

DECLARATION OF BELEM

CONCLUSIONS AND RECOMMENDATIONS FROM THE “ILLEGAL MAHOGANY, NEVER AGAIN” WORKSHOP

FINAL DOCUMENT – JUNE 17, 2002

The exploitation, transport and commercialization of Brazilian mahogany (*Swietenia macrophylla*, King) has been indefinitely suspended in the entire country since 19 October 2001, as a consequence of the Instrução Normativa 17 IN17), issued by Brazilian's Environmental Agency, IBAMA.

Immediately following this measure, 11 of the 12 mahogany FMPS (Sustainable Forest Management Projects) in Pará, were inspected by a multi-institutional commission composed of officials of IBAMA-Pará, IBAMA-Maranhão, SECTAM, Embrapa, FCAP, and PNUD/DF¹. They concluded that four FMPs could be considered “aptos”(valid), or become valid, as long as they complied with the Brazilian forestry legislation in the future. Added to these, two FMPs in Mato Grosso state, which were not audited.

Facing the irregularities found in the mahogany FMPs and the huge apprehensions of illegal timber seized between October and November 2000 (around 26 thousand cubic meters), during “Operation Mahogany”, IBAMA issued Instrução Normativa 22 (IN22), from 05 December 2001, while maintaining the suspensions determined by IN-17. They also established pre-conditions for any future exploitation of the species, such as certification.

In December, mahogany exporting companies went to court, where they were granted judicial orders to guarantee their sales contracts. IBAMA then appealed against the decisions of the first instance judges, winning in some cases and being denied in others. The matter ended at the superior instances of Justice and is far from being over.

Forced by court decisions to allow exports, IBAMA found itself obligated to issue CITES export certificates - as these documents are official requirements for all mahogany exports since 1998, when Brazil registered the species in Annex III to the Convention on International Trade in Endangered Species (CITES). As the CITES certificate is, by definition, a certificate of legal origin, a legal anomaly was created. IBAMA, the CITES authority in Brazil, saw itself forced to issue certificates that are required to ‘testify’ the legal origin of mahogany – the same mahogany that they consider to be illegal, or suspect to be illegal, when appealing against the court decisions granting the exporting companies. Under agreements made by CITES, an export certificate can only be granted if and when IBAMA is “satisfied that the specimen was not obtained in contravention of the laws of the State for the protection of fauna and flora.”

The extravagant judicial situation in Brazil led the European Commission in March to recommend the detention of all Brazilian mahogany shipments to Europe. Mahogany is detained in Germany, Holland and Belgium. The American government, under request of the Brazilian government, also determined the retention of shipments in US ports, until they obtain further information about the origin - legal or not – of the mahogany exported to that country. The market – at least for mahogany exported as such, and not disguised as another species, is practically paralyzed.

The paralysis of the market and the declarations of good intentions do not mean that Brazilian mahogany will be protected from now on and that it will be explored and commercialized only by “serious” companies. On the contrary, the huge evidence of illegal exploitation and commercialization of mahogany, shows that the present forest legislation, the inadequate monitoring structure and the market control mechanisms are not enough to insure the Law will be

¹ SECTAM is the Executive Secretary of Science, Technology and Environment of Para State; Embrapa is the Brazilian Agriculture Research Corporation; FCAP is the Agrarian Sciences Faculty of Pará and PNUD/DF is the Brazilian branch of United Nations Development Program.

respected nor to guarantee the preservation of the species or the ecological correct management of mahogany.

It is always good to remember that the moratorium that prohibited new mahogany exploitation projects (Decree 3559), ends August 14th, 2002. Since its enforcement in 1996 until today, no new facts arose which would justify its end:

- The inventory of the actual commercial stocks existing in the forest was not made
- Illegality in exploitation and trade of timber continues
- The structure of project analysis, monitoring, audit and control of exploitation continues to be inadequate
- There is still no conclusive scientific data about the commercially viable and ecologically regeneration in exploited areas, even though ongoing research is promising. The results of this research will certainly guide future decisions concerning the end of the moratorium and its substitution by other mechanisms.

The only novelty since the issuing of the decree 1963, on 25 June 1996, which determined the moratorium (later renewed by decree 2687, of 27 July 1998, and 3559, of 14 August 2000) was the institutionalization, in Brazil, of independent certification to Forest Stewardship Council (FSC) standards. This guarantee has been receiving economic approval of producers and consumers and is supported by civil society entities concerned with the preservation and the sustainable use of forest resources. In the meantime, of the existing mahogany FMPs, only one has a commitment to FSC certification (the Xicrim project)

Taking the facts mentioned above as a reference, researchers, environmental authorities, non-governmental organizations, businessmen and specialists met in Belém on May 6th, 2002, at the workshop “Illegal Mahogany, Never Again”, organized by Greenpeace. The purpose of the meeting was to debate the situation of mahogany, the ecology of the species and the solutions needed to resume its exploitation in an ecologically responsible, socially adequate and economically viable manner. The present document synthesizes the recommendations that resulted from the workshop. The participant’s list is in Annex 1.

