

Partners in mahogany crime

Amazon at the mercy of 'gentlemen's agreements'

GREENPEACE

Executive summary

paper protection for the Amazon

Almost ten years ago, world leaders gathered in Rio de Janeiro, Brazil. The meeting, known as the Earth Summit, became one of the defining moments of the fight to reverse the worldwide trend in environmental degradation. Together, more than 180 countries recognized the harm being inflicted on our fragile earth and vowed to put the world on a more sustainable path. Central to this was the Convention on Biological Diversity (CBD). This legally binding agreement was intended to provide a comprehensive framework for the protection of the world's threatened natural habitats, including ancient forests and the life that depends upon them.

A decade later, the world's ancient forests are still waiting for governments to keep their Earth Summit promise. Today, some 80% of the world's forests have been degraded or destroyed. The Amazon rainforest is no exception. Last year deforestation of the Brazilian Amazon was greater than at any time

since 1995.² Fuelled by high international market demand, mahogany (*Swietenia macrophylla*) is driving the destruction of the rainforests of the Brazilian Amazon.

The vast majority of Brazil's mahogany is exported. Luxury products from Brazilian mahogany are sold in some of the most prestigious retail outlets in the world's wealthiest countries. But the glamorous image hides a corrupt industry that is undermining traditional cultures, and leading the illegal destruction of the world's most precious ancient forest, critical to the survival in the wild of creatures such as the jaguar.

Often referred to as 'green gold', mahogany can fetch over US\$1,600/m³. Illegal mahogany opens the door for illegal logging of other species, and for widespread exploitation of the Brazilian Amazon. The Brazilian Government's assessment of the problem is that 80% of all Amazon timber originates from illegal sources. At the core of illegal logging is widespread corruption.

Despite many years of campaigning by NGOs such as Greenpeace, the plethora of domestic and international agreements, action programmes and laws pledging to protect the Amazon or control the mahogany trade have proved hopelessly inadequate. Over the last decade, numerous international agreements have been signed to protect species such as mahogany and the remaining intact ancient forests in which mahogany occurs. These include the *Convention on Biological Diversity* (CBD), the Group of Eight (G8) Nations' *Action Programme on Forests* and the *Convention on International Trade in Endangered Species* (CITES). These agreements are not working.



Recent Greenpeace investigations in the Brazilian state of Pará reveal just how deeply rooted the problem remains. No reliable legal chain of custody exists for mahogany. Illegality is widespread. The key players are ruthless.

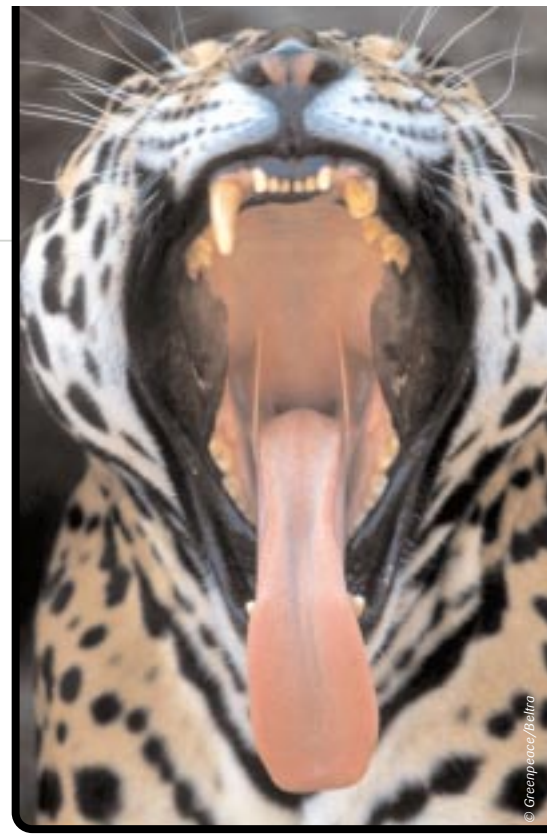
This report sets out the evidence and names many of the key actors involved in the supply and trade of illegal mahogany from Brazil. Osmar Alves Ferreira and Moisés Carvalho Pereira are two kingpins in the state of Pará, which supplies the vast majority of Brazil's mahogany trade. Illegal mahogany is laundered through fraudulent use of official documents. By the time it is shipped from the Amazon, the mahogany appears legal and its illegal origins are untraceable.

Ferreira and Moisés are connected to at least five export companies - **Exportadora Peracchi/Serraria Cotia, Tapajos Timber, Semasa, Madeireira MCP and Juary/Jatoba** - that together control around 80% of exports from the state of Pará. On the importing side, just four companies in the North - **Aljoma Lumber, DLH Nordisk, J Gibson McIlvain Co Ltd and Intercontinental Hardwoods** - account for over 80% of the trade.

Greenpeace investigations in Pará in 2001 reveal illegal mahogany on Indian lands

However unwittingly, manufacturers and retailers in North America, Europe and Japan are aiding and abetting high level crime. This goes for high-class retail outlets in the USA carrying lines from Furniture Brands International, LifeStyle Furnishings International, Stickley and Ethan Allen; Harrods and John Lewis Partnership in the UK; International Design Centres in Japan; and others are all involved in the scandal. Whatever these companies may claim, there is no way of knowing whether the mahogany they sell is legal - and the odds are that it is not.

The trade in illegal mahogany is just the tip of the iceberg. It signals the failure of world governments to act to protect the Amazon - just one of the world's last remaining ancient forests.



The 2002 Ancient Forest Summit³

At the April 2002 Ancient Forest Summit at The Hague in The Netherlands, world governments will meet to decide a ten-year plan for the ancient forests. The outcome of this meeting will determine the fate of the world's remaining ancient forests and the plants, animals and people they support. Whether governments act to stamp out the illegal and destructive trade in mahogany will be but one test of their ability to move beyond rhetoric and into the realm of action.

Governments must act to **stop the destruction, clean up the timber trade and fund the protection of ancient forests.**





Illegal logging road on Indian lands documented by Greenpeace in September 2001

The law of the land

carte blanche for destruction

*Logging companies bet on the incapacity of the [Brazilian] government to carry out enforcement measures; or they just change activities when caught because timber is just another business front and considered a temporary activity; the same way the forest is considered as a temporary stage on the road to regional development.*⁴

- Ibama, 1997

*Most of the remaining stock of mahogany lies in indigenous reserves, and a large proportion of Brazil's mahogany harvest is extracted from them. Mahogany logging has been implicated in serious social disruption of indigenous communities, including assassination, alcohol and drug related problems, increased prostitution and the spread of diseases.*⁵

- UK Department for International Development (DFID), 1999

Mahogany - green gold

Mahogany, the green gold of the Amazon, is the most valuable Amazon timber. The demand for mahogany is almost exclusively driven by the international market.⁶ Today, dealers are willing to pay up to \$1,600/m³ for this precious and increasingly rare commodity.

