



VIETNAM'S HIGH RISK TIMBER TRADE: LESSONS FROM DEMOCRATIC REPUBLIC OF CONGO

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EXECUTIVE SUMMARY

This briefing sets out the findings relevant to Vietnam of Global Witness' recent report, Total Systems Failure¹ and recommends measures that Vietnam should adopt to prevent imports of illegally harvested timber.

Home to a kaleidoscopic rainforest of over 600 tree species and 10,000 animal species, the Democratic Republic of Congo (DRC) is one of our planet's most important biodiversity hotspots. Its forest provides vital shelter, food, fresh water and a livelihood for tens of millions of people every day, as well as housing endangered forest elephants, chimpanzees and bonobo apes. Making up two-thirds of the Congo Basin rainforest, it plays a critical role in regulating our global climate. But this incredible natural resource is under threat.

We have found that Norsudtimber – a secretive company based in Liechtenstein, and the single largest owner of logging concessions in the DRC's forests – is illegally harvesting timber on 90% of its sites, with government complicity. This is an expanse of over 40,000km², with half of the trees being exported coming from endangered or vulnerable tree species. Norsudtimber is breaching its contracts with total impunity. It has given a detailed denial, which we have included in Annex 1 of this briefing.

In 2017, Vietnam imported 74% of the timber harvested by Norsudtimber and overtook China as the main destination for Norsudtimber's exports. Vietnam does not yet have an effective system to prevent imports of illegal timber and there are no obligations on importers or traders to exercise due diligence.

Timber exported from DRC should be considered at high risk of illegality. Illegal logging is prevalent in DRC, due to an extremely poor governance context. While the DRC has laws governing the operations of logging companies, in reality they are rarely enforced. This is characteristic of the weak governance, corruption and impunity that continues to blight the country, incurring untold damage to its rainforests.

Vietnam should introduce controls to ban the placing on the market of illegally harvested timber and support the rule of law in DRC by not allowing Vietnamese importer and trading companies to import timber harvested or exported in violation of DRC laws. The development of new import controls should be informed by the experience of other legislation to tackle the import of illegally harvested timber such as the US Lacey Act and EU Timber Regulation. This should include key elements such as prohibition, due diligence requirement, rigorous enforcement, complaint mechanisms to ensure accountability and dissuasive penalties to ensure compliance.

KEY FINDINGS

1. **Norsudtimber is DRC's biggest logging company** by surface area, controlling over 40,000km² of timber concessions, and by exports, controlling nearly 60% of the country's international timber trade in 2017.
2. **It is operating almost entirely illegally, breaking key requirements of DRC's Forest Law.** Timber harvested in 90% of concessions owned by Norsudtimber subsidiaries is illegal, due to the failure in many concessions to implement the required 25-year management plans within the deadlines imposed by law, and with signs of logging activity outside of authorised

perimeters. According to DRC law, this should result in the cancellation of the concession contracts, but the law is being ignored, with the complicity of the DRC government.

3. 74% of timber exports by Norsudtimber were destined for Vietnam in 2017. This is a significant increase from previous years.
4. Almost 60% of the timber Norsudtimber exported between 2013 and 2017 belonged to tree species listed as “endangered” or “vulnerable” by the International Union for Conservation of Nature (IUCN).
5. Over half of Norsudtimber’s timber exports to Vietnam in 2017 were of species listed as “endangered”, “vulnerable” or “near threatened” by the IUCN.
6. In 2013–2014, the last year for which there is data, the degradation and destruction of DRC’s forests resulted in carbon emissions equivalent of nearly 50 coal-fired power plants operating for a full year.²

ILLEGAL LOGGING IN NORSUDTIMBER’S OPERATIONS IN DRC

This Global Witness investigation sheds light on the activities of Norsudtimber, a company headquartered in a tiny village in the Alpine tax haven of Liechtenstein that owns the rights to log 43,426 square kilometres of DRC’s rainforest, an area greater than Hainan, and 271 times the size of Liechtenstein itself.^{3 4}

Operating through its subsidiaries Sodefor, Forabola and La Forestière du Lac, it currently holds 20 logging concessions covering over 40% of the 107,000km² of the country’s total logging concessions.^{5 6 7 8}

At least 18 of these concession contracts were signed by one of three Angolan-born Portuguese brothers, José Albano, João Manuel, and Alberto Pedro Maia Trindade, who are among the seven beneficial owners of Norsudtimber that Global Witness has identified.

Importantly, our analysis reveals that at least 18 of the 20 concessions held by Norsudtimber and its owners show at least one sign of being in breach of DRC’s Forest Code and require the government to cancel the concession contracts. These conclusions are based on our analysis of concession documents, satellite imagery, and regulations set out in the DRC Forest Code. Of Norsudtimber’s 20 concessions:

➤ **A total of eight concessions were without a 25-year management plan five years after the signature of the concession contract.** These are 015/11, 036/11, 043/11 (Forabola), 037/11, 038/11, 042/11, 045/11 (Sodefor), and 048/11 (La Forestière du Lac). All of these

concessions, according to DRC law, should be returned to the state, and all timber being harvested in these concessions is currently illegal.

- **A total of six concessions showed signs of logging activity outside of authorised perimeters.** These concessions are 036/11 (Forabola), 034/11, 039/11, 042/11 and 045/11 (Sodefor), and 048/12 (La Forestière du Lac). All of these concessions, according to DRC law, should be returned to the state, and all timber being harvested in these concessions is currently illegal.
- **One concession (Sodefor 037/11) showed signs of logging activity within the same annual harvest area for four consecutive years.** This concession, according to DRC law, should be returned to the state, and all timber being harvested in this concession is currently illegal.
- **A total of nine concessions showed no sign of logging activity for a period of at least two years.** These concessions are 043/11, 057/14, 058/14 (Forabola), 059/14, 061/14, 062/14, 063/14, 064/14, 065/14 (Sodefor). All of these nine concessions, according to DRC law, should be returned to the state.
- **Only two concessions (Sodefor 035/11 and Forabola 060/14) showed no signs of logging activity outside of authorised perimeters, and were operating with a 25-year management plan** five years after the signature of the concession contract, or do not need one until 2019. However, the social infrastructure, which Norsudtimber's subsidiaries had agreed as part of their concession contracts, was not completed. This creates a risk of illegality associated with these two concessions.

All of these findings – summarised in the table in Annex 1, which includes the responses provided by Norsudtimber subsidiaries – suggest that 90% of Norsudtimber's concessions are in breach of their contractual obligations. All timber currently being harvested in these concessions is illegal, and timber being harvested in the remaining two concessions is at risk of being illegal.

