

Endangered Species Advisory Committee

**Disposal of Timber Forfeited under
the Protection of Endangered Species of Animals and Plants Ordinance, Cap. 586**

Purpose

This paper reviews the possible options for the disposal of forfeited timber and to seek Members' views on the proposed disposal plans.

Background

2. The number of timber species listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) has been increasing particularly in recent years. In the last meeting of the Conference of the Parties in 2016 alone, the inclusion of all *Dalbergia* spp., three *Guibourtia* spp. and *Pterocarpus erinaceus* in CITES Appendix II resulted in significant increase in the total number of timber species listed under CITES. Currently, hundreds of timber species are regulated under CITES which include high-value species such as African Teak (*Pericopsis elata*), Kosso (*Pterocarpus erinaceus*), East African Sandalwood (*Osyris lanceolata*), Rosewood (*Dalbergia* spp.) and Ebonies (*Diospyros* spp.). Rapidly rising demand for these precious tropical hardwoods has led to serious concerns about unregulated logging and illegal trade. While the Department would stay alert in smuggling activities involving timber species, it is expected there would be more incidents of timber seizure in form of wood logs in the future.

3. CITES Resolution Conf. 17.8 provides guidelines for the disposal of illegally traded and confiscated CITES-listed specimens. While the disposal of confiscated and accumulated dead specimens of Appendix I species is restricted for the purpose of scientific, educational, enforcement or identification purposes, any confiscated dead specimens, including parts and derivatives, of Appendix II and Appendix III species should also be disposed of in the best manner possible to achieve the purposes of CITES. Besides, it is required to ensure that the person responsible for the offence does not receive financial or other gain from the disposal, and that such disposal does not stimulate further illegal trade. Destruction should be considered as a last resort when all other options for its disposal have been exhausted.

4. Currently, a total of over 1,196,700 kg of illegally imported / re-exported timber, including over 190 kg of Agarwood (*Aquilaria* spp.), 1,008,000 kg of Violet Rosewood (*Dalbergia louvelii*), 2 kg of Holy Wood (*Bulnesia sarmientoi*), 128,100 kg of Red Sandalwood (*Pterocarpus santalinus*) and 33,400 kg of Thailand Rosewood (*Dalbergia cochinchinensis*), were seized and kept under the custody of the department. Due to the

large size and quantity, the forfeited timber specimens are temporarily stored in container storage areas. The storage of such timber has severe financial implications to the Department if they cannot be disposed of quickly.

Disposal Options of Forfeited Timber Explored

5. Possible options for the disposal of forfeited timber have been explored in accordance with the CITES guidelines. The feasibility of such uses also hinges on the timber properties, timber condition, security and whether it would stimulate illegal trade or have detrimental effect to the survival of their natural populations. The possible disposal options are discussed below:-

(i) Return to the State of Export

Returning the forfeited timber specimens to the State of export is a possible option under CITES if it could generate conservation benefits. However, it is only feasible if the government stockpiles in the State of export are strictly managed to avoid the returned specimens from re-entering the illegal market. Unfortunately, this is often not the case. For instance, CITES Secretariat was consulted on this disposal option for the forfeited Violet Rosewood (*Dalbergia louvelii*) which was endemic to Madagascar. The CITES Secretariat did not support this option because illegal timber shipments from Madagascar continued to be detected and the measures implemented by the Government of Madagascar were considered inadequate to prevent these illegal activities.

(ii) Sale by Auction

Auction sale could be considered as a possible option to dispose of forfeited specimens. Proceeds of the sale have to be placed into a secure and well managed trust fund, created and administered by the CITES Secretariat, for instance, and for dedicated purpose of supporting the implementation of CITES in the range states of the forfeited items. However, the sold timber may in most of the cases not be fully complied with the CITES provisions to be allowed for re-export. This is because it may not fulfill the requirement that the trade in the confiscated timber will not be detrimental to the survival of the species in the wild. There is also concern that the seized timber stock may re-enter the commercial market with the increasing demand, and, as a result, illegal trade may be further stimulated and thus the sale would be against the general principle of the CITES guidelines. Besides, given the fact that there is no local industry on wood processing, it is expected that there is very limited outlet on using the forfeited timber locally if re-export of the timber is not allowed.

(iii) Non-commercial Uses

Possible non-commercial uses of the forfeited timber have been actively explored both within the Department and by other government departments and organizations. Such uses may include using them as building materials for country parks facilities (e.g. signage, boardwalks, benches), restoration of historical buildings and temples, production of musical instruments, art exhibition as well as cultural, community and

education activities. Through relevant authorities of the receiving places, the possibility of donating forfeited timber to organizations outside Hong Kong for non-commercial uses could also be explored. These non-commercial uses are preferable disposal options. They are however highly selective as it depends on the properties and conditions of the timber specimens and whether there will be a chance for the products to re-enter the illegal trade market. It is estimated that about 4 % of the total forfeited timber could be disposed of through this option. Therefore, other practical disposal options must be explored.

(iv) Destruction

We are mindful of the fact that disposal of forfeited timber by destruction may be criticized as a waste of natural resources. However, destruction is inevitably the last resort of disposal when other options are considered not feasible. In fact, destruction avoids further illegal trade activities of the forfeited timber, and ensures no financial or other gains would be received by the person responsible for the offence. It also delivers a clear message to the local and international community that Hong Kong would not tolerate smuggling and illegal trading of endangered species. Both dumping in landfills or incineration are possible destruction methods for the forfeited timber. Considering the large quantity of carbon dioxide emission if the timber is to be incinerated, dumping in landfill sites would be the only feasible destruction option. Dumping in landfill sites is also the only practical method to dispose of a large quantity of forfeited timber in a relatively short period of time.

Way Forward

6. The Department will further engage relevant departments/organisations on other possible options to deal with the accumulated forfeited timber. Should there be no other feasible option to handle the large volume of timber, the Department plans to dispose of the forfeited timber through the disposal methods presented in paragraph 5 above.

Advice Sought

7. Members are invited to comment on the way forward to handle the forfeited CITES listed timber.

Agriculture, Fisheries and Conservation Department
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