Brazil's 'mahogany belt' covers some 80 million hectares of the Brazilian Amazon. A region of forests rich in rare and wonderful wood species and areas of enormous ecological diversity, it stretches from the south of Pará to Acre, crossing the north of Mato Grosso, Rondônia and southern Amazonas. Unsurprisingly, this region falls within the Amazon's 'deforestation belt'.

Mahogany prospectors fly hundreds of kilometres over dense forest in search of scattered mahogany trees, often fewer than one per hectare. To gain access to a single mahogany tree, loggers often bulldoze illegal access roads, criss-crossing previously untouched forest. Logs are extracted up to 500km from the nearest sawmill.



The high value of mahogany pays for the long pioneer roads that cut through the Amazon to reach the infrequent mahogany trees. These logging roads are the first step in today's colonization process of forest clearance, leading to agriculture and ranching.⁷ For instance, the president of the Tailândia logging industry association admits that he sees the introduction of soya plantations to Southern Pará as the industry's future once the logging is finished.⁸

Thousands of kilometres of illegal roads have been opened in Pará State, the largest mahogany producing and exporting region in Brazil. Intensive and predatory logging practices have already depleted the mahogany stocks of the South of Pará. Indian lands have been heavily exploited in the hunt for remaining stocks.

Invasion of Indian lands

Who profits?

Although illegal, it is not unprecedented for Indians, including some members of the Kayapó, to allow loggers onto Indian land in order to make some meagre earnings themselves. However, while Indians receive at best R\$80 (US\$30)⁹ per tree, the sawn timber from that tree then sells on the export market for upwards of US\$3,300.¹⁰ This same tree supplies enough mahogany timber to assemble between 12 and 15 twelve-seater solid mahogany dining room tables, which wholesale for US\$4,150 and retail to the public for US\$8,550 each.

Hence, the products from one 5m³ mahogany log have a retail value of up to US\$128,250 when sold at prestigious retailers such as Harrods in the UK¹¹ - equivalent to the sale of 4275 mahogany trees in the forest.

The largest remaining concentrations of mahogany are found on or around Indian lands in Pará State. Fifteen Indian lands cover 16,243,000 hectares of forest¹² - an area roughly the size of Nepal or Washington State in the USA - mostly in the south of the state.¹³

On paper, the Brazilian Constitution protects Indian lands from all industrial exploitation. However, the huge profit made by the individuals and companies that control the mahogany market explains the motive for the widespread illegal invasion of Indian lands. By the end of 1992,¹⁴ mahogany logging had extended onto all 15 Indian lands and has continued since.

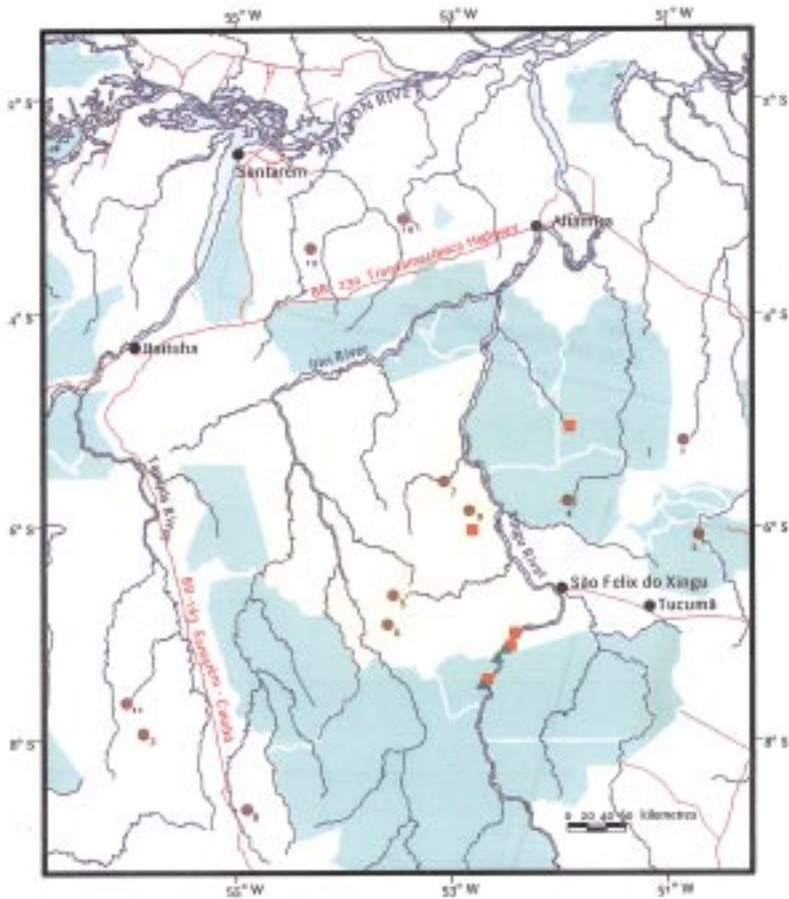
Lawyers at the Social-Environmental Institute¹⁵ working on behalf of Indians say they have never seen a fair and legal contract for mahogany logging.¹⁶ The standard tactic used by the loggers is to enter the Indian lands, fell the trees and then negotiate on the basis of the trees that have been cut down.¹⁷

Where contracts have been negotiated with Indians, it has often led them into debt bondage to the sawmills. As Megaron, a Kayapó chief, explains: 'The Kayapó... are forced to pay with more mahogany. Indians cannot live from wind.'¹⁸

Many violent conflicts resulting from the illegal industry have been reported on Indian lands. Indians have been forced to take direct action to halt the illegal invasion of their lands by loggers. Tragically, this has sometimes ended in violence. An unknown number of Indians have been murdered because of their opposition to the industry.¹⁹ Ending the illegal logging on their land requires sustained efforts to find alternatives that provide the Indians with income from the forest, without destroying it.



