



Cross-border timber trade: Private sector practice, government regulation and implication for improved forest governance in the Sub-Mekong region

Phuc To

Policy analyst, Forest Trends



Content

- Private sector practice: Cross-border timber trade dynamics
- Government regulation: Newly-developed & unfolding policy environment in consumer and supplier countries
- What should be done to improve forest governance (role of CSOs)?



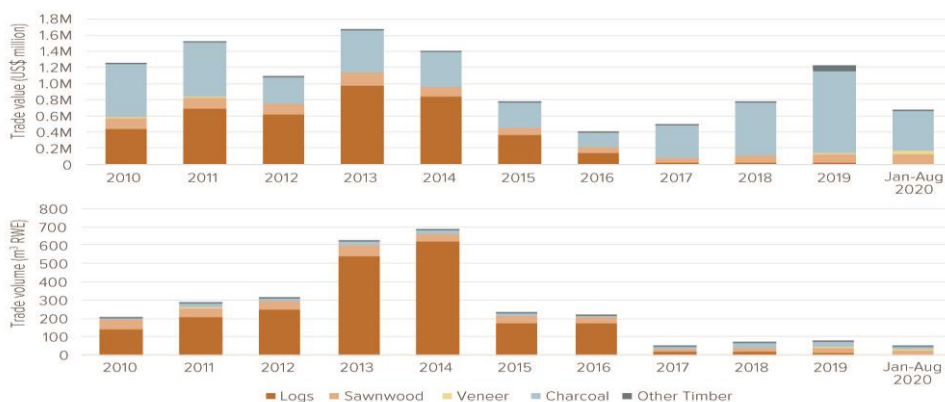
Private sector practices

- China and Vietnam as consumer countries
- Cambodia, Lao PDR, Myanmar as suppliers

China's import from Myanmar



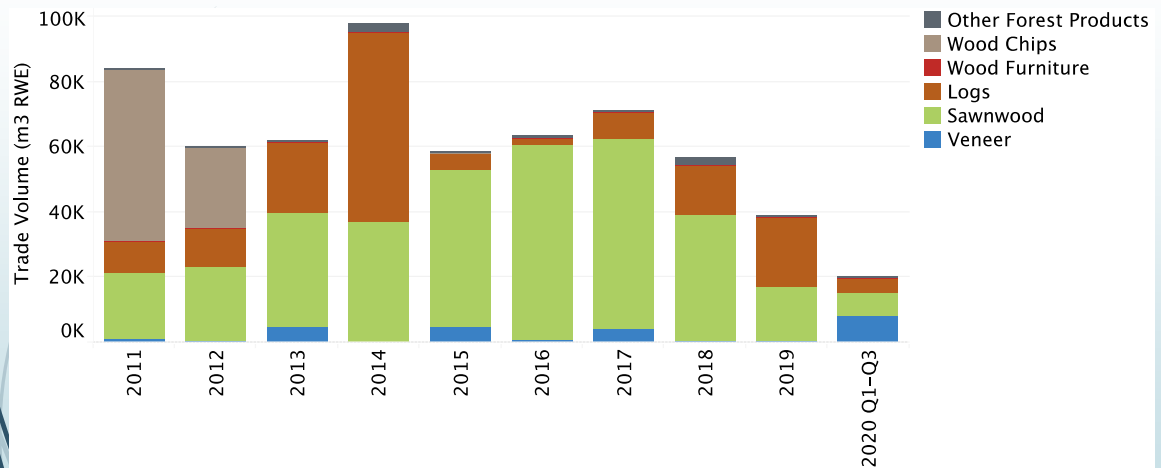
Figure 14. Imports a) by volume m³ RWE; & b) by value US\$ million of forest products to China from Myanmar.



Source: Data from the General Administration of Customs, P.R. China, compiled and analyzed by Forest Trends.

