

Ramin Wood

Originating Nations Work to Regulate Exports

by Anne Vazquez

Each year, the picture framing industry utilizes millions of feet of lumber in the form of frame moulding. As such, being mindful of the need to replenish this natural resource is a step that many industry members have addressed. Reforestation efforts are an important aspect in regard to the health of the environment, and to an industry that utilizes significant quantities of wood for its livelihood.

This very issue has drawn increased attention to Southeast Asia in recent years with concern for the timber resources in the region. With about 400 species of trees harvested in this region, the volume of wood exported from the countries of Southeast Asia is significant. Those species used for picture frame moulding include Ramin, Jelutong, and Agathis, among others. Ramin is especially desirable because of its highly consistent straight grain and that fact that its surface is conducive to gluing and finishing. As such, demand for this wood is consistent in the international arena, for not only picture frame moulding, but for other products including broomstick handles and pool cues.

Ramin trees are indigenous to the forests and peat swamps that cover much of the land in this part of the world, with a concentration in Indonesia, Malaysia, Borneo (split between Indonesia and Malaysia) and Singapore. In addition the trees, several animal species are also indigenous to this habitat. So, in addition to the concern for forest conservation, the need to protect other wildlife is a prime concern.

Both economic and environmental issues have brought the

harvesting of ramin to the forefront of international trade issues. This is because ramin has become a popular, and sometimes exploited, commodity in the region. Over the years, regulatory efforts have been developed and then revisited to combat illegal logging trade activities which not only threaten the forests, but also has deprived the economy from revenue that such trade would produce in a legal framework.

To get an idea of how much of the timber from Malaysia is destined for the United States, consider the following statistics from the Malaysian Timber Council. (Statistics from Indonesia were not readily available.) In 2003, the export of timber from Malaysia totalled USD\$276 million. Of that total, all ramin wood exports equalled \$21 million (approximately 7%). Of that amount, all timber (including ramin) exported from Malaysia to the United States generated USD\$3.5 million for Malaysia.

Domestic Action

Recognizing both the economic and environmental ramifications of a thriving timber industry, the Malaysian and Indonesian governments have made this issue a top priority for many years. (As far back as 1901, Malaysia addressed forest management with the

appointment of the first forest officer.) Throughout the last century, the work to keep a balance between timber consumption and conservation has been a prime issue for both countries.

And, for at least the past three decades, those countries have actively pursued conservation measures for their wood commodities;



Those nations where ramin is an important resource actively address the issues surrounding its export.

this includes ramin, as well as the many other wood species. Unfortunately, both internal and external forces have created an unclear and everchanging picture of the timber situation in this region of the world.

The persistence of illegal loggers, the inevitable circumstances that arise when independent nations are working together on a common issue, and vocal environmental groups have often made it appear that the nations in this region are not effectively protecting their resources. However, the existence of regulations and the enforcement that has helped to decrease the instances of illegal logging highlight the efforts being made on behalf of the ramin issue.

Malaysia

The Malaysian government formed the National Forestry Council in 1972, with the intent of unifying the implementation of forest policy efforts throughout the country. In 1978, a National Forestry Policy was adopted for the management of the nation's forests in the face of industrial consumption. The government has stayed active on this issue, revising the Policy in 1992 to address in greater depth the requirements for sustainable forest management. The regulations, and the penalties for those who break them, have continually been reviewed and, in many cases, expanded in the efforts to maintain the environment while also keeping the timber industry viable.

Malaysia's current policy of maintaining the ramin population in its forests includes the regulation of the size and the number of trees that can be cut per hectare. (One hectare equals two-and-a-half acres.) According to literature from the Malaysian Timber Council (established in 1992 to promote the development of the timber-based industry there), the current guidelines for cutting ramin trees states that mature and fully-grown trees are to be harvested at a rate of between seven to 12 per hectare. Clear cutting (the act of cutting down an entire area of forest) is not legally sanctioned; instead the practice of cutting 7 to 12 trees per hectare as mentioned above keeps the regrowth of the trees constant.

In 1984, the National Forestry Act was passed in Malaysia which further empowered authorities to identify and punish those engaged in illegal logging activities. The legislation was amended in 1993 to expand the scope of their power; the amendment enlisted police and armed forces to assist forestry officials in seeking out offenders, introduced a mandatory one-year jail term with a maximum of 20 years upon conviction (up from a three-year maximum); increased fines from what equals about USD\$4,000 up to USD\$200,000; and shifted the "burden of proof" to the

accused, rather than the prosecution.

The Malaysian government points to the 1993 amendment of the National Forestry Act as contributing to a decrease in illegal activities. In March 2001, a report from The World Bank, "Overview of Forest Law Enforcement in Peninsular Malaysia," noted that the average number of forest crimes dropped from 223 for between 1987-1993 to 28 for the period 1994-99.

In June 2002, Malaysia imposed a ban on the import of Indonesian round logs into its borders in an effort to reduce the flow of ramin across its borders from Indonesia. One year later, the government expanded the ban to also include square logs (which are sawn timber more than 60 square inches in size). Currently, the only ramin wood legally permitted into Malaysia from Indonesia is sourced from one company in the latter nation. This company holds a certification for sustainable forest management and is a legitimate participant in the industry.

Indonesia

The country of Indonesia is also working to combat the issues of illegal logging, as well as forest management as it relates to legitimate timber trade. Managing the cutting and regeneration of ramin there is under the administration of the Indonesian Selective Felling and Planting System. One of the tenets of the system is that, per hectare, at least 25 healthy trees measuring over 15 centimeters in diameter must be left as core trees for the area. Enrichment planting of trees is also undertaken to promote regeneration.