One five metre mahogany log supplies enough timber to make up to 15 of these tables - a total retail value of US\$128,250



THE MIDDLE LAND

- The Middle Land
- Indian Land & Protected Areas
- Roads
- Mahogany Forest Management Plans
- Illegal mahogany - Greenpeace Investigation (2001)
- Illegal mahogany - Greenpeace Investigation (2000)

Mahogany Forest Management Plans (Name and Protocol)

- 1 Anísio de Moraes Sobrinho e Jose Gleidiston P. de Gama (9541/92)
- 2 Associação Indígena Bep Noi (4681/95)
- 3 Cilla Ind. Com. Imp. Exp. Mad. (5769/94)
- 4 Kopaja Ind. Com. Imp. Exp. Mad. (464/90)
- 5 Mad. Serra Dourada Ltda. - talhao 6 (2480/94)
- 6 Mad. Serra Dourada Ltda. - talhao 19 (3838/93)
- 7 Nilberto J. Oliveira - Mad. Pirizina (3442/93)
- 8 Premier Garcia (5928/93)
- 9 S/A Bitar Irmaos (3356/89)
- 10 SEMASA - Serraria Marajoara (3444/94)
- 11 SEMASA - Serraria Marajoara (6414/94)
- 12 SEMASA - Serraria Marajoara (8824/93)
- 13 W.L.B. de Freitas Ltda. (3609/94)*

Source: IBAMA/PA
* plan without coordinates



The Middle Land

The Indian lands in Pará surround the 'Terra do Meio' or Middle Land, a region of Federal public land about the size of Austria (8.3 million hectares). One of the largest relatively undisturbed areas of rainforest in the eastern Amazon, the Middle Land is situated on the northern edge of the mahogany belt, between the Xingu and Tapajós rivers. The region is of critical importance to wildlife and Indian people. It shelters numerous species including jaguars, giant alligators, spider monkeys and anteaters, all of which are currently under threat of extinction in the wild.



Recently loggers and miners have crossed the Xingu river heading west, invading public lands within the Middle Land. Even José Altino Machado, the famous leader of the Amazon garimpeiros (gold prospectors),²⁰ is amazed by the speed of the invasion. In an interview published in August 2001,²¹ Machado said that since 1995 loggers and farmers had opened 600km of roads between São Félix do Xingu, an important logging town at the edge of the Middle Land, and Itaituba.

According to José Altino, another 400km of roads are currently opening up the region.²² Recent Greenpeace field investigations show that one of these roads is being opened by Osmar Ferreira, one of the key players in Brazil's illegal mahogany trade, to transport logs to the sawmill he is building in the town of Uruará, along the Transamazonian Highway.²³

A problematic sector

*The forest industry in Brazil is not a sector with problems, but a problematic sector.*²⁴

- Ibama, 1997

*What logging companies present to Ibama as being 'management plans' are just fake papers that 'legalize' activities that are never monitored or controlled by the federal agency. These 'management plans' are just bureaucratic requirements for the release of mahogany export licenses.*²⁵

- Nucleo de Direitos Indigenas, 1994



Illegal mahogany is laundered through the fraudulent use of official documents

Fraudulent ATPFs - covering the tracks of the illegal loggers

In Brazil, there is widespread fraudulent use of official documentation at the initial stages of the supply chain.²⁶ This renders subsequent national and international measures to control the illegal trade in timber such as mahogany almost meaningless.

The Brazilian government issues ATPF (Authorization for the Transport of Forest Products) documents in an attempt to control the timber trade. In theory, ATPFs should prevent the transport of logs that are not legal in origin. In practice, an industry representative has noted, ATPFs can easily be purchased for around US\$1/m³ of timber.²⁷ - creating a blank cheque for illegal logging activities. Moreover, ATPFs are frequently reused many times to launder repeated illegal sales.

Once illegal mahogany has reached the sawmill using fraudulent ATPFs, it is 'legalized'. Ibama, the Brazilian federal environment agency, acknowledges that many sawmills present documentation in perfect order, fraudulently declaring illegally-sourced timber as originating from an approved FMP.²⁸

One common practice is for companies to overestimate the volume of timber in a given area of forest in the FMP they present to Ibama. Often, Ibama does not inspect the forest before the project is approved. The overestimate gains a company spare ATPF papers, which can be used to launder illegal timber from outside the FMP area. Federal Prosecutor Ubiratan Cazetta notes: 'Many Forest Management Plans are the object of fraud. The difference between the volume of mahogany really existing (in the forest) and what is specified in the FMPs serves as the starting point that supports the 'legalization' of mahogany coming from Indian Reserves.'²⁹

There have been several initiatives by official Brazilian agencies to clamp down on the illegal mahogany trade. In 1996, following the release of satellite images exposing the extent of deforestation in the Amazon, and a strong campaign led by Greenpeace and other NGOs, the Brazilian government put in place a two-year moratorium on any new Forest Management Plans (FMPs) for mahogany. This stopped the expansion of the mahogany market. The moratorium on new FMPs has been extended and will remain in place until June 2002.

In 1999, following an evaluation of 65 registered mahogany FMPs in Pará State, the Brazilian government suspended 39 FMPs and cancelled 13 FMPs. Reasons included lack of geographical co-ordinates for the FMP, inaccurate maps and overestimation of the volume of mahogany in the forest.³⁰ The respected Brazilian research institute EMBRAPA noted that FMPs 'only exist to satisfy a legal demand'³¹ - i.e. they exist on paper to supply the industry with the official ATPF documents necessary to launder illegal mahogany into the legal market.

List of Active Mahogany Forest Management Plans

Nº	M DE CE	OWNER/COMPANY	PROTODOL YEAR	MUNICIPALITY	LOCATION	
					LATITUDE (S)	LONGITUDE
1	40	AMINO DE NOROES SOBRIANO EUGENIO DA SILVA	1941/50	PARAGUARI DO NORTE	08° 11' 30.0"	50° 31' 20.0"
2	50	AGROPECUARIA NOROESTE	1961/50	PARAGUARI DO NORTE	08° 11' 30.0"	50° 31' 20.0"
3	53	ALFARE DO BRASIL LTDA	1970/50	ALTAMIRA	08° 54' 28.0"	48° 41' 00.0"
4	58	KOPALINDO COM. IMP. EXP. IND.	1970/50	ALTAMIRA	08° 43' 12.4"	47° 50' 20.0"
5	111	MAC SERRA DOURADA LTDA (only p. 01 to 10)	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
6	128	MAC SERRA DOURADA LTDA (only p. 11 to 15)	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
7	208	MAC SERRA DOURADA LTDA (only p. 16 to 20)	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
8	217	MAC SERRA DOURADA LTDA (only p. 21 to 25)	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
9	251	MAC SERRA DOURADA LTDA (only p. 26 to 30)	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
10	128	SEMAC SERRA DOURADA LTDA	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
11	134	SEMAC SERRA DOURADA LTDA	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
12	136	SEMAC SERRA DOURADA LTDA	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"
13	138	SEMAC SERRA DOURADA LTDA	1970/50	ALTAMIRA	08° 57' 33.0"	49° 30' 14.0"

