock Management Commission meets when convened by the President; it establishes regular status of the stocks whether they have been confiscated or declared, seized by the Joint Investigative Brigade or by order of the magistrates composing the Special Court, specifying their volume, the date and the place as the case may be, as well as the follow-up to the proceedings, until confiscation by the trial court. The information relating to the realization of the implementation of the "sales as is" or after evaluation must be reported in this regular status of the stocks. The stock management commission is chaired by the Regional Director in charge of Forests, depending on the case.

Art. 17.- The seized rosewoods and ebony woods are ceded, by decision of the Special Court, by public tender.

Art. 18.- The invitation to tender shall be elaborated and issued by the stock management commission, in the relevant district, and shall be posted on boards provided for this purpose in the premises of the concerned District, the concerned Region, the Circumscription and concerned cantonment in charge of the Forests, the Commune of the place of sequestration, the Chamber of Commerce, Industry and Agriculture if necessary. The international tender notice is drawn up following the model set by the stock management commission.

Art. 19.- With a view to supporting craft activities, this decree recognizes the allocation of part of the seized and confiscated products for the benefit of groups of artisans legally constituted and officially recognized by the Ministry in charge of Crafts. This part is defined according to their need which is fixed by regulation. The public tender for this part is carried out according to the procedure of call for tenders receiving the candidatures of the concerned groups. The public tender is open to any individual or legal person except those qualified as false bidders including those recognized as insolvent towards the Forest Administration. Interested persons have forty five (45) days period of time from the publication of the notice of invitation to tender to send their bids to the headquarters of the stock management commission. The submission procedures are set by the stock management commission. The headquarters of the stock management

commission are fixed according to the circumstances by the commission. Tenders shall be opened in public session by the stock management commission on the fifth (5th) day after the deadline for submission. The commission can deliberate only in the presence of all its members.

Art. 20.- The product offered for sale is awarded to the bidder with the highest proposed amount. The results of the tendering procedure are displayed in the same way as the tender notice and notified to the successful tenderer. The product cannot be sold in the event that the highest amount is deemed unsatisfactory by the commission, taking into account the prices prevailing on the market. If applicable, another notice of sale is issued in accordance with the provisions of articles 18 and followings of the present decree.

Art. 21.- The price of the sold product is to be paid to the finance controller of the concerned district within five (5) days:

- Either by certified bank check for provision or to the order of the "Action in Favor of the Tree" trade account,
- Or by postal order to the order of the trade account "Action in Favor of the Tree".
- After payment, a removal order is issued to the successful tenderer by the stock management commission.

Art. 22.- The collection of the sold products is carried out, on presentation of the removal order mentioned in above article 21, with the concerned sequester in a deadline fixed by the stock management commission. The indemnity of the custodian (s) is fixed at twenty thousand (20,000) ariary per day per person, but should not exceed fifteen per cent (15%) of the value of the seized and confiscated products. This indemnity is taken over by the trading account "Action in Favor of the Tree" and is granted to them once the sale procedure is closed. After the period of sequestration set by the stock management commission, the contractor shall pay the daily allowance allocated to the custodian. Where appropriate, the removal of the products must be carried out only after payment of the indemnities by the successful tenderer.

CHAPTER X

TRANSPORT OF SEIZED WOOD

Art. 23.- Any transport operation related to the movement of seized and confiscated products in order to secure timber or sale, in accordance with the provisions of Article 84 of Law No. 2015-056 of 03 February 2016 establishing the "The Special Chain to control the trafficking of rosewood and / or ebony "and the punishment of offenses relating to rosewood and / or ebony, requires that the seized rosewoods and ebony woods to be simultaneously marked with the following: marking hammer, paint marking and electronic coding, under the supervision of the stock management commission.

Art. 24.- Issuing of transport authorizations for seized and confiscated products is the responsibility of the Forest Administration.

Art. 25.- The transport authorization indicates in particular:

- the reference number of the statement,
- the name of the species, the size,
- The number and volume of transported products,
- the marks affixed to the products,
- the name of the carrier,
- the vehicle number or the identification of the means of transport,
- the date and time of departure certified by the verification officer,
- the places of origin and the destination of the products as well as the date of receipt,
- the name of the receiving agent in the places of sequestration.
- the receiving date and time in the places of sequestration.