This evidence is crucial for companies down the supply chain who, in trading timber that has been illegally harvested or is at risk of being so, may be violating a series of international timber trade laws.

GOVERNANCE IN DRC

The DRC government is the first line of defence against illegal or unsustainable logging operations. Yet the government is complicit in ongoing illegal logging by companies like Norsudtimber, by telling them they can ignore the law. The DRC government has also announced its intentions to lift the moratorium on the allocation of new industrial logging concessions. Moves are already underway to open up even greater swathes of rainforest to yet more loggers, while those there already operate illegally and with impunity.

The country's broader governance context is dire: DRC ranks 161 in Transparency International's corruption perception index out of 176 states. The country's legal framework is "rarely enforced

in practice” and, according to the anti-corruption organization U4, the country’s forest sector is run by a “mafia-style network”.

A fragile political environment provides impunity: The DRC is in the depths of political crisis as civil war looms large once again, and President Kabila’s refusal to step down, at the expiry of his constitutional term in December 2016, worsened a dire state of governance in the country. This crisis is taking place in the context of what can only be described as the widespread looting by political elites of DRC’s natural resources. For example, in recent years, the DRC has lost more than US\$1.36bn in revenues from the under-pricing of mining assets sold to offshore companies, thanks to shady deals. In April 2018, it announced new plans to declassify parts of the Virunga and Salonga national parks for oil exploration, in violation of the UNESCO World Heritage Convention.

NORSUDTIMBER’S HARVESTING OF “ENDANGERED” OR “VULNERABLE” TREE SPECIES

Norsudtimber’s logging practices – as determined through an analysis of customs declarations obtained by Global Witness from DRC’s main port of Matadi – shows that almost 60% of the timber it exported between 2013 and 2017 belonged to tree species listed as “endangered” or “vulnerable” by the IUCN.⁹

Trade in just one of these species, *Afrormosia* (sometimes referred to as “African teak”), is regulated by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which permits the export of some – but not all – endangered species.¹⁰ In 2014 the CITES secretariat observed that a “large number of fake or falsified (CITES) permits (were) apparently issued by the Democratic Republic of the Congo.”¹¹

Global Witness analysed the species harvested by Norsudtimber subsidiaries. We also examined the conservation status of these species, according to the IUCN. The findings are summarised in Annex 2. Over half of DRC’s timber exports to Vietnam in 2017 were of species listed as “Endangered”, “Vulnerable” or “Near Threatened” by the IUCN, according to Matadi ship manifests where the species are named.¹²

NORSUDTIMBER’S SECRETIVE WORLDWIDE WEB OF ILLEGAL TIMBER TRADING

The activities of Norsudtimber in DRC are fuelled by demand for tropical timber from a long list of customers across the globe, who mainly use it in the manufacture of luxury goods. As we have shown, timber from 18 of Norsudtimber’s 20 concessions is being harvested illegally. Our analysis of customs data shows that this timber is shipped around the world.

78% of timber exports by Norsudtimber were destined for either Vietnam or China between 2013 and 2017. Europe accounted for around 11% during that period with the majority going to

Portugal and France. The remaining 10% went in smaller volumes to other countries across Asia and the Americas.

The international trade in illegally-harvested timber continues unhampered due to an absence of legislation in key consumer markets, including Vietnam, and patchy enforcement in countries where legislation is in place.

KEY FINDINGS

- **Norsudtimber is an overwhelmingly secret company:** 95% of the shares in the company are held by opaque entities in secrecy jurisdictions. These secrecy jurisdictions – Liechtenstein, Hong Kong and Dubai – obscure the real owners of Norsudtimber and protect them from legal scrutiny.
- **Such corporate structures can be used** for transfer pricing purposes or to funnel money to corrupt officials.
- **Their secret network has a global reach:** 74% of timber exports by Norsudtimber were destined for Vietnam in 2017.

HOW NORSUDTIMBER IS PROTECTING ITSELF FROM SCRUTINY

By operating through an opaque network of shell export companies, Norsudtimber has protected its activities and identity from scrutiny. Only three companies are ever named as buyers in the customs declarations, two in Hong Kong and one in Dubai – even though timber was never actually shipped to these countries. Global Witness believes these are shell companies, whose presence in the supply chain obscures the final buyers of timber and, crucially, the final destination and beneficiaries of payments.

The three companies are Asia Gold Leaf and Blue Panda Limited, both of which are incorporated in Hong Kong, and Neuholz Investment Ltd, which is registered in Dubai.¹³ The Hong Kong companies were established by company service providers. These are controlled by nominee directors and registered at premises which either belong to company service providers or showed no signs of hosting the companies themselves.¹⁴ Neuholz Investment is registered at the address of a company service provider in Dubai, with no additional information available in online public records.¹⁵ This suggests they are shell companies which exist in little more than name, rather than companies that actually hold and ship timber.

When Global Witness spoke with a client of Sodefor, they told us that payments for timber were made to Hong Kong – not to any of the places where the company is commonly linked such as DRC, Portugal, Belgium or Liechtenstein.¹⁶ All of the customs declarations for Norsudtimber subsidiaries show the buyer as either a Hong Kong or Dubai shell company, suggesting that Norsudtimber subsidiaries sell the timber, on paper, to a company based in a secrecy jurisdiction, which then sells it onto the end buyer.

It is not clear what the purpose of the companies is and why such a large volume of timber is passing through them, although such structures can be used for transfer pricing purposes, to minimise the tax payable both to DRC and governments in the countries where the companies are incorporated.

Tax experts consulted by Global Witness said that, if Norsudtimber owns all the companies in the chain, the structure of the companies and the apparent nature of their trading activity strongly suggest a system designed to take advantage of taxation laws. They pointed out that both Dubai and Hong Kong have double taxation treaties with Liechtenstein, making them attractive locations for Norsudtimber if it is seeking to minimise its tax bill.¹⁷

They also suggested that the structure may be used as part of a scheme to avoid paying any tax at all, since double taxation treaties involving tax havens often result in a no-tax situation. However, without knowing the details of the company ownership, accounts and tax payments it is not possible to know whether such activity was taking place, and if it is legal or not. Nor is it possible for Congolese citizens to know if their government is being paid a fair amount of tax for the timber exported.