1. PROPOSAL FOR THE TRANSITION PERIOD

The participants of the workshop consider that the transition from the current model, based on disrespect of the law and predatory exploitation, to a system controlled by the government, which is transparent and self-sustainable, will demand permanent changes and the cooperation of all sectors involved – governments, businessmen, loggers, traders, consumers, technicians, researchers, legislators, environmental entities, affected communities, the Judiciary Power and representatives of the organized civil society.

1.1. The participants of the Workshop engage themselves to the creation of a **TECHNICAL GROUP on MAHOGANY**, which has the following objectives:

- Propose and revise directives for mahogany exploitation
- Revise the existing management projects and give technical support to producers

Note: the technical group on mahogany will be based on the group that met at this workshop, in Belém.

1.2. To assist IBAMA, businessmen and involved entities, the participants of the workshop recommend the creation of a **Legal Nucleus**, of which the mandate and composition will be discussed later.

1. 3. Knowing the financial reality of governments, companies and involved entities, the participants of the workshop suggest the creation of a **CONVERSION FUND FOR THE ECOLOGICALLY SUSTAINABLE MANAGEMENT OF MAHOGANY.**

Such a fund would be formed by resources coming from the commercialization of the present stock of sawed mahogany and veneer of illegal origin, which are seized in Brazil. These products, confiscated by the government, would be subjected to a Conduct Adjustment Term between resellers and IBAMA, with the intervention of member entities of the TECHNICAL GROUP ON MAHOGANY, other governmental institutions, class entities, and the judicial power.²

2. CONDITIONS FOR RESUMING EXPLOITATION

- Only the existing FMPs, in conditions to comply with legislation, should be considered by IBAMA in case exploitation activities are resumed in 2002.
- The plans to be considered by IBAMA, the ones mentioned above, should be rigorously revised – both the project and the exploitation areas.³
- To insure this revision in an adequate way, IBAMA and the owners of FMPs should make accessible and transparent management plans and data necessary to verify the estimated production volume of the mahogany harvest for the current year.
- The participating entities and researchers of the workshop are available to revise projects, give technical support and help businessmen who commit themselves to the end of illegal and predatory mahogany exploitation.

2.1 Exploring companies need to:

- Visit and understand FSC certified timber management projects;
- Discuss, in a transparent way, the problems that they face to comply with the goals of their existing management plans;
- Search support of the Technical Group on Mahogany, to solve these problems;
- Collaborate with independent auditing of their FMPs, to identify problems and find adequate solutions
- Implement a chain of custody, still this year, to allow the verification of the origin of timber, by buyers, environmental authorities and the Technical Group on Mahogany;
- Assume commitment with FSC independent certification which can be legally checked, this meaning through conduct adjustment terms, registered at legal instances.

2.2 Mahogany buyers and reselling companies need to:

² The JUDICIAL NUCLEUS will analyze the adoption of a similar mechanism for logs confiscated by environmental authorities, and propose alternatives to the government.

³ Management plans with over estimated volumes of commercial timber have been a common practice, compromising the credibility of the whole mahogany sector. Added to this is the fact that the auditing by IBAMA does not allow, in general, an adequate comparison between the data presented in the yearly operational plans (census) and the reality of the forest, either in the phase before exploitation as after logging. The auditing done days before the issuing of IN 22 did not include the counting of stumps of the trees extracted from the area supposedly managed.

- Make transparent the chain of custody of the mahogany they trade, in order to help environmental authorities to check the origin of both the exported products and those sold on the internal market;
- Commit themselves not to commercialize timber of incorrect or illegal origin and eliminate from their list those suppliers that don't respect this determination;
- Support producers in their effort to change management and industrialization parameters

3 DEMANDS TO THE BRAZILIAN GOVERNMENT:

1. Support the proposals for the transition period mentioned in section 1
2. Strengthen the technical, monitoring and auditing structure of IBAMA
3. Renew the existing moratorium for new mahogany projects until:
 - The inventory of mahogany stocks is completed, according to scientifically acceptable methodology and with the participation of independent groups, recognized to be involved in the matter. **The mahogany inventory should start in 2003**
 - Reliable control mechanisms are established, including independent auditing by professionals, externals to IBAMA
 - New specific legislation for mahogany management plans is adopted, taking into account recently published research and the proposals of the ECOLOGY AND MANAGEMENT GROUP, mentioned below
4. Support the listing of mahogany on annex II of the Convention on International Trade of Endangered Flora and Fauna Species (CITES).⁴
5. Modify the forest legislation for the exploitation of rare species (those with low occurrence density) such as mahogany, in order to guarantee its ecologically sustainable and economically viable management, as well as its social fairness.

