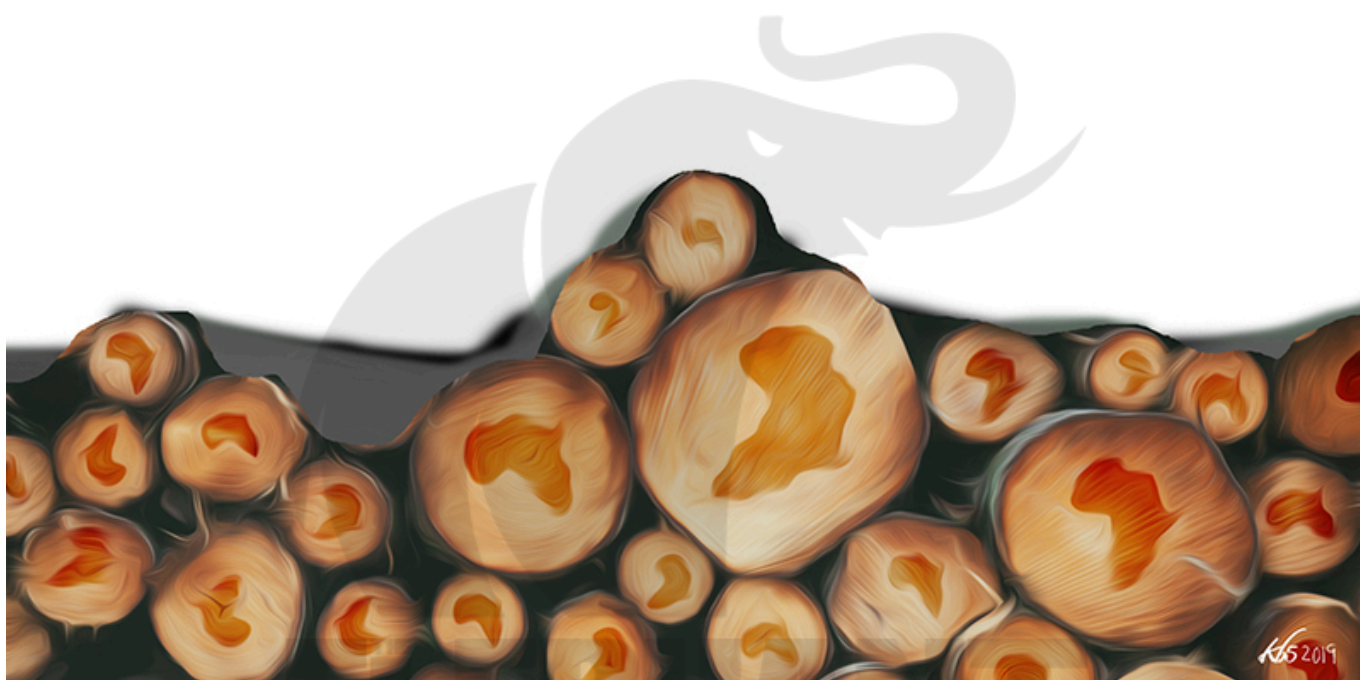




# Forest for Thieves: Why Illegal Harvesting of South Sudanese Teak Leaves Nothing for the People

By Romy van der Burgh and Linda van der Pol



In front of the entrance of the Rivièra Maison furniture store in Utrecht stand two low garden tables made of teak. On sale, says the saleswoman, because the next season is already coming up. Where does the wood come from? “Oops,” she replies, “that is an unusual question.” She goes to the computer inside the shop and comes back out radiantly: “These tables are from India!” That sounds likely, because since 2013 exports of furniture from India to the Netherlands have quadrupled. Just like Rivièra Maison, a large chain with a hundred sales points in the Netherlands and six hundred worldwide, dozens of other Dutch companies source their teak products from India. While the country itself produces only a limited amount of teak, India is the world’s largest exporter of teak products.

In order to meet the enormous demand, India is importing more and more wood from other countries for processing into “Indian” furniture or other objects. Teak is a popular wood but difficult to obtain and whenever a fertile source of teak is restricted by international regulations, such as virgin forests in Thailand and Myanmar, India shifts its focus to new suppliers.

Today, much of the teak in India actually comes from the young East African state of South Sudan, a

country where the trade in timber is barely regulated. South Sudanese wood is not prohibited on the European market, but the seller must be able to prove that it comes from a legal source. The chance of that happening is small: 90 per cent of South Sudanese logging is illegal. Any wood that reaches European stores is therefore almost always illegal.