A further risk of this system, in which payments for Congolese timber are made to companies based in secrecy jurisdictions outside of the DRC, is that they are being used to facilitate payments to corrupt officials. Global Witness investigations have repeatedly shown that anonymous company ownership can be used to move corruptly obtained money and evade taxes.¹⁸ In the absence of transparency over who owns these companies, there is no way for people in the DRC to rule out the possibility of their officials or politicians having ownership stakes in them.

VIETNAM'S IMPORTS OF NORSUDTIMBER TIMBER

In 2017 Vietnam overtook China as the main destination for Norsudtimber's timber exports. The data that Global Witness has obtained on exports from DRC's main port of Matadi show that 74% of timber exports by Norsudtimber were destined for Vietnam in 2017.¹⁹

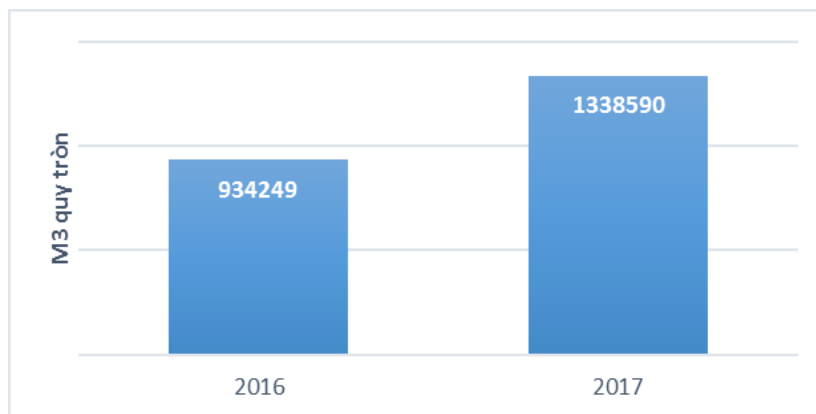
From shipping manifests from 2015 to 2017, Global Witness was able to identify only one customer of Norsudtimber subsidiaries in Vietnam, despite a large volume of the timber harvested by these companies being destined for Vietnam.

Nam Son Ha is a Vietnamese timber trading and furniture-manufacturing company.²⁰ Shipping manifests show the company imported several shipments of mukulungu (*Autranella congolensis*), a critically-endangered species, from Sodefor.^{21 22} "Heavy exploitation" is cited as the major threat to the species by the International Union for Conservation of Nature (IUCN). We contacted Nam Son Ha Co. Ltd to ask about its DRC imports, but we did not receive any response from the company.

TRENDS IN VIETNAM'S GLOBAL TIMBER IMPORTS

Vietnam increasingly imports timber and timber products from a wide range of countries where there is a prevalence of illegal logging. There has been a 43% rise in timber imports to Vietnam from Africa from 2016 to 2017.²³

Volume of import timber from Africa into Vietnam 2016 – 2017



Source: compiled by Forest Trends, VIFORES, HAWA, FPA Binh Dinh, August 2018.²⁴

Vietnam also imports timber and timber products from a range of countries within Asia-Pacific, such as Cambodia, PNG and the Solomon Islands where a range of international institutions and NGOs have documented illegal logging.²⁵

THE NEED FOR EFFECTIVE VIETNAMESE IMPORT CONTROLS

Tropical timber often comes from countries with weak governance and rule of law, which means the timber is at high risk of having been harvested illegally. This should be of concern to the companies importing the timber who could be driving environmental damage, corruption, illegality, and potentially also conflict, through their imports of high risk timber. For companies in Vietnam importing the timber, this poses a reputational and commercial risk. This could also affect Vietnam's global reputation in the timber trade, as well as access to regulated markets like the EU and US, due to the association of the country with these high risk supply chains.

Vietnam and the EU have signed a Voluntary Partnership Agreement that could eventually result in timber from Vietnam having access to the EU market through a FLEGT licensing scheme, as is the case for Indonesia, which means no further checks would be required before placing timber on the EU market under the EU Timber Regulation. The text of the agreement commits Vietnam to introduce import controls requiring importers to take account of relevant legislation of the country of harvest. The development of these import controls should be informed and strengthened by the latest findings about the trade in illegal timber and lessons from the implementation of timber trade regulations around the world.

Vietnam's growing role in the global trade in tropical timber underlines the importance of introducing effective import controls. Exports to Vietnam from Democratic Republic of Congo, as well as many other countries in Africa, have grown over recent years. Vietnam imports logs and sawnwood from more than 100 countries and territories around the world. This includes 150-170 species of timber. Controlling the legality of the imports is a challenging task which urgently requires the introduction of new import controls, expertise and enforcement.

Without effective import controls there is a risk that illegally-harvested timber could continue to find its way into Vietnam. This in turn could be laundered through Vietnam and make its way onto the global market. EU High Rep/Vice President Federica Mogherini when signing the EU-Vietnam VPA stated that, "*controlling the legality of imports will be critical to full implementation of the VPA*".

HOW TO ENSURE IMPORT CONTROLS ARE EFFECTIVE

The VPA with the EU commits Vietnam to introduce import controls and provides some details on the introduction of the legislation and its enforcement. Based on the findings of our investigations in DRC and our experience of working on the EU Timber Regulation and US Lacey Act, we provide some guidance here on how to ensure these controls are effective.

Prohibition

A number of significant markets for tropical timber have introduced legislation to tackle the import of illegally harvested timber over recent years, including the EU, US and Australia. These laws include a prohibition element, banning the import of illegally harvested timber; a due diligence element, requiring companies to carry out checks to identify and mitigate the risk of illegality; and dissuasive penalties. Vietnam should ensure that its controls are effective in addressing all these elements. A prohibition on placing illegally harvested timber on the market sends a clear message to importers on the serious consequences attached to trading illegal products. It also underlines the need for importers to have strong due diligence systems in order to identify and mitigate the risk of illegality.

Due diligence

Import controls should include an obligation on importers to conduct due diligence, and this should be enshrined in law. It is not sufficient to just do 'document checks' – importers should be expected to show that they have understood and mitigated against the specific risks of illegal logging in the country they are importing from.

