

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES
OF WILD FAUNA AND FLORA



Sixty-fifth meeting of the Standing Committee
Geneva (Switzerland), 7-11 July 2014

Interpretation and implementation of the Convention

Species trade and conservation

Malagasy ebonies (*Diospyros* spp.) and Malagasy rosewoods (*Dalbergia* spp.)

ACTION PLAN OF MADAGASCAR

1. This document has been submitted by Madagascar¹.

¹ *The geographical designations employed in this document do not imply the expression of any opinion whatsoever on the part of the CITES Secretariat or the United Nations Environment Programme concerning the legal status of any country, territory, or area, or concerning the delimitation of its frontiers or boundaries. The responsibility for the contents of the document rests exclusively with its author.*

ACTION PLAN FOR *Diospyros* spp. AND *Dalbergia* spp.

A. PROGRESS REPORT ON THE IMPLEMENTATION OF THE ACTION PLAN FOR *Diospyros* spp. AND *Dalbergia* spp.

At its 16th meeting, held in March 2013 in Bangkok, Thailand, the Conference of the Parties to CITES adopted an action plan to facilitate the implementation of the Appendix-II listings of *Diospyros* spp. (populations of Madagascar) and *Dalbergia* spp. (populations of Madagascar).

The present document includes a report on the current state of the implementation of the action plan and a proposal for an interim plan to sell off stockpiles of seized timber for the benefit of the State of Madagascar.

B. AUTHOR OF THE PROGRESS REPORT

MADAGASCAR

C. STATE OF PROGRESS

1- Establish, in collaboration with the CITES Secretariat, a science-based precautionary export quota for the listed taxa where an adequate non-detriment finding can be undertaken and clearly documented for any species planned for export.

- Madagascar obtained funding from ITTO-CITES in 2012 and 2013 to establish a method to conduct stock assessments using satellite imaging. Subsequent studies proved the viability of a mapping method to estimate the potential amount of timber based on an “object-oriented” methodology.

The results obtained from eight sites were used to determine the health status of existing populations. Findings show that, among the 37 species studied (13 species of *Dalbergia* and 24 species of *Diospyros*), only the populations of five species of *Diospyros* have a good general status. Most species have no regeneration individuals and are therefore at very high risk of disappearing.

The stock assessment was seriously hindered by the lack of security in the study areas; however, it is essential that the work continue both in harvesting areas and inside Protected Areas.

- Based on the data collected since 2009, eight (8) species of *Diospyros* (*Diospyros aculeata*, *Diospyros bernieri*, *Diospyros calophylla*, *Diospyros gracilipes*, *Diospyros haplostylis*, *Diospyros perrieri*, *Diospyros toxicaria*, and *Diospyros sakalavarum*) and eleven (11) species of *Dalbergia* (*Dalbergia abrahamii*, *Dalbergia baronii*, *Dalbergia greveana*, *Dalbergia louvelii*, *Dalbergia monticola*, *Dalbergia normandii*, *Dalbergia purpurascens*, *Dalbergia xerophylla*, *Dalbergia madagascariensis*, *Dalbergia mollis*, and *Dalbergia trichocarpa*) are among the most illegally traded species from Madagascar.
- The Scientific Authority (SA) of Madagascar, in cooperation with the Secretariat, organized a workshop on non-detriment findings (NDFs) in Antananarivo in August 2013 to strengthen the capacity of the members of the SA, the Management Authority and the scientific committees for animals and plants. Yet, this training must continue to deal specifically with timber using the data obtained by the stock assessment project and the various wood identification techniques.

2- Establish, as appropriate, and with key partners [including the CITES Secretariat, CITES Plants Committee, International Tropical Timber Organization (ITTO), main importing countries, and national and international research/conservation organizations] a process (research, information gathering and analysis) to identify the main species that are likely to be harvested. Workshops

should be organized for selected species to establish the adequate non-detriment findings required in paragraph 1.

- In Madagascar, all 48 species of *Dalbergia* are known and have a clear taxonomic status. All but one are endemic and 48% (23 species out of 48) have a minimum exploitable diameter (MED), that is, harvestable size. Therefore, their timber is presumably subject to the current massive harvest in some forested regions of the island. About 82% of species with an MED are classified in the “threatened” categories of the IUCN.

As for the genus *Diospyros*, 85 species have been described, one of which is native but not endemic, and 130 species are potentially new to science; 26 (ca. 30%) of the 85 species that have been described have an MED. Close to 107 of the 130 potentially new species have been studied; of these, 24% have been identified as having an MED and 75% of such species are classified in the “threatened” categories of the IUCN.

Overall, **70 species of *Dalbergia* and *Diospyros* have an MED** and are likely to be affected by current illegal harvests.