ON MAHOGANY ECOLOGY AND MANANGEMENT: VERSÃO JIMMI GROGAN

Mahogany should be considered within context of its current status on the landscape, as a species occurring at low densities; whose natural distribution coincides with that of the Arc of Deforestation; as a species with extremely high economic value facing the risk of commercial extinction within Brazil.

The participants of the workshop make the following recommendations:

⁴ The inclusion of mahogany, by Brazil, on Cites Appendix III in 1998 proved to be insufficient to insure the legal origin of traded mahogany, the transparency of the market, the exploiting projects sustainability and the sustainability of the species. One of the reasons is that Appendix III is unilateral and doesn't imply strong commitment of other producing countries, what make difficult the effective control by the market, by consuming and producing countries, as well as by CITES. Appendix II doesn't stop trade but includes two important components:

- a) All producing countries are commit with the listing;
- b) Scientific authorities of producing countries are involved in the process and testify that both production and trade do not affect the survival of the species.

Management Plans: Management plans that include mahogany should consider the wide range of density patterns under which mahogany occurs, varying from situations of extreme rarity to less rare (low densities to not so low).

Maintenance of reproductive capacity and genetic structure: Within the area of a given property, at the landscape scale, a percentage of the area should be retained intact to serve as a permanent control and genetic reserve, to guarantee the perpetuation of the species (i.e. seed production), in addition to retention of seed trees dispersed throughout the area.

Extraction in a sustainable way: The harvest cycle should be based on and vary according accurate local estimates of *in situ* diameter growth rates. The minimum diameter cutting limit should be designated as equal to or larger than 55cm dbh, depending on local population structures. Criteria for the selection of seed trees should consider variation between local areas of high and low density, according to population-level variation across mahogany's natural range within Brazil. Where population density is very low, seed trees should be retained in groups to guarantee that pollination occurs, in numbers sufficient to guarantee seed production.

Regeneration: As densities of natural regeneration of mahogany in the Brazilian Amazon are generally low, seedling densities should be increased utilizing genetic material (i.e. seeds) from an adequate number of seed trees within a given management area. To manage both natural and artificial (planted) regeneration, silvicultural treatments and periodic monitoring should be implemented to promote the establishment and growth of regeneration.

Permanent Preservation Areas: Where mahogany occurs near lakes, rivers, and streams, current active legislation designating these areas as Permanent Preservation Areas (APPs) should be respected. Steep river- and streambanks should be included as APPs.

Census: To estimate mahogany's production potential not only during the first harvest but also to serve as a base for future production cycles, 100% pre-harvest inventories should be implemented for individuals larger than 20 cm dbh. As well, seedling and pole-sized regeneration (0 – 20 cm dbh) should be sub-sampled within the production area to estimate future production potential.

ANNEX 1 – LIST OF PARTICIPANTS

“ILLEGAL MAHOGANY, NEVER AGAIN” WORKSHOP

Regente Hotel, Belém do Pará, May 06 2002

Anadilza Maria Valente Baima - Forest Engineer holding a Masters degree in Forest Science. She has worked with forestry and mahogany management in exploited forests in the regions of Maraba and Rio Maria, in Para State. She has also worked as a researcher in the forest management group of EMBRAPA-Eastern Amazon (Government Agency for Agricultural Research) from 1996 to 2000. She is an adviser to the “Legal Amazon Operation” project of the UN Development Program (PNUD) in 2001. At the present time, she participates in the Conservation International (CI) project, “Analysis of Population and Conservation Opportunities of *Swietenia macrophylla* King, Meliaceae, in Latin America”.

Cláudia Azevedo-Ramos - Doctor of Ecology from UNICAMP (University of Campinas). She has worked as a researcher for NAEA (Amazon High Studies Group) of the Federal University of Para State, as well as an associate researcher for IPAM (Environmental Research Institute of Amazon). Specialized areas: timber exploitation impacts on fauna and the biological indicators of environmental changes.

Jimmy Grogan – Post Doctorate with the Yale School of Forestry & Environmental Studies and visiting researcher at IMAZON (Amazon Institute). Since 1995 he has researched the natural regeneration of mahogany in the south of Para State. At present, he is adviser to a research

project that aims to test different management models for mahogany and other species of high commercial value in Acre State. The project was developed by IMAZON in cooperation with Acre State Government/FUNTAC, Ministry of Environment, Tropical Forest Foundation and WWF.

José do Carmo Alves Lopes – Masters degree in Forest Sciences. He has been working as a researcher with EMBRAPA-Eastern Amazon (Government Agency for Agricultural Research). Leader of “Mahogany (*Swietenia macrophylla* King) Ecology and Forestry” project and also coordinates the “Ecology of mahogany natural regeneration, structure and potentials” sub-project, in partnership with the researchers Tim Whitmore – Cambridge University, Nick Brown and Steve Jennings – Oxford University. At present, he participates in the DENDROGENE project, which investigates the dynamics of young trees from different ecologic groups, aiming to give ecological support to forest management in ancient forests areas in the Amazon.