The citizens of poverty-stricken South Sudan are excluded from the timber trade which is dominated by foreign companies whose little domestic revenues go into the pockets of corrupt politicians and rebels who until 2020 used it to finance a destructive internal war. Using trade data, social media forums and discussions with importers, we followed the potential route that looted South Sudanese timber takes to Europe via India. We pretended to be traders and proposed one illegal deal after another, often on the basis of forged documents. Despite the introduction of the European Timber Act in 2013, which should have ended the sale of illegally harvested timber, it still appears to be easy to get illegal timber onto the Dutch market.

“Sir we get the supply from Sudan. The certificate of origin we can make Uganda, Congo or whatever you want”, responds our contact from Pratham Exim Solutions when we approach him in a Facebook group and present the strict European guidelines. “We pay some money to an official and get the origin papers we want.” We can choose from five East African countries of origin: Uganda, Congo, Tanzania, Burundi or Rwanda. Of those, only Congo and Tanzania actually have teak plantations.

Various Facebook groups show how India gets its teak. Timber traders, mainly from India, offer large quantities of teak of dubious origin. Posing as traders, we ask if someone can deliver timber from South Sudan to the Netherlands. Someone can. “We get teak from Sudan that comes via Uganda, where we fill the containers in Kampala before it leaves for the port of Mombasa. From there we ship it to India or another country,” says the owner of Pratham Exim Solutions when asked which route the wood will take on its way to Europe.

At our request, he draws up a plan to ship our consignment of wood first to India, and from there to Rotterdam. India, which also has teak plantations, is in principle a legitimate country of origin. “We have good contacts at the Indian Chamber of Commerce, so the papers are not a problem,” assures the merchant. The chat provides evidence of forged labels of origin and a detailed plan to sell wood from South Sudan via India as wood from India. We cut off the conversation just before closing the deal.

Export data of timber consignments from East Africa to India for 2019 shows more than a hundred companies that demonstrably ship South Sudanese teak to India. We bought this data from the Seair, an Indian company that collects import and export data at Indian customs. It concerns five hundred teak shipments totaling twenty thousand cubic meters, with an official value of twelve million euros - not including the inevitable bribes. We also count another 120 parties from Kenya and Uganda that most likely also come from South Sudan. South Sudan itself does not issue labels of origin because the timber market is not yet nationally regulated: as soon as a South Sudanese party enters a timber market in the nearby Ugandan capital of Kampala, the freight becomes “Ugandan”. A number of these companies also say they do business with Europe.

Our data is just the tip of the iceberg. According to calculations by the American research firm C4ADS, more than 100,000 tons of teak from South Sudan go on the world market every year. Teak, “the king of woods,” is native to Southeast Asia and is particularly popular in the boat building and furniture industries because of its weather resistance and “stability”, as traders call it. The limited and more selective logging in primary forests in recent decades has driven up the price.

While luxury yacht builders continue to prefer “primal teak”, plantation wood from Africa is an

inexpensive alternative for furniture builders. South Sudan has the largest and oldest teak plantations in Africa: they were planted in the 1940s and are now “ripe” for felling. Usually, plantation teak is relatively well regulated, but this is not the case in South Sudan. The United Nations reports that there are virtually no legal logging concessions, not even for large companies, and that there is no supervision. In addition, replanting trees is a prerequisite for felling in regulated plantations but this does not happen in South Sudan.

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Besides oil, teak is the young state’s most valuable raw material, were it not for the fact that the lion’s share of the logging takes place below the radar of the tax authorities. According to the UN, the country could generate at least US\$50 million in tax revenues from the timber sector annually. In reality, only one to two million comes in.

On the Internet, the trade in Sudanese timber is less disguised. There are photos of traders proudly posing next to packed containers on Facebook. “Good Sudan prices” is the caption. Pixelated number plates reveal the Ugandan heritage of the individuals. Kenyan journalist John-Allan Namu went undercover to investigate the South Sudanese timber market for his documentary series *The Profiteers* in 2018. Namu shows how illegally felled teak from South Sudan is mixed with teak from some legal concessions in surrounding regions at a timber market in the Ugandan capital Kampala—the most common method used to conceal the origin of the wood according to Interpol. The fully loaded containers leave Kampala for their next destination, the Kenyan port city of Mombasa, where they are hoisted onto cargo ships. An estimated 73 per cent of South Sudanese teak ends up in India, where it is cut or processed into furniture.

“South Sudan has only existed since 2011 and has had little time and capacity to regulate the timber market,” Namu said from his office in Nairobi. “The market is largely in the hands of foreign companies who pay generous bribes to government officials and rebels who protect loggers.” The money has been used to finance a civil war since 2013, Namu said. That ethnic conflict between the two largest populations in the country came to an end in early 2020 yet there is still fighting in some regions. The population is very poor and the government is among the most corrupt in the world.