- At the moment, the main priority is to complete the taxonomic study of the genus *Diospyros* in Madagascar to name the 130 species that are potentially new to science. Phylogenetic studies on the genus *Dalbergia* are also under way.

Phylogenetic and molecular analyses of Malagasy species of *Dalbergia* by a team from Zurich University (Alex Widmer and Sonja Hassöld);

Taxonomic review of species of the genus *Diospyros* by the Muséum National d'Histoire Naturelle (Pete Lowry, Paris) and by Missouri Botanical Garden (George Schatz);

3- Collaborate, as appropriate, and with key partners, as indicated in paragraph 2 above, to prepare identification material and tests for use in CITES enforcement to identify main taxa as they are traded.

- Madagascar obtained funding from ITTO-CITES for the collection and creation of a wood conservatory/library of timber and herbarium specimens of Malagasy species of *Dalbergia* and *Diospyros*. This work includes preparation of reference material (wood samples, herbarium) for use in identification. **Samples of about 180 species** have been collected.
- Madagascar and the Secretariat are coordinating work on the identification of specimens of *Diospyros* and *Dalbergia* from Madagascar.

The following identification-related activities have begun:

- Anatomical identification in order to create an atlas of *Dalbergia* and *Diospyros* wood in Madagascar. This project is being implemented in cooperation with WSL Zurich (Switzerland) and will be completed by September 2014;
- Isotope identification by a team at the Royal Botanical Gardens, Kew (UK);
- Update of the WoodID CD-ROM by the German Scientific Authority, including the most traded species from Madagascar;
- Capacity building for the Scientific Authority of Madagascar for plants on the management of databases and macroscopic identification of wood of CITES-listed species (this activity is planned for June 2014 and will take place in Germany);
- The Management Authority of Switzerland provided Madagascar with material to equip the wood anatomy laboratory at the University of Antananarivo.

- The University of Lausanne (Prof. Lukas Kühn) provided Madagascar with material to equip a molecular biology laboratory at the University of Antananarivo to support the work of the Department of Botany on identification of plant specimens.
 - Madagascar has also sent doctoral students abroad (2 Malagasy students to the Polytechnic School of Zurich – ETH Zurich) to prepare their doctoral dissertation on the genetic study of *Diospyros* spp. and *Dalbergia* spp.
- 4- Put in place an embargo on export of stocks of these timbers until the CITES Standing Committee has approved the results of a stockpile audit and use plan to determine which components of the stockpile have been legally accumulated and can be legally exported.

Madagascar has put in place a first six-month embargo since August 2013 to restructure the industry of *Diospyros* spp. and *Dalbergia* spp. and develop all the strategies to combat illegal trade in these species.

The strategies consist of acquiring all the information on seized stocks, protecting them and strengthening controls of all exit routes in the forests and on the coastline.

This embargo was in force from 13 August 2013 to 13 February 2014 but was extended for two months from 14 February 2014 (Malagasy document No. 501-14/MEF/SG/DGF/DVRN/SGFF of 13 August 2013, which was the subject of Notification to the Parties No. 2014/010) and finally extended until 11 August 2014 (Malagasy document No. 219-14/MEF/SG/DGF/DVRN/SGFF of 11 April 2014, which was the subject of Notification to the Parties No. 2014/019).

In cooperation with the World Bank, Madagascar has established a Steering Committee for the management of precious woods (*Diospyros* spp. and *Dalbergia* spp.). The committee is in charge of the management and restructuring of the precious timber industry.

The main mission of the Steering Committee is to set up a transparent and unquestionable process involving the partners and bodies that can make any kind of contribution to the goal of restructuring the industry.

Therefore, the Steering Committee has been given the following mission:

- Make available a complete and well-localized inventory of timber stocks. The World Bank allocated substantial funding for an international consultant to conduct this activity. SGS provided its report, which was validated by the Steering Committee in April 2014.
- Collect statistical data that can be directly used for the sale. The study was conducted by SGS and validated in April 2014.
- Proceed to the sale of stockpiles declared, inventoried or detected. Three international consultants (SGS, AGREER and FRM) conducted the studies, which were funded by the World Bank.
- Guarantee the transparency of all the actions that will be undertaken in the management of the industry. Press conferences have been held to report on progress in the activities of the Steering Committee. In addition, the President of the High Transitional Authority, the Prime Minister of the Transition and the new President of Madagascar have all made statements pledging to combat illegal trade in these species. Each of these heads of Malagasy institutions has declared war against illegal traders. An action plan has been drawn up and all the institutions have been mobilized to implement it. The Offices of the President and the Prime Minister are responsible for the follow-up of the action plan.
- Accelerate by all appropriate means the treatment of pending cases by the courts so that stocks originating from legal proceedings become available. In September 2013, the Ministry of Justice launched a circular letter instructing trial courts to suspend any restitution orders regarding seized timber. Cases have been directed towards the courts with jurisdiction over these matters.
- In a collaborative manner, establish how the proceeds from the sale of seized products will be allocated. The Steering Committee has decided on this matter. The majority of the income obtained will be used for sustainable management of protected areas and local development. The allocation scheme is provided in Annexes 4 and 5.