According to the VPA, importers of timber to Vietnam can demonstrate legality of their imports to customs authorities by a FLEGT licence, CITES permit or self-declaration.²⁶ The self-declaration should include:

- > Description of shipment
- > Identification of potential risks related to the legal origin of the shipments
- > Mitigation measures for any identified potential risk related to the legal origin of the shipment

- Additional documentation demonstrating legal origin according to risk status (with no additional documentation required for low risk species)

For importers, the VPA suggests that the risk of illegal harvesting is either high or low with respect to timber species and the country of origin, including some criteria for the identification of low risk countries. This binary high/low choice does not accurately reflect the range of factors concerning illegal harvesting in timber producing countries. Legal frameworks may be in place but not enforced, for example, Papua New Guinea (PNG) has previously been identified as a low risk country of origin by Vietnamese industry²⁷, but research by Chatham House and Global Witness has shown that illegal logging is prevalent in PNG mainly because of legal violations in the issuance of permits.²⁸ We recommend that if it is to be effective, the self-declaration must be based on robust and meaningful risk assessment and mitigation to attain a negligible threshold of risk, modelled on the EU Timber Regulation, rather than relying on a binary high/low risk due diligence approach.

The EU Timber Regulation guidance makes clear that “risk mitigation measures taken together must effectively reduce the risk to a negligible level. In the case where all risk mitigation measures together cannot attain a negligible level of risk, the operator must refrain from placing the timber on the EU market.”²⁹ A requirement to attain ‘negligible’ risk must be made explicit in any new import controls in Vietnam in order to ensure that only legal timber enters the supply chain. Vietnamese authorities should also consider adopting and updating similar guidance documents, to accompany its legislation, which can provide valuable information for industry and enforcement officials.

Where there are identifiable risks of illegal harvesting, importers in Vietnam should be required to carry out enhanced due diligence, as is currently the requirement under the EU Timber Regulation. This enhanced due diligence should include reports by third parties, including NGOs and official forest monitors, visits to the country of origin to inform risk identification and mitigation, and the use of third party audits or legality verification schemes.

Particular attention should be paid as part of due diligence to the type of documents required to demonstrate legal origin where there is a risk of illegality. The EU’s guidance document for the EU Timber Regulation makes clear that official documents from countries where there is a high risk of corruption should not be relied on as proof of legality and further verification should be carried out as risk mitigation, which may include independent or self-conducted audits, or timber tracking technologies (e.g. with genetic markers or stable isotopes).³⁰ This is evident in the findings of our investigation into DRC’s largest logging company, as described in our report *Total Systems Failure*, where the DRC government was failing to enforce its own legislation.

Risk-based enforcement

The text of the VPA between the EU and Vietnam proposes a number of elements for customs authorities to take into consideration when determining the risk of illegality of timber imported to Vietnam. The level of risk associated with the imports would then inform the level of due diligence required to prove legality and the expected degree of custom authority checks on imports.

For customs authorities, the degree of risk can be low, medium or high based on the following factors, inter alia: the customs declarants' compliance with customs and tax regulations; the frequency, nature and severity of any violations; the nature of the commodities; the origin of imports and exports; the route and mode of transportation; and other factors relating to import and export.³¹ High risk imports would need to be physically checked by customs authorities, medium risk would be subject to dossier checks and, if necessary, physical checks, and low risk shipments would be allowed automatic clearance with physical checks, if necessary.

When assessing the timber species to determine the risk of illegal harvesting, it is crucial that systems are developed to accurately identify individual timber species by scientific tests. This can establish the reliability of the paperwork used in due diligence by ensuring that the species and location of harvest have been correctly identified. It can also identify species at risk of overharvesting. As we identify in Total Systems Failure, over half of the timber species exported by Norsudtimber subsidiaries are listed as "endangered", "vulnerable" or "near threatened" by the IUCN, but only one is CITES listed. We recommend that Vietnam use the IUCN red list definition of species that are "endangered", "vulnerable" or "near threatened" to identify species at high risk of illegal harvesting.

The criteria used to define "at-risk" countries in the import controls should be robust enough to recognise that countries such as DRC and PNG present a high risk of timber being harvested illegally. The VPA states that one of the measures to indicate whether countries are low risk is the World Bank Worldwide Governance Indicators (WGI) for effectiveness of governance. Consideration should also be given to a country's rating in Transparency International's Corruption Perception Index, as well as reports about illegal logging, including abuses of land rights, by NGOs and organisations with significant expertise like NEPCon.

African countries exporting significant volumes to Vietnam including Gabon, Cameroon, and Ghana all had widespread risks of illegality and should be considered high risk.³² Imports from these countries should still be subject to checks as automatic clearance according to a low risk classification would see continued imports of illegally harvested timber.

It is important that any checks by enforcement authorities are conducted by staff with significant expertise and understanding of the logging sector and trade. There is a risk that customs authorities do not have sufficient time (due to the pressures to process imports without delaying trade shipments) or expertise in the timber industry and trade to conduct thorough checks or investigations. A lack of expertise and technology may be a challenge to the identification of timber species, in particularly unfamiliar African timber species. In the case of the EU Timber Regulation, competent authorities are separate from customs authorities and, where sufficient human and financial resources are in place, competent authorities have carried out a significant number of company checks, resulting in a large number of enforcement cases. Vietnam should seriously consider creating a new or separate organisation to enforce the new import controls with sufficient resources, time and expertise to carry out enforcement. Whether through a separate organisation or within existing authorities, sufficient technical expertise in the timber industry and trade will be essential to any enforcement efforts in Vietnam.

Furthermore, there must also be mechanisms to safeguard against corruption in any agencies involved in the enforcement of import controls. The investigative NGO, EIA, has previously exposed corrupt payments to Vietnamese government officials in the illegal trade of timber from Cambodia to Vietnam, which underlines the need to eradicate corruption in order to ensure the integrity and effectiveness of Vietnam's enforcement efforts in future.³³

Vietnam should introduce complaints mechanisms by which third parties can alert authorities to suspected cases of illegality. Again, much can be learnt from the European experience, in which third parties play a vital role in the enforcement of the EU Timber Regulation by submitting complaints about specific importers or supply chains to the authorities. According to the European Commission's biennial report on the EU Timber Regulation covering the period March 2015 – February 2017, complaints by third parties were one of the leading criteria used by enforcement authorities to design risk-based enforcement strategies. Fourteen EU countries reported receiving complaints regarding operators. Of the 80 operators identified in complaints by third parties, 69 (86 %) were checked, and 33 (around 50 %) of those received penalties.³⁴ Evidence was mainly submitted by NGOs which illustrates the value to enforcement authorities of developing positive working relationships with specialist NGOs.