Eight of the remaining 13 mahogany FMPs are owned by people implicated in illegal logging

According to records held by Ibama in Pará State, only 13 FMPs for mahogany extraction remain registered.³² All of these FMPs are inside or around the Middle Land. The owners of eight of these FMPs have been implicated in illegal logging. Official Authorization for the Transport of Forest Products (ATPF) documents relating to these FMPs have been used fraudulently to cover the tracks of the illegal trade.

In 1998, the Brazilian Government listed mahogany under Appendix III of CITES in an effort to help it regulate the international trade. Brazil also fixed quotas for mahogany exports, which are determined yearly and have been progressively reduced. For 2001, the quota is limited to 20,000m³ in the first half and 10,000m³ in the second half. CITES Appendix III does not certify the legality of mahogany at point of origin, nor does it deal with domestic trade or processed products such as plywood and other finished products.³³

These measures have been a first step in the right direction, but the government has still failed to fully control the activities of those players remaining in the industry today. A shortage of money and equipment prevents Ibama, the government body in charge of controlling forest exploitation and the timber industry, from monitoring the origin of the timber that enters the market. Hence, only a tiny fraction of illegal

mahogany exploited on Indian lands is picked up. For instance, *O Liberal* reported in 1997 that 'sawmills receiving illegal timber are located only 100 metres from the São Felix do Xingu Airport... The head of Ibama states that he is aware of the exploitation, but blames the situation on the organization's lack of equipment and financial resources.'³⁴

Even when Ibama intervenes and proves the illegal origin of logs, government authorities rarely succeed in punishing those responsible for the crime. Rate of collection of fines issued against timber companies for infractions is extremely low. As the then president of Ibama, Eduardo Martins, declared in 1997: 'Practically 100% of the fines related to Ibama's issuing documents of infraction against those destroyers of fauna and flora are not paid.'³⁵ Also, companies are adept at using judicial appeals and other legal manoeuvres to retain control of illegally-sourced timber.³⁶

The ban on new mahogany FMPs has consolidated control of the trade into the hands of the few, and the continued strong global demand and high market value for mahogany products creates a strong incentive for Pará's *reis do mogno* - the mahogany kings - to log illegally.

The reis do mogno

The undersigned companies dedicated to the timber industry... declare, and make public and good for all legal rights, that they are committed not to utilize and acquire illegal logs or timber originated from Indian reserves.³⁷

Declaration by members of AIMEX, 1992 - members trading mahogany in 2001 include Nordisk, Peracchi and Semasa

The mahogany business in Brazil is made up of a chain of informal actors and middle men. It is dominated by a small elite group of sawmills and exporters controlled largely by two powerful players: Moisés Carvalho Pereira and Osmar Alves Ferreira. Between them, these two mahogany kings are connected to at least five export companies (Exportadora Peracchi/Serraria Cotia, Tapajos Timber, Semasa, Madeireira MCP and Juary/Jatoba), which control over 80% of the total mahogany timber export trade from Pará. They also have connections to at least six of the 13 remaining FMPs, providing ready access to official ATPF documentation widely used to launder illegal mahogany in the legal market.

Moisés Carvalho Pereira

Moisés exploits mahogany from Kayapó Indian lands. He pays them R\$80/m³ [US\$30] and resells it for R\$3,500 [US\$1390]. Most of the timber is exported to the UK.³⁸
Epoca, August 2001

Moisés is said to be the most powerful mahogany king, reported to make about US\$1 million a day during the logging season. Money gained from this trade is laundered into other enterprises - Moisés is also a rancher and his fortune from mahogany has been used to finance a car dealership, a hotel and a regional television station and a long list of other businesses.³⁹ Most of them are in the logging town of Redenção, in the South of Pará.

According to sources within the Brazilian government and documents cited at Ibama in Brasília, Moisés is linked with several companies involved in the illegal chain of supply of mahogany to the export market. These include Madeireira Juary/Jatoba (sawmill and exporter), 2M (sawmill), Madeireira MCP (sawmill and exporter), Millennium (sawmill), Madeirera Prizina (one FMP), Madeireira Rio Preto (sawmill), Ouro Verde (sawmill), Rio Negro (sawmill) and Serraria Marajoara/Semasa (three FMPs, sawmill and exporter).

In August 1998, '*Operação Mogno*', an investigation on the Kayapó Indian Reserve in Pará by Ibama and the Federal Police, confirmed the involvement of the company Juary in illegal mahogany logging on Indian lands. The investigation showed that Moisés' original application for the FMP near São Felix do Xingu (Juary I farm) was based on false inventories of the volume of mahogany. The official documents were being used to launder mahogany illegally extracted from Kayapó lands.^{40/41}

Operação Mogno also resulted in a similar charge against the company 2M for having illegally overestimated by 16,156 m³ the volume of mahogany existing in two FMPs.

In 2000, Moisés closed Juary, only to open another company, Jatoba.⁴² Neither Juary nor Jatoba officially controls any of the mahogany FMPs registered today. Last year, Juary/Jatoba sold mahogany through the Danish-based trader DLH Nordisk to the USA, the UK, The Netherlands and Germany. Juary also sold to Aljoma Lumber in the USA - the largest single mahogany importer in 2000.⁴³



In August 2001, Epoca - Brazil's second largest weekly news magazine - linked then president of the Brazilian Senate, Jader Barbalho, with illegal mahogany trade through Moisés

Semasa is another company linked to Moisés and is the largest single holder of currently registered mahogany FMPs, controlling three. Semasa sells mainly to the USA via DLH Nordisk and through UK importer Allan Thomas Craig. In 1994-95, Semasa traded in excess of the authorized volume for its (uninventoried) FMPs. That authorized volume was itself based on a company estimate for the density of mahogany that was three times the regional average. Ibama has also cancelled one of Semasa's FMPs because it was a fiction - existing on paper only.⁴⁴

Moisés - front man for Senator Barbalho?