In order to draw up a detailed action plan to sell off the stockpiles of rosewood and ebony, three technical studies have been or are being conducted: (i) a viability study for the purpose of drawing up an inventory,

labeling specimens and implementing a custody system (**Study completed and validated by the Steering Committee**); (ii) a legal assessment in respect of the sale of the stocks by the company AGRER (**Study under way, to be submitted for validation by the Steering Committee on 15 May 2014**) and (iii) evaluation of options available to sell off the stockpile of illegal rosewood in Madagascar by the company FRM (**Study under way, to be submitted for validation by the Steering Committee on 15 May 2014**).

The Steering Committee has also developed terms of reference for the sale of stockpiles of legally obtained timber that could be offered for sale. The sale will be conducted through an international public tender by a professional trader once it has been authorized by the CITES Standing Committee.

- 5- Collaborate, as appropriate, and with key partners, as indicated in paragraph 2 above, to establish enforcement mechanisms to assist in implementation of any export quota, stockpile control and opening of any legal and sustainable trade utilizing timber tracking systems and other technology as appropriate.

The study conducted by the international consultant recommended that all seized timber should be marked after drawing up the inventory. Marking consists of using tamper-proof tags recorded in a database that can be consulted. Any trucks transporting inventoried and marked timber will be monitored by GPS and protected by enforcement authorities.

Madagascar has requested the cooperation of Parties to the CITES Convention to work with the Malagasy Government. Foreign representations in Madagascar (i.e., diplomatic and consular missions) have also been invited to fight against illegal trafficking. In addition, a directive issued by the Ministry of Decentralization recommends that mayors and heads of districts contribute to combating illegal trade in rosewood. Documents pertaining to these communications are included in Annex 6.

The World Bank has allocated funding for the acquisition of satellite images to track the movements of ships in the northeast of Madagascar. In parallel, patrol boats are operating in the northeast between Vohémar and Toamasina, following instructions based on the analyses of such images.

Raising awareness of the Ministries concerned by the eradication of the illegal traffic of rosewood

1- Development of a global memorandum of collaboration

The aim of this memorandum is to coordinate the actions of the government bodies concerned² to impose exemplary penalties on any criminal or accomplice, deter any new logging activities and stop the illegal transport of timber in order to prevent any precious wood from being smuggled out of the country by ship in the areas affected by illegal trade of rosewood and ebony.

2- Development of an action plan and a restructuring plan

These plans are a reflection of the directives and determination of the President of Madagascar to put an end to the current rosewood illegal trade crisis and wage “a war” against the criminal actors involved at all levels, regardless of their political or sectoral affiliation.

3- Development of the terms of reference of the sale

Following the recommendations of CITES, UNESCO and other international organizations, the proceeds obtained from the sale of seized timber will be exclusively used for conservation and community development activities (**including social protection**). No proceeds shall be used for military purposes.

- 6- Provide written reports on progress with the implementation of the plan to the Secretariat and Plants Committee, in compliance with document deadlines for meeting of that Committee.

At the end of January 2014, Madagascar sent a report to the CITES Secretariat for submission at the 21st meeting of the Plants Committee on progress in the activities of the Steering Committee in charge of the management and restructuring of the precious wood industry and on progress in the implementation of the action plan for *Diospyros* spp. and *Dalbergia* spp. from a scientific approach.

The present document is submitted for inclusion in the agenda of the 65th meeting of the Standing Committee in July 2014 within the deadline for submission (8 May 2014).

The annexes to the present report include all the documents justifying the actions conducted by Madagascar and the interim plan for the sale of rosewood. Madagascar hopes to obtain a positive response to the audit called for by CITES.

7- Provide a document outlining progress with the implementation and any required adjustments to the Action Plan at the 17th meeting of the Conference of the Parties.

The present report includes the adjustments aimed at selling off stockpiles of seized timber for the benefit of the State of Madagascar as soon as this is authorized by CITES.

ACTIVITIES TO FOLLOW

1. Regarding the sale of rosewood:

- Development of the interim plan for the sale of seized rosewood and ebony: the sale will only be possible once the CITES Standing Committee has validated an audit of the management of timber stockpiles prepared by the CITES Management Authority of Madagascar.
- Inventorying and marking of rosewood timber at confiscation sites.
- Protection of inventoried stockpiles, placement into containers, sealing of containers and transport to a port of exit.
- Request for a timber audit by CITES experts or by an agent appointed by CITES.
- Launch of an international public tender by a professional trader.
- Tender evaluation and selection.
- Notification of successful bidders, informing CITES so that Parties can be notified.
- Collection of proceeds from the sale.
- Issuance of CITES permits.
- Follow-up of the timber sold and notification to countries of destination based on the declaration of successful bidders.