Industry compliance and enforcement would also be improved through transparency requirements. Establishing a requirement for importers to publish their due diligence and for enforcement authorities to publicly report on their company checks would allow third parties to support enforcement efforts by carrying out and providing complementary research. Similarly, public updates on implementation and enforcement, as well as information on trade flows, would support scrutiny of enforcement efforts by providing information to help hold enforcement authorities to account.³⁵

Finally, for import controls to be effective, enforcement authorities should make full use of strong and dissuasive sanctions, including criminal and financial penalties, blocking imports, and/or seizure of timber. In the US, hardwood flooring retailer Lumber Liquidators Inc. had to pay more than \$13 million in criminal fines, community service and forfeited assets related to its illegal importation of hardwood flooring.³⁶ In the EU, Swedish courts recently fined a company nearly €80,000³⁷ and German authorities seized a shipment of timber from DRC.³⁸ These sanctions are essential to give teeth to any regulations.

CONCLUSION

In order to effectively tackle the flow of illegal timber to Vietnam from DRC and other countries where there is a prevalence of illegal logging, Vietnam must introduce import controls which include:

- Prohibition on the import of illegally harvested or illegally exported timber.
- A requirement for mandatory due diligence by importers to identify and mitigate risks of illegality, including enhanced due diligence for at-risk imports.
- A requirement for accurate identification of timber species by authorities and importers, with IUCN categorisation of "endangered", "vulnerable" or "near threatened" species considered high risk.

- A requirement for full and accurate assessment by authorities and importers of risk related to country of origin.
- Enforcement authorities with expertise and capacity to conduct checks on companies' due diligence and further investigations into timber supply chains.
- Transparency and complaint mechanisms for sharing information between NGOs and enforcement authorities.
- Dissuasive penalties for importers in contravention of the import controls.

RECOMMENDATIONS

TO VIETNAMESE AUTHORITIES

- Introduce new import controls to effectively ban the import of illegally harvested timber, including through enhanced due diligence on high risk imports and full use of dissuasive sanctions.

TO INTERNATIONAL TRADERS AND IMPORTERS OF DRC TIMBER

- Immediately stop buying timber harvested by Norsudtimber subsidiaries because it poses too high a risk of having been logged in contravention of the DRC Forest Code.
- Stop trading in timber from endangered or vulnerable tree species.

ANNEX 1

The table below details which Norsudtimber concessions are in breach of the DRC Forest Code and should, therefore, be returned to the state, based on our analysis of the presence or not of a 25-year management plan, and satellite analysis of logging activity. As can be seen, the concession contracts of 18 of Norsudtimber's 20 concession contracts should be terminated. Any logging taking place there is currently illegal.

Concession contract	Ownership and date of contract signature	Ownership in January 2018	25-year management plan, as of January 2018	Logging outside of authorised perimeters, based on four-year management plans (plan de gestion)?	Absence of logging activity for two consecutive years, 2015-2017?	Legal status according to DRC Forest Code	Sodefor and Forabola's response:
015/11	Soforma. Contract signed by João Manuel MAIA TRINDADE on 04/08/2011.	Forabola	No. Deadline for approval was 03/08/2016.	No. Logging roads outside of annual harvest areas appear to be access roads.	No	Forabola is in breach of its contract for concession 015/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 04/08/2016.	"Global Witness' assertion on the illegality of this concession is unfounded." A 25-year management plan for this concession was submitted on 03/01/2018, 17 months after the legal deadline for its approval.
034/11	Sodefor. Contract signed by José Albano MAIA TRINDADE on 24/10/2011.	Sodefor	Yes. However, management plan was approved in March 2017, at least four months after the deadline of 23/10/2016.	Yes in 2016 (compare images from 14/06/2016 and 21/11/2016), and 2017.	No	Sodefor is in breach of its contract for concession 034/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 21/11/2016.	"Global Witness' assertion on the illegality of this concession is unfounded." Sodefor told Global Witness that timber harvested in 2016 was entirely in AAC 1 and that no timber was harvested in 2017, which is contradicted by satellite imagery.
035/11	Sodefor. Contract signed by José Albano MAIA TRINDADE on 24/10/2011	Sodefor	Yes	No. Logging roads appear to be within annual harvest areas of 25-year management plan.	No	Concession operating with a management plan, and harvesting within authorised areas. However, questions remain as to whether Sodefor is compliant with its obligations towards local communities.	

036/11	Sodefor. Contract signed by José Albano MAIA TRINDADE on 24/10/2011.	Forabola	No. Deadline for approval was 23/10/2016.	Yes in 2016 (compare images from 26/01/2016 and 09/02/2017), and 2017.	No	Forabola is in breach of its contract for concession 036/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 24/10/2016	<p>"Global Witness' assertion on the illegality of this concession is unfounded."</p> <p>Forabola said that timber was harvested between 2015 and 2018 with a "provisional" management plan, but this does not exist in DRC law.</p> <p>The company also said it submitted a management plan on 23/02/2018, 16 months after the legal deadline for its approval.</p>
037/11	Sodefor. Contract signed by José Albano MAIA TRINDADE on 24/10/2011.	Sodefor	No. Deadline for approval was 23/10/2016.	No. But logging activity observed in the same annual harvest area from 2014 to 2017 (inclusive).	No	Sodefor is in breach of its contract for concession 037/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since 24/10/2016.	<p>"Global Witness' assertion on the illegality of this concession is unfounded."</p> <p>Sodefor said that the 25-year management plan for this concession will be submitted in June/July of 2018, at least 20 months after the legal deadline for its approval. The company recognised it had logged for four consecutive years in the same annual harvest area, but said that it mistakenly requested a logging permit for that AAC, when it should have requested a permit for another AAC. Nevertheless, satellite analysis confirms that it logged AAC 2 in 2017, in violation of the DRC Forest Code.</p>
038/11	Sodefor. (Contract unavailable)	Sodefor	No. Deadline for approval was 31/12/2016.	No	No	Sodefor is in breach of its contract for concession 038/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 01/01/2017.	<p>"Global Witness' assertion on the illegality of this concession is unfounded."</p> <p>Sodefor said the 25-year management plan for this concession will be submitted in June/July 2018, at least 18 months after the legal deadline for its approval.</p>