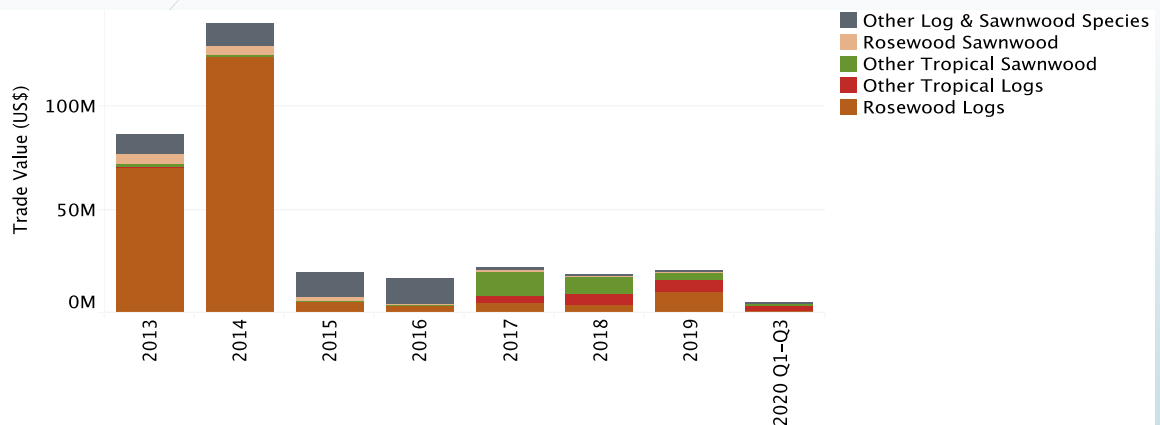


China import from Cambodia



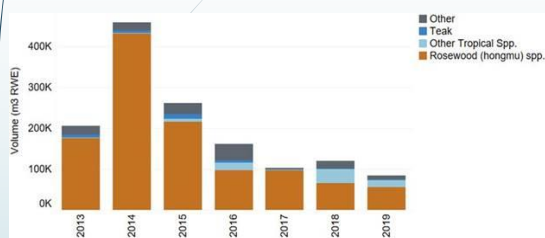
Source: Data from the General Administration of Customs, P.R. China, compiled and analyzed by Forest Trends.

China imports of logs and sawnwood from Cambodia by species

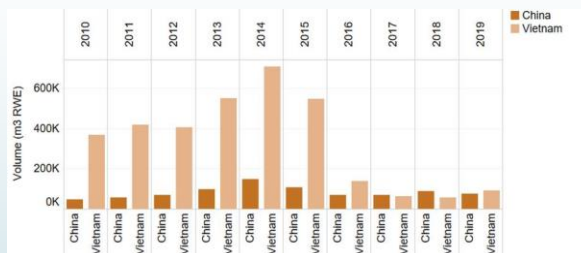


Source: Data from the General Administration of Customs, P.R. China, compiled and analyzed by Forest Trends.

China import from Laos



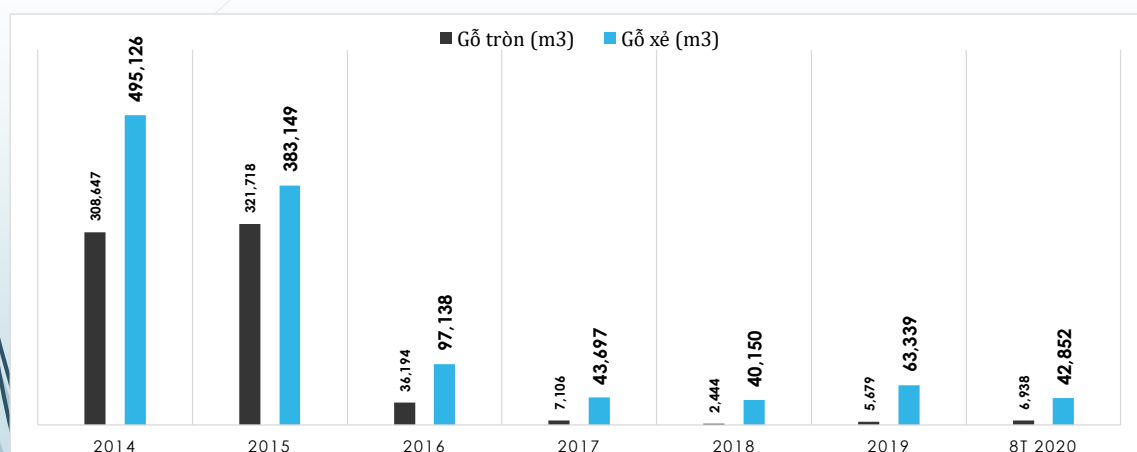
China's Imports of Lao Logs by Species Group by Volume, 2013-2019



