


COMMENT PROFESSOR WILLIAM LAURANCE

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HUNGRY DRAGON

China has become a black hole for the world's timber, much of it harvested illegally. Consumers should think twice before buying wood products made in China.

IN CHINESE FOLKLORE the dragon symbolises strength, and it is an apt symbol for a nation whose economic rise has been meteoric. But for the world's shrinking forests, the dragon is something else entirely: voracious.

At first glance, China looks to be a friend of forests. While native forests are disappearing across Asia, China's forest cover has actually expanded by one-third in the past two decades. And this has happened at the same time as the country has created an immense export industry for wood and paper products – becoming the “wood workshop for the world”, according to Forest Trends, a Washington, DC think tank.

But the seemingly miraculous recovery of forests in China – which once spanned the western half of the country but shrank to just one-ninth of its land area – is a lot less nature-friendly than you think. According to Professor Jianchu Xu of the World Agroforestry Centre and China's Kunming Institute of Botany, the loss of native forests is continuing apace.

In their stead, China is planting vast monocultures of exotic rubber, eucalyptus and fruit trees, which count as ‘forest cover’, but are ecological deserts for native wildlife. In many areas, Chinese landholders cut down native forest to earn cash from the timber and then replaced it with exotic trees. To be fair, these new plantations do provide income for the landowners. And on formerly denuded land, erosion has declined. But ultimately, China's plantations have been more of an economic boon than a win for the environment.

However, there is an even bigger reason to be wary of the Chinese forest



The trouble with timber. China imports wood from across the world, including from Myanmar (above), where it is estimated that 50 per cent of all timber is harvested illegally.

‘miracle’ – it is being subsidised by massive timber imports. For scientists like me who monitor international timber markets, it is mind-boggling. In just 15 years, China has become a black hole for global timber supplies.

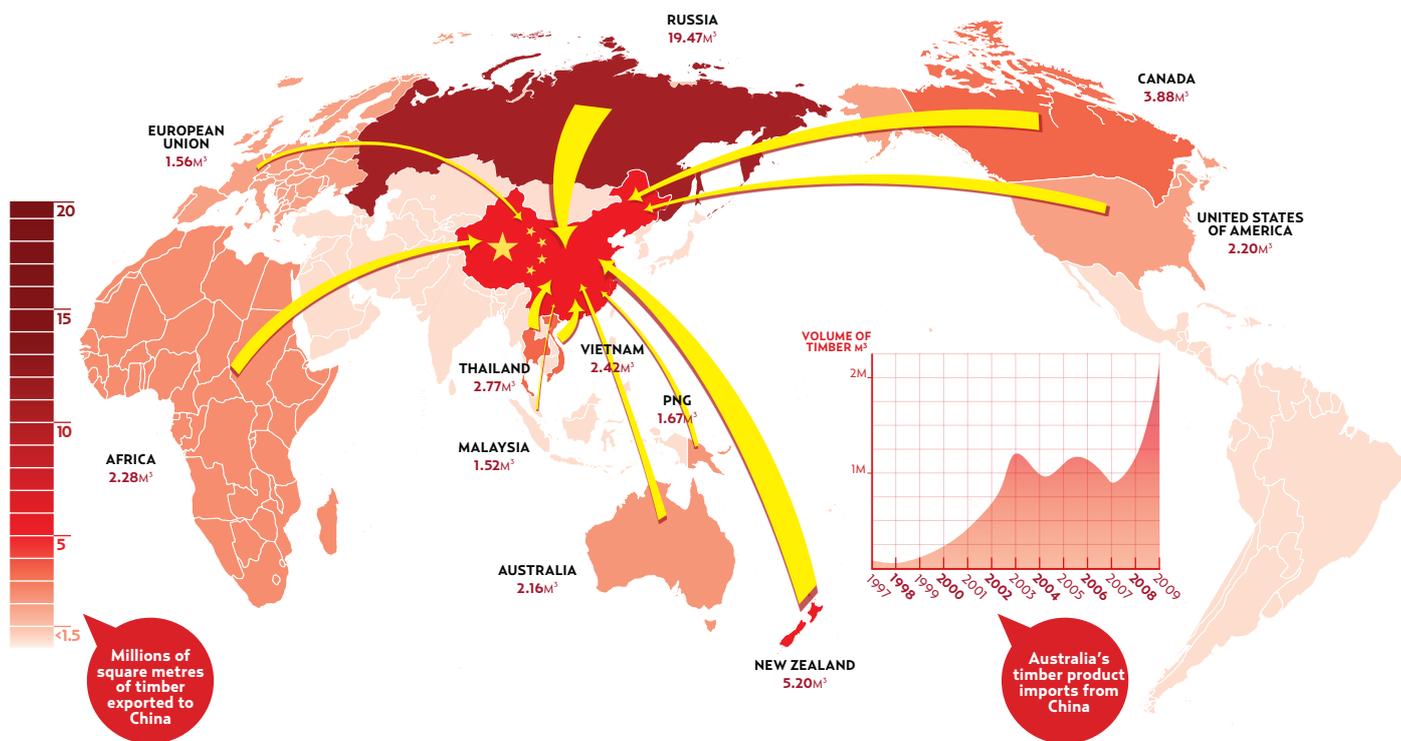
Today, more than half of the timber shipped anywhere in the world is destined for China. It consumes the lion's share from many Asia–Pacific nations, such as Papua New Guinea and Indonesia, and from many tropical countries in Africa. The boreal forests of Siberia are also a major source. In all, China is importing 40–45 million cubic metres of timber annually – the equivalent of 12–15 million big canopy trees. There is nothing wrong with importing timber – China has every right to grow economically. However, in its fervour