039/11	Sodefor. Contract signed by José Albano MAIA TRINDADE on 24/10/2011.	Sodefor	Yes	Yes in 2015 (compare images from 18/01/2015 and 15/02/2016), 2016 and 2017.	No	Sodefor is in breach of its contract for concession 039/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 15/02/2016.	"Global Witness' assertion on the illegality of this concession is unfounded." Forabola said that between 2014 and 2017, it exclusively harvested within annual harvest areas, which is contradicted by satellite evidence.
042/11	Forabola. Alberto Pedro MAIA TRINDADE, on 24/10/2011.	Sodefor	No. Deadline for approval was 23/10/2016.	Yes in 2017 (compare images from 30/01/2016 and 23/02/2017). Note logging activity is outside of the annual harvest area and of the concession.	No	Sodefor is in breach of its contract for concession 042/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 24/10/2016.	"Global Witness' assertion on the illegality of this concession is unfounded." Sodefor said the 25-year management plan for this concession will be submitted in June/July 2018, at least 20 months after the legal deadline.
043/11	Soforma. Contract signed by João Manuel MAIA TRINDADE on 24/10/2011.	Forabola	No. Deadline for approval was 23/10/2016.		Yes	Sodefor is in breach of its contract for concession 043/11. The contract for this concession must be terminated.	"Global Witness' assertion on the illegality of this concession is unfounded."Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.
045/11	Sodefor. Contract signed by José Albano MAIA TRINDADE on 24/10/2011.	Sodefor	No. Deadline for approval was 23/10/2016.	Yes in 2017 (compare images from 31/03/2017 and 05/01/2018).	No	Sodefor is in breach of its contract for concession 045/11. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been so since at the latest 24/10/2016.	"Global Witness' assertion on the illegality of this concession is unfounded." Sodefor said that the management plan for this concession would be deposited in September 2018, or nearly two years after the legal deadline for its approval.

048/12	La Forestière du Lac	La Forestière du Lac	No. Deadline for approval was 26/04/2017.	Yes in 2015 (compare images from 18/12/2014 and 12/01/2016) and 2017.	No	La Forestière du Lac is in breach of its contract for concession 048/12. The contract for this concession must be terminated, all timber being harvested is currently illegal, and has been since 12/01/2016. Furthermore, we have found evidence of a plantation within the concession.	Sodefor and Forabola would not comment on Global Witness' allegations regarding this concession, despite Forabola owning 80% of the current operator, La Forestière du Lac.
057/14	Sodefor. Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Forabola	Not needed until 09/07/2019.	-	Yes	Forabola is in breach of its contract for concession 057/14. The contract for this concession must be terminated.	"Global Witness' assertion on the illegality of this concession is unfounded." Forabola said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.
058/14	Sodefor Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Forabola	Not needed until 09/07/2019.	-	Yes	Forabola is in breach of its contract for concession 058/14. The contract for this concession must be terminated.	"Global Witness' assertion on the illegality of this concession is unfounded." Forabola said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.
059/14	Sodefor Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Sodefor	Not needed until 09/07/2019.	-	Yes	Sodefor is in breach of its contract for concession 059/14. The contract for this concession must be terminated.	"Global Witness' assertion on the illegality of this concession is unfounded." Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.

060/14	Sodefor Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Forabola	Not needed until 09/07/2019.	No	-	Concession operating with a management plan, and harvesting within authorised areas. However, questions remain as to whether Sodefor is compliant with its obligations towards local communities.	
061/14	Sodefor Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Sodefor	Not needed until 09/07/2019.	-	Yes	Sodefor is in breach of its contract for concession 061/14. The contract for this concession must be terminated.	<p>"Global Witness' assertion on the illegality of this concession is unfounded."</p> <p>Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.</p>
062/14	Sodefor Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Sodefor	Not needed until 09/07/2019.	-	Yes	Sodefor is in breach of its contract for concession 062/14. The contract for this concession must be terminated.	<p>"Global Witness' assertion on the illegality of this concession is unfounded."</p> <p>Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.</p>
063/14	Sodefor Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Sodefor	Not needed until 09/07/2019.	-	Yes	Sodefor is in breach of its contract for concession 063/14. The contract for this concession must be terminated.	<p>"Global Witness' assertion on the illegality of this concession is unfounded."</p> <p>Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no such provision in DRC's Forest Code.</p>

064/14	Forabola. Contract signed by Alberto Pedro MAIA TRINDADE on 10/07/2014.	Sodefor	Not needed until 09/07/2019.	-	Yes	Sodefor is in breach of its contract for concession 064/14. The contract for this concession must be terminated. Furthermore, we have found evidence of a palm oil plantation within the concession.	"Global Witness' assertion on the illegality of this concession is unfounded." Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no provision in DRC's Forest Code.
065/14	Sodefor. Contract signed by José Albano MAIA TRINDADE on 10/07/2014.	Sodefor	Not needed until 09/07/2019.	-	Yes	Sodefor is in breach of its contract for concession 065/14. The contract for this concession must be terminated.	"Global Witness' assertion on the illegality of this concession is unfounded." Sodefor said that for a concession to be illegal, there would need to be a formal notice from the DRC Ministry of Environment. However, there is no provision in DRC's Forest Code.

ANNEX 2

Summary table of the conservation status of species harvested by Norsudtimber subsidiaries.

Commercial name/ Scientific name	IUCN red list status
Wenge / <i>Millettia laurentii</i>	Endangered. <i>“In much of its range it is threatened with over-exploitation for its decorative timber”</i> . ³⁹
Tola / <i>Gossweilerodendron balsamiferum</i>	Endangered. <i>“Heavy exploitation and habitat loss”</i> . ⁴⁰
Padouk / <i>Pterocarpus soyauxii</i>	No data
Bossé clair / <i>Guarea cedrata</i>	Vulnerable. <i>“Levels of exploitation are moderate and the species often suffers from its similarity to Entandrophragma angolense, resulting in it being harvested with the same intensity”</i> . ⁴¹
Sapelli / <i>Entandrophragma cylindricum</i>	Vulnerable. <i>“Exploited heavily throughout its range. Genetic erosion caused by the large-scale depletion of mature individuals from populations has taken place in some countries”</i> . ⁴²
Iroko / <i>Milicia excelsa</i>	Near threatened. <i>“Suffers from heavy exploitation. East Africa was once a major source of the timber, which was used as a teak substitute until supplies became short. West Africa continues to export large quantities of it”</i> . ⁴³
Afromosia / <i>Pericopsis elata</i> ⁴⁴	<p>Endangered. <i>“Since 1948 trade in the timber has soared. Levels of exploitation have been unsustainable in all countries and the species’ habitat has declined. Regeneration is insufficient to replace lost subpopulations”</i>.⁴⁵</p> <p>Afromosia is the only species on this list also included in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in recognition of the need to protect it from over-exploitation.⁴⁶</p>
Other ⁴⁷	Some of the 34 species covered under “other” are also listed as “endangered” or “vulnerable”.