CHAPTER XI

TERMS OF DISTRIBUTION OF THE PRODUCTS OF THE SALE

Art. 26.- In application of article 85 of the law n ° 2015-056 of February 3rd, 2016, the revenue coming from the sale of seized and confiscated products are paid to the Public Treasury fund with the following distribution:

- 25% are collected for the benefit of the General State Budget;
- 25% is paid to the benefit of the concerned Decentralized Territorial Communities, including 15% Province, 15% Region and 70% Commune;
- 50% is paid to the benefit account "Action in Favor of the Tree" of which:
 - 50% is used to finance activities related to the management, restoration and protection of biodiversity and protected areas affected by harvesting;
 - 18% is used to finance income-generating activities for the development of the concerned basic communities;
 - 8% is paid as compensation to informants;
 - 8% are paid and distributed, in equal shares, as a report bonus to the verbatim agents of the Combined Investigation Brigade and the prosecution officer of the Forest Administration;
 - 4% is paid, as a bonus, for the benefit of all State agents, including agents of any other Administration that has lent a hand to the elements of the Joint Investigation Brigade;
 - 4% is paid, as a bonus, to the Executive Secretariat of the Inter-ministerial Committee responsible for the sanitation of the rosewood and ebony wood industry;
 - 4% is paid for the functioning of the Ad Hoc Technical Committee for the control of Biodiversity Crimes;
 - and 4% is paid for operating the Stock Management Commission.

CHAPTER XII

LINES OF USE OF THE PROCEEDS OF THE SALE

Art. 27.- The proceeds from the sale of the seized and confiscated products will be used to finance respectively:

- social investments;
- sustainable development projects of regional and communal interests, in particular road, hospital and educational infrastructures, as well as infrastructures related to the supply of drinking water, sanitation and hydro-agricultural development;
- the sovereign use of the State in the control of the forests and in particular the Protected Areas, the management and community governance initiatives located in the Region of collection of the woods, the management of protected areas and the protection of the biodiversity of Madagascar, forest governance and sanitation operations;
- development projects including income-generating activities initiated by the communities.

CHAPTER XIII

MISCELLANEOUS AND FINAL PROVISIONS

Art. 28.- All provisions contrary to this decree are and remain abrogated in particular article 3 paragraphs 1 and 2 of the decree n ° 2014-906 of January 24, 2014 creating the Inter-ministerial committee in charge of the sanitation of the sector rosewood and wood of ebony. The Inter-ministerial Committee in charge of the sanitation of the rosewood and ebony industry collaborates with the Special Chain in particular by transmitting all information and useful documents.

Art. 29.- Due to the urgency and in accordance with the provisions of Article 4 of Ordinance No. 62-041 of 19 September 1962 on General Provisions of Domestic and Private International Law, this Decree shall enter into force upon its publication by broadcasts, television or billboards regardless of their inclusion in the *Official Paper* of the Republic.

Art. 30.- The Attorney General, the Minister of Justice, the Minister of Finance and Budget, the Minister of the Interior and Decentralization, the Minister of Public Security, the Minister of the Environment, Ecology and Forests , the Minister of Culture, the Promotion of Handicrafts and the Protection of the Heritage, the Secretary of State at the Ministry of National Defense in charge of the Gendarmerie are responsible, each as

far as they are concerned, for the execution of this decree which will be published in the *Official Journal of the Republic*.

Antananarivo

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The President of the Republic

The Prime Minister
Head of Government

MAHAFALY Solonandrasana Olivier

The Attorney General, The Minister of Justice
ANDRIAMISEZA Charles

The Minister of Finance and Budget
RAKOTOARIMANANA François Marie Maurice Gervais

The Minister of the Interior and Decentralization
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The Minister of Public Security
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RABENIRINA Jean Jacques

The Secretary of State to the Ministry of National Defense in charge of the National Gendarmerie
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