In 2000, the Indonesian government, in an attempt to stem the tide of increasing illegal ramin exports from its land, imposed a logging ban on all its ramin wood for the year 2001. When trade was revived the next year, it was through the one company mentioned above certified to handle the export of Indonesian ramin.

In August of 2001, the Indonesian government then initiated a request to list ramin wood on the CITES list of endangered species. CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) is an international agreement between governments with the aim of ensuring that international trade in specimens of wild animals and plants does not threaten their survival. Drafted as a result of a resolution adopted in 1963 at a meeting of members of IUCN (The World Conservation Union), the tenets of CITES were agreed upon at a meeting of representatives of 80 countries in Washington D.C. in 1973. It was entered in force in 1975.

Currently, there are 166 member nations, which adhere voluntarily to the guidelines for trade that are periodically creat-

ed and reviewed. Each nation's adherence to the guidelines is subject to scrutiny via the required submission of an annual report about the trade activities concerning the species at hand. Furthermore, CITES requires that each nation submit a bi-annual report on its legislative, regulatory and administrative measures taken on the matter.

The system which CITES uses to regulate trade is comprised of appendices. There are Appendices I, II, and III, each of which lends a different level of protection to the specified item—Appendix I being the most stringent.

When Indonesia initiated the placement of ramin wood onto the CITES list, the requested level was Appendix III. CITES literature states: "Appendix III is a list of species included at the request of a Party that already regulates trade in the species and that needs the cooperation of other countries to prevent unsustainable or illegal exploitation. International trade in specimens of species listed in this Appendix is allowed only on presentation of the appropriate permits or certificates." These permits are export (or re-export) certificates that must accompany each shipment of the regulated item (in this case, ramin wood). The permits verify that the wood is from a legitimate source.

Appendix II lists species that are not necessarily now threatened with extinction but that may become so unless trade is closely controlled. As with Appendix III, it requires that an export (or re-export) certificate accompany the shipment to verify its origin. It is differentiated from Appendix III in that annual quotas are often set for the concerned item.

Appendix I lists species that are the most endangered among CITES-listed animals and plants. A species on this list is generally prohibited from commercial international trade. In cases when trade is authorized (i.e. for scientific research), the shipments must be accompanied by both an export permit (or re-export certificate) to verify origin, as well as import permit on the receiving end.

As a result of Indonesia's initiative to place ramin on the CITES list, all ramin wood and by-products exported from there now must be accompanied by a CITES export permit. This certificate exists to enable customs officials to verify that the ramin has originated from a legitimate source, rather than illegal logging activities.

With this certification system in place, companies receiving the imports of ramin wood (such as those moulding suppliers in our industry) are able to verify that the shipment has passed through the proper channels. These CITES measures, coupled with each nation's regulations on ramin, work to ensure that the wood used in our industry is

derived from legal and responsible forestry practices.

Continued Challenge

Despite the ongoing and consistent efforts to eliminate the illegal trade of timber, there are, of course, incidents where ramin has been seized and found to be not from a proper source. One such incident occurred on February 20, 2004, when a shipment of 1,636 metric tons of ramin was identified as being illegally shipped from Indonesia through one of Malaysia's Free Trade Zones (FTZs) in Pasir Gudang Port in Johor.

FTZs present a unique obstacle to regulatory efforts because these locations are not under the jurisdiction of the country they are located in; they are considered to be "outside" of the country and are patrolled by Customs officials. This framework exists because FTZs, which exist in many countries, are created for economic development measures and offer foreign companies various benefits, including duty-free import of various materials.

The Washington, DC-based Environmental Investigation Agency (EIA), along with Indonesian environmental group, Telepak, responded to this discovery of illegal ramin by calling on the Malaysian government to ban all of its exports of ramin wood. In response to this demand, Dr. Lim Keng Yaik, Malaysian minister of primary industries, acknowledged that the legal status of the FTZs is an obstacle to the fight against illegal ramin trade. However, he asserted that a total ban on exports of all ramin was not a viable solution. At a meeting with EIA officials in February 2004, Keng Yaik pointed out that this was an issue that would take time to attempt to amend into law. He also stressed Malaysia's willingness to cooperate with the EIA to reach solutions.

Future Outlook

This fall, CITES will hold its 13th Annual Meeting in Bangkok, Thailand and ramin will be on the agenda. The government of Indonesia has proposed that ramin be moved to the CITES Appendix II list, which would tighten the regulations on the species. According to the proposal submitted to CITES in advance of the meeting this fall, it appears that while Indonesia has experienced improved regulation of its ramin export to Malaysia and beyond, it seeks to have ramin moved to Appendix II for assured continuation of the successes achieved thus far.

The proposal to CITES states, "... Indonesia believes that the Appendix-III listing contributes effectively towards controlling illegal logging in the country and managing any

international trade, but international cooperation is still required to make this work... The additional requirements of legal procurement and sustainability assessment for exports under Appendix II are not currently applicable to the Appendix III listing... Therefore, in the case of ramin, Appendix II listing is regarded as more appropriate."

With economic and environmental factors so closely intertwined on the ramin trade industry, it may be safe to assume that this will be an ongoing issue with all parties involved. The existence of regulations and active participation of the regional governments, as well as the international community, are contributing to the stability of trade in this region and to the preservation of the ramin forests of South-east Asia. Just as the timber industry in the United States underwent increased regulations for the good of the forests and the economy in the mid-20th century, so must the nations that export ramin strive to keep working toward sustaining their natural resources. ■

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