¹ For the full report, please see: [Total Systems Failure: Exposing the secret networks destroying forests in Democratic Republic of Congo](#), Global Witness, June 2018.

² In 2013-2014, DRC’s forests emitted a net 54.33 54,300,000 tonnes of carbon. See: A. Baccini et al., (2017) ‘Tropical forests are a net carbon source based on aboveground measurements of gain and loss.’ Supplementary material, p28. This is equivalent to 49.3 coal-fired power plants operating at full capacity. Also see: US Environmental Protection Agency. ‘Greenhouse Gases Equivalencies Calculator.’ Coal power plant size based on the average of 369 coal power plants in the US emitting 1,490,275,587 metric tons of CO₂ in 2014. Accessed 30 January 2018.

³ In 2014, the DRC government published a list of all 57 logging concessions in the DRC and their operators. See: Clôture du processus de conversion des anciens titres forestiers en contrats de concession forestière. Numéro

2056/CAB/MIN/ECN-T/05/11/BNME/2014. Ministère de l'Environnement, Conservation de la Nature et Tourisme. Kinshasa, le 26 août 2014. According to this list, Sodefor, Forabola, Soforma and La Forestière du Lac controlled 20 logging concessions. According to a January 2018 list of logging operators in DRC, concessions 047/11, which was operated by Sodefor in 2014, is now being operated by CFT. Furthermore, the two concessions being operated by Soforma in 2014, 015/11 and 043/14, were in January 2018 being operated by Forabola. See: Etat d'avancement du processus d'aménagement des titres forestiers en Janvier 2018. Ministère de l'Environnement et du Développement Durable/Agence Française de Développement, projet AGEDUFOR. January 2018.

⁴ The total surface area of Norsudtimber's 20 concessions is 4,342,606 hectares. This represents 40.6% of the 10,706,292 hectares of DRC's forest allocated to logging concessions. See: Clôture du processus de conversion des anciens titres forestiers en contrats de concession forestière. Numéro 2056/CAB/MIN/ECN-T/05/11/BNME/2014. Ministère de l'Environnement, Conservation de la Nature et Tourisme. Kinshasa, le 26 août 2014.

⁵ Norsudtimber – headquartered in Schaanwald, Liechtenstein – owns controlling stakes in three DRC logging companies, Société de Développement Forestier (Sodefor), Société Forestière et Agricole de M'Bola (Forabola) and Société Forestière de Matières Ligneuses (Soforma). For Sodefor see: Journal Officiel de la République Démocratique du Congo, Deuxième Partie. 56^{ième} année, numéro 22. 15 Novembre 2015, p. 96. For FORABOLA see: Journal Officiel de la République Démocratique du Congo, Deuxième Partie. 56^{ième} année, numéro 24. 15 décembre 2015, pp. 211 and 213. For Soforma, see: Journal Officiel de la République Démocratique du Congo, Deuxième Partie. 56^{ième} année, numéro 22. 15 novembre 2015, pp. 130-131. According to the [website](#) of Norsudtimber's subsidiary Sodefor, a fourth company, Compagnie Forestière de Transformation (CFT), is part of the group. Unconfirmed reports however indicate that CFT was sold in or after 2016. We therefore excluded CFT from our analysis.

⁶ According to a document seen by Global Witness, Forabola initially owned 20% of "La Forestière du Lac", although it provided a Congolese individual – owner of the other 80% – with the funding necessary to cover her part of the shares. The document also adds that, after the individual had undertaken the "necessary procedures at the Ministry of Environment" to obtain a logging concession, Forabola would provide the machine-tools necessary to operate there, at which point it would own 80% of the shares of La Forestière du Lac. A Norsudtimber shareholders agreement states that the ownership of La Forestière du Lac was "not to be publicly communicated".

⁷ Total surface area of Switzerland is 41,290km², according to the [World Bank](#).

⁸ In this report we refer to Norsudtimber's subsidiaries when talking about a specific concession, and Norsudtimber when referring to the group as a whole.

⁹ Global Witness analysis of customs declarations from DRC's main port of Matadi.

¹⁰ Afromosia belongs to CITES Appendix II. See: Appendices I, II and III valid from 4 October 2017. CITES. Accessed on 11 February 2018. See also: "International trade in specimens of Appendix-II species may be authorised by the granting of an export permit or re-export certificate." See: The CITES Appendices. CITES. Accessed 09 March 2018.

¹¹ CITES. 2 April 2014. See: [Missing permits and Verification of permits – Democratic Republic of Congo](#). Notification to the parties number 2014/017.

¹² Based on a Global Witness analysis of sip manifests from Matadi port for 2017.

¹³ Asia Gold Leaf & Blue Panda incorporated in Hong Kong. See: Incorporation Form, Asia Goldleaf Limited, CR number 2026523. Hong Kong Companies Registry. See also: Incorporation form, Blue Panda Limited, CR number 2026540. Hong Kong Companies Registry. Neuholz Investment gives its address as Dubai on a Matadi ship manifest dated March 2017 seen by Global Witness.

¹⁴ Both Blue Panda and Asia Goldleaf have Keyway Management as a company service provider. See: Blue Panda Limited Annual Return 2016. Company 2026540. Hong Kong Companies Registry. See also: Asia Goldleaf Limited Annual Return 2016. Company 2026523. Hong Kong Register of Commerce. Shirley Sabia Therese Van Kerkhove (Asia Gold Leaf), has had 72 current UK directorships. See: [Shirley Sabia Therese Van Kerkhove](#). Companies House. Accessed 28/05/2018. Rosella Marie-Paule Stravens (Blue Panda) has six current UK companies. See: [Rosella Marie-Paule Stravens](#). Companies House. Accessed 28/05/2018. The latter and features on the [ICIJ leaks database](#) linked to the Seychelles. Global Witness visited the registered company address for both Hong Kong companies and found no evidence of the company in operation.

¹⁵ Neuholz Investment address on manifest as above is St 2601 – 26th floor, The H Hotel Office Tower, 1 Sheikh Zayed Road, Dubai, UAE, which is also listed as the [address](#) of the Sovereign Group.

¹⁶ Conversation with timber industry source. April 2017.

¹⁷ Inland Revenue Department. Government of Hong Kong Special Administrative Region. Accessed 28/05/2018. [UAE – Dubai Double Tax Treaties. World.Tax](#). Accessed 28/05/2018. [List of countries with double taxation treaty with Hong Kong](#).

¹⁸ For more details on anonymous companies see: [What's wrong with anonymous companies?](#) Global Witness.