Epoca, Brazil's second largest weekly news magazine, recently alleged that Moisés is just the 'testa-de-ferro' - the front man - in the mahogany trade for the former president of the Brazilian Senate, Jader Barbalho.⁴⁵ According to *Epoca*: 'Jader stands accused of association with the illegal trade in mahogany in Pará.' On 5 October 2001, after a long political scandal, Senator Barbalho resigned the presidency of the Senate, thereby avoiding prosecution and retaining his political rights to be a candidate in the 2002 elections. *Epoca* notes that he is accused of irregularities in payments for the repatriation of land from large landowners. On the basis of a review of public treasury documents, Senator Barbalho is suspected of having embezzled more than R\$3 million (US\$1.1m) from Pará State Bank and the former Federal Department for Regional Development.⁴⁶

Osmar Alves Ferreira

The other kingpin in Pará's mahogany trade is Osmar Alves Ferreira. According to sources within the Brazilian government and documents cited at Ibama in Brasília, companies linked to Ferreira include Ferreira Madeiras e Desmatamentos (former producer sawmill registered to Ferreira), Madeireira Serra Dourada (two FMPs), Madeireira Sol Nascente/Kernvald & Stedler (sawmill), Tapajos Timber (exporter), Madeireira Castelo (sawmill) and Exportadora Peracchi (sawmill and exporter). After being bought by Ferreira, the Peracchi sawmill was renamed Serraria Cotia⁴⁷ and was granted an export quota by Ibama for the first half of 2001.⁴⁸

Ferreira and Moisés frequently work in conjunction. For instance, some suppliers sell to Ferreira one year and Moisés the next. Two FMPs, Wagner L B de Freitas and Cilla, have stored mahogany for Ferreira but are part of Moisés' network.⁴⁹

Ferreira has a long history of involvement in the illegal extraction of mahogany from Indian lands.⁵⁰ Recorded cases of illegal exploitation of Indian lands by Ferreira and companies linked to him include the Kayapó (1983); krim do Cateté (1985); Parakanã Araweté (1988); Kayapó, Xikrim do Cateté, Kararaô, Trincheira/ Bacajá, Koatinemo, Apyterewa, Araweté (1991-1992),⁵¹ Parakanã Apyterewa (1995); Kayapó (2000).⁵²

The assault on the mahogany of the Middle Land



Greenpeace investigators documenting continued illegal logging in 2001 in an area where Greenpeace investigations the previous year had led to large-scale seizures of illegal timber by Brazilian Federal police



In December 2000, A critica reported the results of Operação Xingu

began in the early 1990s when Exportadora Peracchi declared ownership of areas along the road opened by the Canopus mining company. The road opens the forest between the Xingu River and the Iriri river and further south, bordering Kayapó Indian land.

Time and again, the mahogany kings have proven adept at manipulating the legal system and exploiting its limitations. In the mid 1990s, one group of Indians sought help from the courts to expel Peracchi, Maginco and Impar from their lands where these companies were illegally logging. They also sought to force the loggers to pay the recovery plan for the devastation caused. Peracchi made numerous appeals against Federal court injunctions that prohibited the company access to the illegal logging road inside Indian lands. Peracchi argued that the Federal court in Brasilia had no jurisdiction in the area and that the matter should be decided by a local judge in São Félix do Xingu. The local NGO, Nucleo de Direitos Indigenas, acting on behalf of the Indians, was 'totally against such transfer, because a local judge would be more vulnerable to political/economic pressure'.⁵³

In another case in September 1999, the Federal Prosecution Office in Pará filed charges against the companies Serra Dourada and Peracchi with the Federal Judge of Marabá. Quoting an Ibama report about the results of Operação Mogno from 1998, the Federal Prosecutor Ubiratan Cazetta stated: 'Following confirmation that the timber [extracted from Indian Lands] was transported to sawmills in São Felix do Xingu, Tucumã and Redenção, [the authorities] carried out an assessment of the companies' existing mahogany stocks as well as in the companies' records of the volume traded to date.'

According to the Prosecutor, the investigation revealed a striking good order in the paperwork. Too perfect in fact. The inspectors decided to investigate the two FMPs owned by Serra Dourada. 'The field inspection showed that the [volume of mahogany in the] FMP was overestimated. The volume of mahogany simply does not exist in that area.'⁵⁴ With an overestimated stock, Serra Dourada was able to get from Ibama documents covering the exploitation of an additional 21,086m³. These were used to launder the mahogany obtained illegally. 'It is easy to conclude that the difference between the volume of mahogany existing in the plan and in the forest is coming from Indian Lands.'⁵⁵ Despite these findings, both FMPs - 3838/93 and 2480/94 - are today authorized to log mahogany. Peracchi was also found to have overestimate by 16,554m³ the mahogany in its three FMPs (077/90, 1561/91 and 3773/92) all registered in São Felix do Xingu.



Illegally logged timber in a log-yard on the banks of the river Xingu

Caught in the act

Greenpeace investigations in the Middle Land

In July 2000, a Greenpeace investigation team inspected illegal logging operations in the Middle Land and in the Indian lands surrounding it. This was the second Greenpeace expedition to the area, following surveys in 1999 to document illegal logging in Pará State. Greenpeace fieldwork in the São Felix do Xingu region found illegal mahogany operations on Kayapó Indian lands (see map).

Video documentation of the findings was delivered to environmental authorities a few days later, together with a call for immediate action. Greenpeace, Ibama and the Federal Police initially estimated the volume of illegal mahogany at 6000m³. When Ibama and the Federal Police flew over the area in early September 2000, they estimated that 20,000m³ of mahogany was lying in log-yards on Kayapó land or being tugged on the Xingu river.

For two whole months after receiving incontrovertible evidence of large-scale illegal logging, the government failed to act. A Federal Police agent told Greenpeace that the loggers had been informed and were removing the timber from the Indian lands. Not until late September 2000 did the Federal government task force start Operação Xingu. It was not until November that they got results - seizing timber at the region's sawmills worth roughly R\$6 million (US\$3m).

Two companies linked with Moisés were involved. Madeireira Pirizina was found with 2642m³ of mahogany logs and was later fined R\$792,594 (US\$400,000). Madeireira Rio Preto was found with 2332m³ of mahogany logs and was fined R\$1.2 million (US\$600,000) for possession of illegal timber.