Vietnam and China's Imports of Lao Sawnwood by Volume, 2010-2019

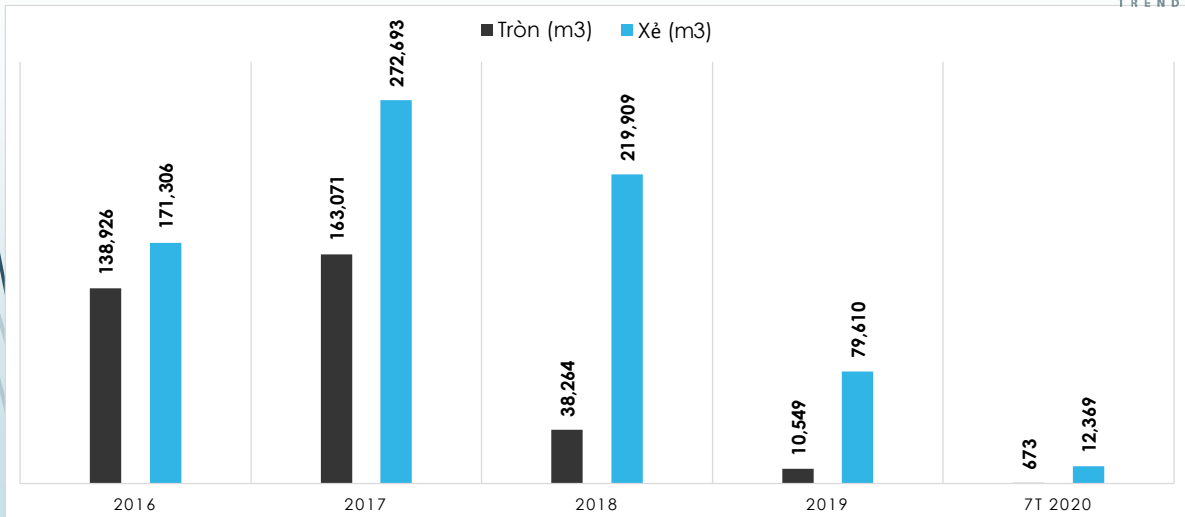
Source: Data from the General Administration of Customs, P.R. China, compiled and analyzed by Forest Trends.

Vietnam import from Laos



Source: Vietnam custom data, compiled by VIFOREST, HAWA, Binh Dinh, BIFA and Forest Trends

Vietnam import from Cambodia



Source: Vietnam custom data, compiled by VIFOREST, HAWA, Binh Dinh, BIFA and Forest Trends

Government regulation: Supply side

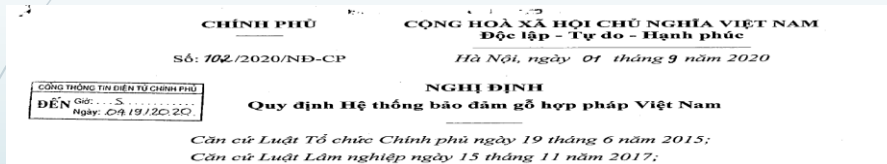


- Cambodia: Logs and sawnwood export ban?
 - Legality of logs and sawnwood exported to China and Vietnam? Special permits? By whom and to whom?
- Laos: Prime Minister Order 15 (May 2016): Export ban of unprocessed timber
 - Legality for the export of logs and sawnwood to China and Vietnam? Special permits?
 - FLEGT VPA negotiations: Stringent control over supply chains, including import & export in the future
- Myanmar: Logging ban in 2014
 - Legality of log export to China? Special permits too?



Government regulation: Demand side

- China: Oversea investment guideline? New Forestry Law?
- **Vietnam: FLEGT VPA /VNTLAS Decree**



- **VNTLAS: Import from Cambodia and Laos is considered as high-risk and subject to stringent level of control**



Other cross-border problem: Trade data discrepancy

- A huge discrepancy in trade data between demand and supply countries
 - China and Cambodia/Laos/Myanmar (e.g. Lao government reports no export of logs and sawnwood to China, whereas Chinese government reports some import from Laos).
 - Vietnam and Laos/Cambodia (same)
- What triggers data discrepancy ?



What should we do?

- Encourage & facilitate bilateral negotiations between the governments of supply & consumer sides. Start with information exchange
- Regional approach for CSOs to work on cross-border topic (e.g. network?) connecting supply and demand country
- Others?