Somewhere in the Lopik industrial area of Utrecht in the Netherlands the smell of wet wood is in the air. Wet *angelim vermelho*, a tropical wood, gives off a sweet-sour scent. *Ipe*, *itauba*, *massaranduba* and twenty other tropical woods are also cut here. But teak is missing. “If you trade in it, you just have blood on your hands,” says timber merchant Albert Oudenaarden. Oudenaarden is the director of Van den Berg Hardhout, a wholesaler who only trades in wood that has been certified by the FSC (Forest Stewardship Council) as sustainable. He can trace every plank of wood in his timber yard to a specific place in the jungle.

Oudenaarden can talk for hours about the importance of wood and the controlled felling of trees which creates space in the jungle and is good for biodiversity if done right. Never remove too much in one place, cut safely and in a controlled manner, do not go into the forest with big trucks, leave important places for animals and the local population alone. His dream? To have only sustainably harvested wood on the Dutch market. Since 2013, however, he has seen the demand for his sustainable wood stagnate. This is a bitter consequence of the new European wood law. “Many companies are increasingly ignoring FSC. The law is intended to combat illegal logging, but whether it does so, I have my doubts about it. In any case, legality says nothing at all about the sustainability of a party.”

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According to Oudenaarden, the law takes the wind out of the sails of sustainable wood. Furniture makers confirm this. “Such a label only costs money. The products comply with the wood law, so it is good, right?”

The European Union introduced the European Union Timber Regulation in 2013. Anyone who puts wood products on the market must research the entire trade chain and take measures to stem illegality in the chain. An authority has been designated in every European country to supervise the timber trade. Years of lobbying by environmental organisations preceded the introduction of the European Timber Regulation but seven years after its introduction, the scheme has turned out to be much less effective than hoped.

First of all, there are the exceptions: a multitude of products such as chairs, wooden coffins and musical instruments are not covered by the regulation. A teak garden chair made from legal, illegal or wood of unclear origin does not contravene the law. A second weakness is the susceptibility to fraud. Anyone who imports products that do comply with the regulation - table tops, cabinets, whole tree trunks - must have a lot of documents proving the exact, legal origin of the wood.

But that is only a “paper reality” says timber merchant Oudenaarden. You can say anything in documents. Indeed, we easily find a fictitious label of origin from the Indian Chamber of Commerce. Tampering with labels is common practice in the international timber market. Previous research shows, for example, that illegal coniferous wood from the Ukrainian Carpathians ended up in the Netherlands with false papers in 2016, and wood from Latin America and Southeast Asia is also “laundered” more than once.

Third is the weak control over this fraud, including in the Netherlands. Because the Timber Act does not regulate the import but only the marketing of timber, the Food and Consumer Product Safety Authority (NVWA) is the supervisory authority in the Netherlands. The body makes company visits based on risk indicators such as the country of origin, product type or processing country. According to critics, that role should have been assigned to customs. “The border is the only place where you can really say something about the origin of wood,” says Peter Hartog, head of the environmental team of the Rotterdam police. “Once in the warehouse of a company, it is impossible to say whether that one pile of paper actually belongs to that one wood lot.”

The country could generate at least US\$50 million in tax revenues from the timber sector annually.

“You better be an environmental criminal than a drug trafficker,” says Hartog in his office in Hoogvliet, where the depot houses confiscated snakeskins and swordfish. “Equally high earnings, minimal chance of being caught, low penalties,” he sums up. Since 2006, Hartog has completed five investigations into the illegal timber trade. There should and could have been more if the work was less international in character and the capacity of supervisory authorities somewhat higher.

The Netherlands has one of the five largest timber ports in Europe. Customs, which check for taxes and CITES - a list of internationally protected flora and fauna - has to deal with 75,000 containers of wood entering the port of Rotterdam every year, and the NVWA must supervise at least 5,000 traders. Other matters are also given higher priority in the investigation by the police. “Then calculate the chance of being caught,” says Hartog.

The European Union is only as strong as its weakest link. Under the Timber Act, only the first trader to place a prohibited batch on the market is punishable. And there are quite a few weak links, the European Commission concluded in an evaluation of the law in 2016. Most countries made far too few human and financial resources available, “which makes the deterrent effect of the enforcement activities rather limited”. Dutch customs acknowledges that they only employ a few people who can distinguish one type of wood from another, and two inspectors work at the NVWA.