2. Control mission in problem areas:

- Continuation of the organization of the mission to stop illegal trafficking of the species in the northeast of Madagascar.
- Creation of a special forest protection brigade (funded by part of the proceeds from the sale of products).

3. Bringing alleged illegal traders and their accomplices before the competent court:

- Reopening of cases of rosewood trafficking with an identified perpetrator.
- Request for the opening of an investigation of all cases of illegal trafficking of rosewood (***on a national, regional and international level***) in cooperation with the Ministry of Justice and the CITES Management Authorities of countries of destination or transit of timber originating from Madagascar.

THE INTERIM PLAN

This interim plan should be established following the Government's decision to offer for sale the timber seized or confiscated by the State, replacing the action plan proposed by Madagascar at CoP16 in Bangkok, Thailand.

The interim plan is as follows:

ACTIONS PLANNED	DURATION	LEAD	<i>INDICATORS OR OBSERVATIONS</i>
Create a record of timber confiscation sites	1 month	Consultant	Activity already conducted by SGS and funded by IDA/GEF

			<u>List of sites available at the Direction Générale des Forêts (DGF)</u>
Develop a national database	1 month	Direction Générale des Forêts	Activity already conducted by the Direction Générale des Forêts <u>Database available</u>
Appoint a special team to draw up an inventory of seized or confiscated timber	15 days	Direction Générale des Forêts and Consultant	Negotiation between SGS and DGF (in progress) <u>List of the teams in charge of counting timber at each site</u>
Prepare case files justifying the legality of the seizures or confiscations	1 month	Direction Générale des Forêts and Consultant	Awaiting the submission of the study by consultants AGREER and FRM (by 15 May 2014) <u>Copy of the court decision or any other regulatory act available for each site</u>
Draw up the inventory itself	2 months	Direction Générale des Forêts and Consultant CITES-appointed agent if appropriate	Activities to be launched in early May 2014 – seeking funding <u>Funding available and team in the field</u>
Mark timber using tamper-proof tags	several months	Direction Générale des Forêts and Consultant CITES-appointed agent if appropriate	This activity should be conducted jointly with the timber inventory <u>Sample of tags available</u>
Protect inventoried and marked timber	several months	Direction Générale des Forêts, Consultant and armed forces CITES-appointed agent if appropriate	This activity should be conducted immediately after the inventory <u>Means of transport available</u>
Place inventoried and marked timber in containers	several months	Direction Générale des Forêts and Consultant CITES-appointed agent if appropriate	This activity should be conducted immediately after the marking of timber <u>Database available</u>
Update the national database	several months	Direction Générale des Forêts	<u>Auditable database available</u>
Communicate the results of the operation to the CITES Standing Committee for an audit	several months	Direction Générale des Forêts	<u>Auditable database</u>
Launch the international call for tenders	45 days	Ministère de l'Environnement, de l'Ecologie et des Forêts	<u>Tender documents available</u> <u>Advertisements in national and international</u>

			<u>newspapers</u>
Open, evaluate and select tenders	10 days	Tender Commission	<u>Tender Commission set up</u>
Issue notification of successful bidders	5 days	Tender Commission	<u>Minutes of the tender opening</u>
Collect proceeds	10 days	Ministère de l'Environnement, de l'Ecologie et des Forêts	<u>Receipt of payment of the amount due</u>
Issue permits	5 days	CITES Management and Scientific Authorities	<u>Copy of the permit sent to CITES</u> <u>Permit number included in the database</u>
Notify CITES of successful bidders and the destination of the timber sold	5 days	CITES Management Authority	<u>Copy of the permit sent to CITES</u>
Allocate proceeds	several months	Ministère de l'Environnement, de l'Ecologie et des Forêts	<u>State of allocation communicated through ministerial order (signed by the Minister)</u>
Update the database	several months	Direction Générale des Forêts	<u>Auditable database</u>
Conduct a follow-up of the timber sold	several months	Direction Générale des Forêts	<u>Auditable database</u>

Throughout the sale process, it is necessary to continue acquiring satellite images and conduct controls in the field to prevent other illegal non-confiscated timber from being smuggled out of Madagascar and/or mixed with timber sold by the State.

Regulations in force will be strictly applied. In addition, cooperation with international bodies will be strengthened by the request for the establishment of a Memorandum of Understanding (MOU) between Madagascar and countries of destination of Malagasy timber and the International Tropical Timber Organization (ITTO).

Madagascar will confirm its accession to the International Tropical Timber Organization (ITTO).