Kemel Amim Bittencourt Kalif - Agronomy Engineer and Masters degree in Zoology. Research assistant with IPAM (Environmental Research Institute of Amazon) and represents this institute on the Environmental Authorization Commission in Amazon, of the Ministry of Environment. He has published articles about the impacts of timber exploitation on fauna and participates in public audiences and hearings on forest certification processes.

Marilyn D. Loveless - Professor of Biology at the College of Wooster, Ohio, USA. Her specialization is the ecology and genetics of tropical trees. She has worked on mahogany in Bolivia, Puerto Rico and Brazil, investigating genetic structure and flowering phenology in collaboration with Ted Gullison and Jimmy Grogan. She spent the past year as a visiting scientist with CPATU/EMBRAPA in Belem, Para State, Brazil, working with the DENDROGENE project.

Marcelo Marquesini - Forest Engineering degree from the Federal University of Lavras, Minas Gerais State, and Masters degree in Forests Sciences from the University of Sao Paulo (USP). He has been working for ten years with tropical forests management and forestry. He has been a Greenpeace Campaigner for 3 years, where he develops analyses and technical reports on forest management and illegal logging in the Amazon. He is also member of the Brazilian FSC (Forest Stewardship Council) Board of Directors.

Milton Kanashiro - Doctor in Forest Genetics from the University of North Carolina, USA, and a researcher with EMBRAPA-Eastern Amazon (Government Agency for Agricultural Research). With more than 20 years of experience in the Amazon region, he coordinates the “DENDROGENE project – Genetic conservation in managed forests”, which aims to evaluate the impacts of forest management on the genetic variability of exploited species.

Nilma Maria Sarmiento Macedo - Forest Engineer, Ibama (Government Agency of Environment Protection) since 1984. She has worked with Conservation Units (Natural Forests in Tapajos, Para State; and Natural Forests in Chapeco, Santa Catarina State). She works on the Conservation Units Group in Belem, Para State, where she has coordinated the Technical Division (DITEC) since January 2001. She works with problems related to mahogany Management Plans and its commercial chain of custody.

Paulo Adário – International coordinator of Greenpeace’s Amazon Campaign, he has been working with Greenpeace since 1992. Author of articles and reports about certification and predatory exploitation of forest products, with studies in the field and lecture in many countries about illegal logging and exploitation. He has been working on the mahogany issue since 1995.

Paulo Barreto - Master in Forest Sciences from the Yale School of Forestry & Environmental Studies, USA. He has worked as a researcher and Executive Director for IMAZON (Amazon Institute). In the past 12 years, he has published many articles about the economics and impacts of timber exploitation in the Amazon, forest policy and management.

Paulo Contente de Barros - Doctor-Professor at the Forests Sciences Department of FCAP (University of Para State), where he was Director from 1996 to 2000. He has published many

scientific works, such as the “Diagnosis of areas of mahogany occurrence and stock estimates in the Brazilian Amazon”.

Paulo Kageyama - Agronomy Engineer from USP (University of São Paulo). Masters and Doctorate in plant genetics from USP. Post Doctorate in the Genetics of Populations in Raleigh, North Carolina, USA. He also participates in the Experts Group of FAO-Rome on genetic forest conservation. Since 1980, he has studied the natural genetic populations (genetic diversity, endogamy, reproduction system and gene flow) of native tropical trees species of Mata Atlântica and the Amazon region, their genetic conservation and sustainable use. Since 1988, his research has focused on restoration of degraded areas.

Rogério Gribel - Forest Engineer from the Rural Federal University of Rio de Janeiro, Masters degree in Vegetal Ecology from the University of Brasilia and a PhD from St. Andrews University, UK. He has worked for 15 years as a researcher with INPA (National Researches Institute of Amazon), in Manaus. At present he coordinates the botanical research of INPA. His projects and research guidelines focus on ecology, reproduction and genetics of native forests species.

Steve Jennings – Doctorate from Oxford University, England. He has researched the behavior of young plants of tree species after canopy disturbances in the Amazon forest. He is author of “Mahogany Ecology and Forestry in Para State, Brazil”. Since August 2001, he works in ‘ProForest’, a company specializing in forest policies research. At present, he develops tools for identification and management of forests of high conservation value.

Tasso Rezende de Azevedo - Forest Engineer, Chief Auditor for Forest Certification, former Executive Secretary and current Coordinator of IMAFLORA (Management and Forest Certification Institute) Amazon Nucleus. He is member of many FSC working groups and author of many articles on certification.