Two companies linked with Ferreira were also involved. Serra Dourada was apprehended with about 2800m³ of timber. Peracchi was found with 1712m³ of mahogany logs and 123m³ of sawn timber - receiving a total fine of over R\$800,000 (US\$410,000)

In total, Ibama apprehended over 16,000m³ of illegal timber from Kayapó land at seven sawmills in São Félix do Xingu, which included 7924m³ of mahogany logs and 123m³ of sawn mahogany.

But in January 2001, three of the companies - Serra Dourada, Pirizina and Ouro Verde - received a provisional decision from a local judge allowing them to trade the illegal mahogany. As illegal logging is covered under the Federal Environmental Crimes Law, the issue is outside of the jurisdiction of a local judge. The judge was later suspended on suspicion of corruption. The investigation showed that all the documents related to Operação Xingu had disappeared from the judge's office in São Félix do Xingu.



OPERAÇÃO XINGU - Planilha de Apreensões

AUTUADO	DESCRIÇÃO DO BEM APREENDIDO	Nº DO T.A.D.	DATA	VALOR ATRIBUÍDO	MUNICÍPIO	DEPOSITÁRIO
NILBERTO JOSÉ OLIVEIRA - MADEIREIRA PIRUZINA	2.041.908 M³ DE MOGNO EM TORA.	887386-C	04/10/00	R\$ 792.564,00	SÃO FELIX DO XINGU	O MESMO
A. A. SOARES MADEIRAS - IND. DE MADEIRAS SÃO JOSÉ LTDA.	264.708 M³ DE MOGNO EM TORA E 42.289M³ DE CEDRO.	150362-C	04/10/00	-	SÃO FELIX DO XINGU	O MESMO
MADEIREIRA SERRA DOURADA, INDÚSTRIA E COMERCIO LTDA.	1.590.070 M³ DE JATOBÁ EM TORA; 1.181.933 M³ DE IPÊ EM TORA; 68.668 M³ DE MURACATIARA EM TORA.	073601-C	04/10/00	-	SÃO FELIX DO XINGU	O MESMO
W.L.B. DE FREITAS - MADEIREIRA OURO VERDE	791.451 M³ DE MOGNO EM TORA E 46.158M³ DE IPÊ EM TORA	159478-C	04/10/00	-	SÃO FELIX DO XINGU	O MESMO
J.C.M TEODORO MADEIRAS E.P.P	129.215 M³ DE MOGNO EM TORA.	167719-C	04/10/00	-	SÃO FELIX DO XINGU	O MESMO
MADEIREIRA RIO PRETO LTDA.	2.332.271 M³ DE MOGNO EM TORA E 385.837 M³ DE CEDRO EM TORA.	0281203-C	04/10/00	R\$ 1.227.000,00	SÃO FELIX DO XINGU	O MESMO
ACIOLI JOSÉ TEIXEIRA FILHO - ME - MADEIREIRA BITOLA	77.774 M³ DE JATOBÁ EM TORA; 64.242 M³ DE GARAPEIRA EM TORA; 9.241 M³ DE IPÊ EM TORA; 3,354 M³ DE CUMARU EM TORA.	150363-C	04/10/00	-	SÃO FELIX DO XINGU	O MESMO
EXPORTADORA PERACCHI LTDA.	1.712.527 M³ DE MOGNO EM TORA E 261.144 M³ DE CEDRO EM TORA.	073663-C	16/10/00	R\$ 724.180,00	TUCUMÁ	O MESMO
EXPORTADORA PERACCHI LTDA.	123.540M³ DE MOGNO SERRADO.	150364-C	16/10/00	R\$ 98.832,00	TUCUMÁ	O MESMO
ELME VIANA COUTINHO	8.521M³ DE MOGNO EM TORA.	150368-C	16/10/00	-	SÃO FELIX DO XINGU	Med. Serra Dourada
ELME VIANA COUTINHO	01 BALSA DE AÇO 15MTS DE COMP. E MOTOR DE 950 HP	150367-C	16/10/00	R\$ 9.600,00	SÃO FELIX DO XINGU	O MESMO
GILSON DE MELO SOUZA	10.394M³ DE MOGNO EM TORA E 6.709M³ DE CEDRO EM TORA	169477-C	12/10/00	R\$ 1.790,00	TUCUMÁ	EXP. PERACCHI
GILSON DE MELO SOUZA	01 CAMINHÃO M. BENZ. MOD. 2318. PLACA JTM 6273, BRANCO, ANO 1995.	169476-C	12/10/00	R\$ 30.000,00	TUCUMÁ	Ass. Munc. dos Prod. da Castanheira
IPAMA - INDUSTRIA DE MADEIRAS PARAENSE LTDA.	1.377.837 M³ DE JATOBÁ EM TORA; 96.032 M³ DE CEDROCARANA EM TORA.	073854-C	16/10/00	R\$ 80.190,00	AGUA AZUL DO NORTE	O MESMO
PROJETO - INDUSTRIAL MADEIRA	8.277M³ DE ANARELÃO EM TORA; 18.012M³ DE IPÊ EM	041987-C	16/10/00	R\$ 6.990,00	TUCUMÁ	Dermácio Marçal Soares

In November 2000, following information provided by Greenpeace, Brazilian Federal police seized timber worth US\$3m

Crime rules

Brazilian law forbids logging on Indian lands.⁵⁶ In September 2001, Greenpeace returned to the Middle Land. Using global positioning system (GPS) equipment,⁵⁷ digital video cameras and photographic equipment, Greenpeace documented logging roads and airstrips on the Arawetê, Apiterewa and Kayapó Indian lands, as well as in the Middle Land itself.

The most significant finding was located at the position S 07° 26'802" W 052° 41'169" - the same position where Greenpeace documented evidence in 2000 that led to the federal government's Operação Xingu. Here in 2001, Greenpeace documented a large log-yard on the Kayapó land, on the left bank of the Xingu River. It was full of trucks, cars, bulldozers and hundreds of logs. A large road heads west from the log-yard into the Kayap Menkragnoti forest. At the log-yard, also used as the port, boats wait to take the logs to sawmills. An aerial survey of the log-yard exposed large log-rafts of mahogany heading down river toward São Félix do Xingu. Greenpeace also found a smaller log-yard at the edge of the Kayapó land, on the right bank of the Xingu, north of the Kayapó and Gorotire land. A logging road leads into the forest.

Greenpeace has delivered a copy of the video and photographs to the Federal Prosecution office headquarters and to Ibama in Brasilia. Greenpeace has requested immediate investigation of key players in the illegal mahogany trade and other valuable species illegally harvested on Indian lands.