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- ¹⁹ Based on Global Witness analysis of DRC customs declarations from the port of Matadi 2013-2017.
- ²⁰ www.namsonha.vn (accessed 3 December 2018).
- ²¹ Shipping manifest from Matadi port, August and December 2016.
- ²² Mukulungu (*Austranella congolensis*) status on IUCN red list: www.iucnredlist.org/details/33038/0 (accessed 3 December 2018).
- ²³ "Vietnam imports timber materials from Africa: Status – Risks", FOREST TRENDS, VIFORES, FPA BD, and HAWA, August 2018.
- ²⁴ Compiled by Forest Trends, VIFORES, HAWA, FPA Binh Dinh, August 2018. Available in Vietnamese at: http://goviet.org.vn/upload/aceweb/content/Final_Bao%20cao%20VN%20NK%20go%20tu%20Chau%20Phi-cap%20nhat%20het%206%20thang%202018.pdf.
- ²⁵ Global Witness, A Major Liability, August 2018 <https://www.globalwitness.org/en/campaigns/forests/major-liability-illegal-logging-papua-new-guinea-threatens-chinas-timber-sector-and-global-reputation/>. Global Witness, Paradise Lost, October 2018 <https://www.globalwitness.org/en/campaigns/forests/paradise-lost/>. Environmental Investigation Agency, Repeat Offender: Vietnam's persistent trade in illegal timber, 8 May 2017 <https://drive.google.com/viewerng/viewer?url=https://eia-international.org/wp-content/uploads/Repeat-Offender.pdf> & Environmental Investigation Agency, Serial Offender: Vietnam's continued imports of illegal Cambodian timber, 31 May 2018 <https://eia-international.org/wp-content/uploads/eia-serial-offender-web.pdf>
- ²⁶ Voluntary Partnership Agreement Between the European Union and the Socialist Republic of Viet Nam on Forest Law Enforcement, Governance and Trade, annex II/en41, 1.1.6.3 p48
- ²⁷ Tran Le Huy, Presentation at Chatham House conference on illegal logging, 19 June 2017, <https://www.illegal-logging.info/sites/files/chlogging/Day1Session2TranLeHuy.pdf>
- ²⁸ Chatham House, Illegal Logging in Papua New Guinea 1 April 2014, <https://www.chathamhouse.org/publications/papers/view/198666>; Global Witness, A Major Liability: Illegal logging in Papua New Guinea threatens China's timber sector and global reputation, August 2018, https://www.globalwitness.org/documents/19406/A_Major_Liability.pdf
- ²⁹ European Commission, Draft Guidance document – Risk Mitigation Measures, <http://ec.europa.eu/environment/forests/pdf/Guidance%20-%20Risk%20mitigation%20measures.pdf> p3.
- ³⁰ EUROPEAN COMMISSION, Brussels, 12.2.2016 C(2016) 755 final COMMISSION NOTICE of 12.2.2016 GUIDANCE DOCUMENT FOR THE EU TIMBER REGULATION, p7.
- ³¹ Voluntary Partnership Agreement Between the European Union and the Socialist Republic of Viet Nam on Forest Law Enforcement, Governance and Trade, Annex V/en 64, 6.3.7.3, p225.
- ³² Nepcon Timber Risk Assessments available at: <https://www.nepcon.org/sourcinghub/timber>
- ³³ Environmental Investigation Agency, Repeat Offender: Vietnam's persistent trade in illegal timber, 8 May 2017 <https://drive.google.com/viewerng/viewer?url=https://eia-international.org/wp-content/uploads/Repeat-Offender.pdf> & Environmental Investigation Agency, Serial Offender: Vietnam's continued imports of illegal Cambodian timber, 31 May 2018 <https://eia-international.org/wp-content/uploads/eia-serial-offender-web.pdf>
- ³⁴ European Commission. REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL. Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market (the EU Timber Regulation). Biennial report for the period March 2015 - February 2017 Brussels, 5.10.2018 COM(2018) 668 final p8.
- ³⁵ The European Commission publishes biennial reports on enforcement and has started publishing data on trade flows. <https://www.unep-wcmc.org/featured-projects/eu-timber-regulations-and-flegt>
- ³⁶ US Department of Justice, Lumber Liquidators Inc. Sentenced for Illegal Importation of Hardwood and Related Environmental Crimes, 1 February 2016, <https://www.justice.gov/opa/pr/lumber-liquidators-inc-sentenced-illegal-importation-hardwood-and-related-environmental>
- ³⁷ Client Earth, Swedish Administrative Court Confirms EUTR Fine on Retailer Dollarstore, March 2018 <https://www.documents.clientearth.org/library/download-info/swedish-administrative-court-confirms-eutr-fine-on-retailer-dollarstore/>
- ³⁸ Client Earth, EUTR News – March 2017 to March 2018 Newsletter, 4 April 2018 <https://www.clientearth.org/eutr-news-march-2017-to-march-2018/>
- ³⁹ IUCN (2017) 'Red List of Threatened Species – *Millettia laurentii*.'
- ⁴⁰ IUCN (2017) 'Red List of Threatened Species – *Gossweilerodendron balsamiferum*.'
- ⁴¹ IUCN (2017) 'Red List of Threatened Species – *Leplaea cedrata*.'

⁴² IUCN (2017) '[Red List of Threatened Species – *Entandrophragma cylindricum*](#).'

⁴³ IUCN (2017) '[Red List of Threatened Species – *Milicia excelsa*](#).'

⁴⁴ IUCN (2017) '[Red List of Threatened Species – *Pericopsis elata*](#).' Afromosia is at times referred to as African Teak.

⁴⁵ IUCN (2017) '[Red List of Threatened Species – *Pericopsis elata*](#).'

⁴⁶ CITES. [Appendices I, II and III valid from 4 October 2017](#). Accessed on 11 February 2018

⁴⁷ List of species Norsudtimber expected to log during the first four years of operations for 19 of its 20 concessions, based on four-year management plans: Acajou, Afromosia, Aiele, Aigre, Ako, Angueuk, Anigre, Bilinga, Bomanga, Bossé clair, Bossé fonce, Bubinga, Diania, Dibetou, Doussie, Essia, Etimoe, Faro, Fuma, latandza, Ilomba, Iroko, Kanda brun, Khaya, Kosipo, Kotibe, Limba, Longhi, Makore, Moabi, Mukulungu, Niové, Ovengkol, Padouk, Sapelli, Sipo, Tali, Tchitola, Tiama, Tola, Tota, Wenge.