In 2017, the authority imposed a conditional fine of 20,000 euros per imported cubic meter on the [Boogaerdt](#) company for illegally marketing teak from Myanmar. This is one of the few cases dealt with by the NVWA in recent years. Despite the fine, Royal Deck in Livorno, another company owned by the Boogaerdt family, still imports from Myanmar. A video that was until recently posted on the company’s website shows large shipments of timber in the port of the Asian country, and proudly advertises the timber’s provenance.

Myanmar is a notoriously high-risk country when it comes to the origin of wood. The Netherlands has blacklisted it because it is impossible to distinguish illegally from legally obtained timber in the country due to fraud. Yet it is openly sold in several places in the Netherlands. The fact that wood from forbidden countries of origin still ends up in Europe also illustrates the ease with which teak of more diffuse origin – such as South Sudan – can land in Europe.

Traditional East Asian countries of origin are increasingly restricting the export of teak. India, a country with a strong woodworking culture but too little wood of its own, drew its shortages from the jungles of Myanmar until 2014 when that country was issued an international export ban due to the widespread corruption and illegal logging involved in the sector. Indian merchants have since been importing from East Africa. A simple calculation explains the fraud: Indian forests today can only meet 5 per cent of the demand annually. The rest is imported from Africa and Latin America. Ninety per cent of the supply from East Africa comes from South Sudan. According to Indian sources, it cannot be determined where the wood on the Indian market was harvested. When asked where they get their wood from, Indian teak suppliers are curt: “We don’t do that business.” Or they hang up the phone.

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Since 2013, Indian exports to the Netherlands have quadrupled. Some of the teak products arrive in the Netherlands through the Alibaba online store. Some of the companies we approach openly admit that they source their teak from East African countries such as South Sudan to market them on the European market as a “product of India”. “We deliver to Europe by land, air or sea. Never had any problems with it, “says Saurabh Gupta of the Indian company Medieval Edge.

In data on the trade flows between India, the Netherlands and Belgium, we find 161 consignments of teak products that were exported from India to the Low Countries between September 2018 and September 2020. Sometimes these are orders from private individuals, or products not intended for further sale: a large elephant, wooden horses for the furnishing of a pharmacy – “a teak temple for the home” bought at the beginning of the COVID-19 crisis. Three quarters go to furniture chains and wholesalers who sell them on to local retailers.

Rivière Maison’s furniture buyer Gideon Manger does not want to believe his saleswoman’s answer. He must have provided incorrect information: “I would never import teak from India. We only work with certified wood from Indonesia. We think that is very important.” To reinforce his story, he sends

a screenshot of a certificate from the factory in Indonesia.

That remains to be seen though. In export data, we see fourteen orders – making up a total of almost twelve hundred products made of teak and mango wood – from Rivière Maison to a company in Moradabad, a city east of Delhi. Teak from India, and therefore of unclear origin. In an official response, Rivière Maison says that the products ordered in India, although made of teak, are exempted by the European wood law and can therefore still be sold.

The furniture store is certainly not the only one that purchases in India. For example, furniture wholesaler Hazenkamp also sells teak products: wine racks, coffee tables, clocks and lanterns. Where does that come from? “Yes, it will all be India, it is produced there. I dare not say where the wood comes from. Yes, I think it comes from India.” But isn’t he legally obliged to investigate? The employee ends the conversation.

“Better to be an environmental criminal than a drug trafficker. Equally high earnings, minimal chance of being caught, low penalties”

The NVWA is aware of the existence of South Sudanese teak, the service says, but has not found it on the Dutch market in the past five years. According to the authority, most of the inspected companies have the correct documents, but she admits that this does not say everything. A report by Deloitte on behalf of Agriculture Minister Carola Schouten shows that the NVWA does indeed miss the big picture: it only carries out 50 wood inspections per year, often at the same companies. “It is first and foremost up to the business community itself to comply with the rules,” the NVWA said in a response. “After all, it is in everyone’s interest to combat illegal deforestation.”

Nyarayek Moboic recently graduated from the University of Amsterdam as a lawyer and is determined to do something for her native country. She views the logging in South Sudan with sorrow. She fled the civil war in her country with her family in the 1990s. Relatives who have stayed in South Sudan see one loaded truck after another driving out of the jungle.

Indonesia introduced its own quality marks more than ten years ago and obliged exporters to process logged wood in the country first to maintain employment. Moboic has something like that in mind. She hopes to acquire a legal logging concession in the country so that her enterprising cousin can make furniture out of it to ship in a direct line to the Netherlands. “Unique furniture with local influences. But for people like my cousin, it is difficult to get teak. The only option is to buy it from foreigners while it grows in their country. The wood leaves South Sudan. Nothing is left for the Sudanese themselves.”

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