DLH mahogany in the UK - DLH has been linked to forest crimes including arms trafficking in Liberia

Partners in crime

In Brazil... over 70% of the mahogany harvested is bound for international trade.⁵⁸
CITES

Exporters, traders, manufacturers, retailers and end consumers of mahogany participate in the process of devastation of the Amazon driven by profit on the one hand and 'prestige' on the other. The glamorous products on sale in shops and showrooms across the world lend a respectable face to an industry that is both destructive and corrupt.

Importers

Five countries - the USA, the Dominican Republic, the UK, The Netherlands and Germany - import virtually all the Brazilian mahogany exported from Pará - the largest mahogany producing region in Brazil.

Just four importers - DLH Nordisk (which trades in the USA, the UK, The Netherlands, Germany) and Aljoma Lumber, J Gibson McIlvain Co Ltd and Intercontinental Hardwoods Inc (which trade in the USA) - account for over 85% of the mahogany export trade from companies linked to the two mahogany kings - Moisés and Ferreira.⁵⁹

DLH Nordisk

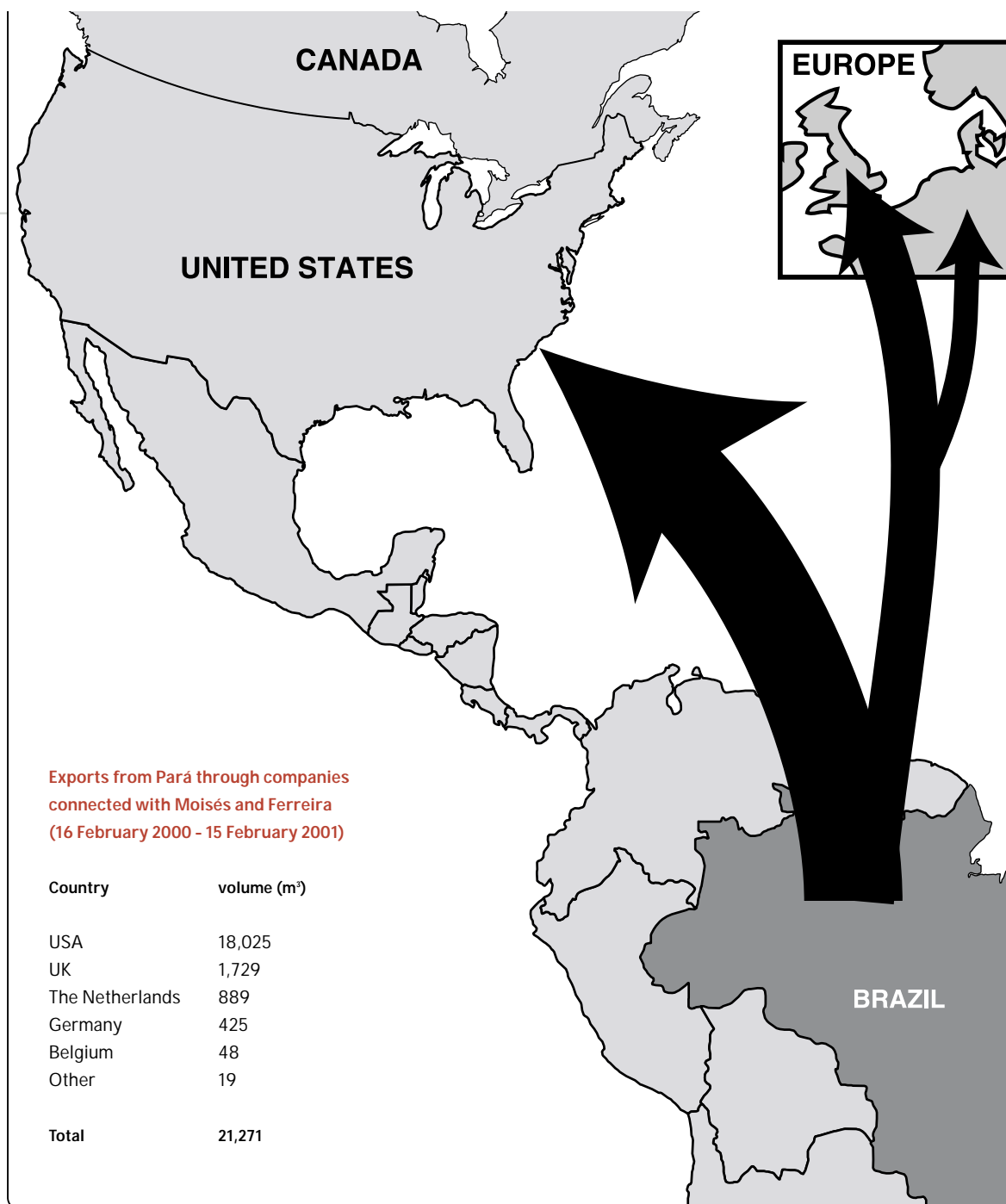
Listed on the Copenhagen Stock Exchange, DLH Nordisk has offices in 28 countries worldwide, making it one of the world's largest international timber traders. The DLH group claims to prioritize 'purchases from suppliers basing their production on good forestry management'.⁶⁰ Yet DLH have been linked to forest crime in central Africa, including being linked earlier this year by Greenpeace and other NGOs to arms trafficking in Liberia.⁶¹

DLH Nordisk is the largest international trader of Brazilian mahogany.⁶² According to sources inside DLH, the company controls up to 50% of the international market in Brazilian mahogany to countries including the USA, the UK, Germany and The Netherlands.⁶³ DLH's own literature claims that the company has the largest inventory of genuine Brazilian mahogany on the East Coast of the USA.

Export data registered with Ibama⁶⁴ shows that between February 2000 and August 2001, DLH bought mahogany from, among others, all exporting companies linked to the two mahogany kings - Exportadora Peracchi/Serraria Cotia, Tapajos Timber, Semasa, Juary/Jatoba and Madeireira MCP.⁶⁵

In the USA, the DLH mahogany trade includes large furniture manufacturers Henredon, Hickory Chair, Stickley, Drexel-Heritage; as well as Georgia-Pacific Company, Batesville Casket Co (coffin manufacturers), York Casket (coffin manufacturers), Zeluck Inc (door & window manufacturers).