to secure timber supplies, China is increasingly seen as a predator of the world's forests.

It is copping three big criticisms. First, the country and its wood-product corporations are remarkably aggressive in pursuing timber, while generally being little concerned about sustainability. In particular, China has promoted ambitious new road projects to open up remote regions in the Amazon, Congo Basin and Asia–Pacific to exploitation. Such frontier roads often unleash a Pandora's Box of activities – including illegal colonisation, hunting, mining and land speculation – that are highly damaging. China is also a huge consumer of wood pulp, which is helping to drive large-scale deforestation in places like Sumatra and Borneo.

TRAVELLING TIMBER

More than half of the timber shipped anywhere in the world is destined for China; the arrows below indicate some of the biggest sources. Australia is also a major importer of Chinese wood and paper end-products.



Second, China almost exclusively seeks raw logs. Raw logs are the least economically beneficial way for developing nations to exploit their timber resources, as they provide only limited royalties, employment and other benefits. As a result, most of the profits from logging go to foreign timber-cutters, shippers and wood-products manufacturers. One cubic metre of the valuable timber merbau (*Intsia bijuga*), for instance, yields only about \$11 to locals in Indonesian Papua, but another \$240 when processed by wood-products manufacturers in China.

Finally, China has done little to combat the scourge of illegal logging in developing nations. A 2011 report by Interpol and the World Bank concluded that, among 15 of the biggest timber-producing countries in the tropics, two-thirds had half or more of their timber harvested illegally. Globally, economic losses and tax evasion from

illegal logging cost about \$15 billion annually – a serious economic burden for developing nations.

About one-third of Chinese timber imports are ultimately exported, as furniture, plywood, flooring, disposable chopsticks and other wood products. European countries, the USA, Japan and Australia are the biggest importers, with consumers unaware of the illicit origin of many Chinese wood products.

Stories about illegal logging rarely penetrate the Chinese news media. Outside China, the situation is different. Awareness of the rapacious nature of Chinese timber interests is growing, with critical reports by green groups such as the Environmental Investigation Agency, WWF, Greenpeace and the World Resources Institute garnering attention internationally. Add to this, growing criticisms from the World Bank, Interpol and Chatham House, and what began as murmurs of concern

have become a loud clamour for change.

This is a dangerous situation for Chinese businesses and exporters. Influential environmental groups are mulling over consumer campaigns that could have a big impact on Chinese wood and paper exports. Adding teeth to consumer actions are tougher laws and initiatives in industrial nations. Both the USA and EU now have laws or regulations that hold corporations that import illicit timber products responsible for their actions. There's hope here, too. In February I briefed the Australian Senate on the Illegal Logging Prohibition Bill 2011. If passed, this law would make it much harder to import illegal products into Australia.

But the situation won't change until consumers demand it. The bottom line: check the labels of wood and paper products. If it reads, "Made in China", be wary of the dragon and think twice before buying.