In the UK, the DLH mahogany trade includes importers: International Timber (part of Saint Gobain), Timbmet, John Boddy, Vincent Murphy, James Latham plc; furniture manufactures Wood & Mott, Rackstraw, Titchmarsh and Goodwin, Restall Brown and Clennel, Charles Barr; and retailers Harrods and John Lewis Partnership.



The market

The USA

The USA remains the principal import market for Brazilian mahogany, importing over US\$20 million in 2000 - 70% of Brazilian exports.⁶⁶ Around half of this comes through exporters connected to the two mahogany kings - Moisés and Ferreira.

The furniture manufacturing sector is by far the single largest user of mahogany. It includes reputable companies such as LifeStyle Furnishings International, Furniture Brands International, Stickley and Ethan Allen. Other large users of mahogany include window and doors manufacturers and coffin makers.

LifeStyle Furnishings International (which owns Henredon, Lexington, Drexel Heritage and Le Barge)

LifeStyle is the world's largest furniture manufacturer,⁶⁷ controlled by the world's largest bank - Citibank Corp.^{68/69}

Henredon, Lexington, Drexel Heritage and Le Barge all manufacture mahogany lines. Henredon and Drexel Heritage are known to have bought Amazonian mahogany in 2000-2001. According to Henredon, approximately 40% of the mahogany used to make its furniture is imported from Brazil. The company's main supplier is DLH Nordisk.

1. Name of vessel		2. Name of cargo	
CFC HOFFE		PERACCHI	
3. Name of shipper		4. Name of consignee	
FAMISH		HANS JACOB BUCH	
5. Country of origin		6. Country of destination	
BRAZIL		USA	
1. EXPORTER: PERACCHI LITA	2. PORT OF ORIGIN: SAO PAULO	3. DESCRIPTION OF GOODS: PERACCHI MAHOGANY	4. QUANTITY: 12 BUNDLES
1. TO ORDER OF THE SHIPPER, INC. 2211 WEST HAZARDVILLE RD SUITE 10, GREENSBORO, NC 27407 USA	2. PORT OF DESTINATION: NEW YORK	3. DESCRIPTION OF GOODS: PERACCHI MAHOGANY	4. QUANTITY: 14 BUNDLES
1. EXPORTER: PERACCHI LITA	2. PORT OF ORIGIN: SAO PAULO	3. DESCRIPTION OF GOODS: PERACCHI MAHOGANY	4. QUANTITY: 12 CRATES
1. TO ORDER OF THE SHIPPER, INC. 2211 WEST HAZARDVILLE RD SUITE 10, GREENSBORO, NC 27407 USA	2. PORT OF DESTINATION: NEW YORK	3. DESCRIPTION OF GOODS: PERACCHI MAHOGANY	4. QUANTITY: 12 CRATES
1. HOSA MARCELORA LITA	2. PORT OF ORIGIN: SAO PAULO	3. DESCRIPTION OF GOODS: PERACCHI MAHOGANY	4. QUANTITY: 12 CRATES
1. TO ORDER OF THE SHIPPER, INC. 2211 WEST HAZARDVILLE RD SUITE 10, GREENSBORO, NC 27407 USA	2. PORT OF DESTINATION: NEW YORK	3. DESCRIPTION OF GOODS: PERACCHI MAHOGANY	4. QUANTITY: 12 CRATES

Manifest documents showing DLH imports of Peracchi mahogany into the USA

LifeStyle sells its products through specialty and department stores, as well as independent shops that carry only LifeStyle products. LifeStyle Contract Furnishings markets LifeStyle furniture brands to hotels and the home building industry and is responsible for sales to all branches of the US government, including embassies, military housing and offices.

Furniture Brands International (which owns Thomasville Furniture Industries and Lane)

Listed on the New York Stock Exchange, Furniture Brands International is the largest manufacturer and marketer of residential furniture in the USA. The company distributes through a network of furniture centres, independent dealers, national and local chains, and department stores.⁷⁰

Thomasville manufactures the premium-priced 'Trafalgar Square' range of mahogany dining tables, chairs, sideboards and china cabinets.⁷¹ Thomasville's website states that the company only sources mahogany from Brazil.⁷² At Charlotte International Airport, Lane maintains a display booth with several mahogany pieces showcased in a glass room in the middle of the terminal.

Stickley

Based in New York State, Stickley is one of the largest consumers of Amazonian mahogany in the furniture industry in the USA. According to Stickley, the company uses up to 1600m³ of mahogany each year, mostly from Brazil. The majority is sourced through DLH Nordisk.⁷³

Stickley markets its furniture around the world through a network of 120 independent dealers. It owns and operates five retail showrooms in New York State, including Manhattan and White Plains. The company recently secured the exclusive license to produce the 'Williamsburg Reserve' mahogany collection - an exclusive line of furniture for the Colonial Williamsburg foundation, increasing its use of mahogany substantially.⁷⁴

Ethan Allen

Listed on the New York Stock Exchange, Ethan Allen is one of the largest furniture manufacturers in the USA. Unlike many of the other large manufacturers, Ethan Allen has remained an independent company and retails its own furniture in it is more than 300 retail outlets across the USA, making it one of the largest furniture retailers in the country.⁷⁵

In 2000, Ethan Allen's 18th century reproduction mahogany range of furniture was expanded to include a bedroom collection. While Ethan Allen employees state that their mahogany comes from Africa, the company purchased substantial amounts of mahogany from Brazil in 2000 and 2001. The mahogany was supplied through DLH Nordisk from Tapajos Timber and Peracchi, both with links to one of the mahogany kings - Osmar Alves Ferreira.

Canada

Based in Ontario, Gibbard Furniture Shops Ltd is Canada's oldest and 'most respected furniture manufacturer'.⁷⁶ Around 40% of Gibbard's overall furniture production is from Brazilian mahogany, making it one of the largest - if not the largest - importer of mahogany sawn timber into Canada. According to Gibbard, the company uses up to 800m³ of Brazilian mahogany each year. The mahogany is imported from Pará through DLH Nordisk in the USA.

One of Gibbard's largest customers of solid mahogany furniture is the Federal Canadian Government. Gibbard Furniture has supplied significant quantities of mahogany residential furniture to more than 75 Canadian embassies around the world.⁷⁷ A single Gibbard dining room set can retail for around US\$12,000.

The UK

The UK is the third largest importer of mahogany from Brazil⁷⁸ (second largest importer from the mahogany kings). Export data registered with Ibama shows that between February 2000 and February 2001, more than 70% of direct exports from Pará to the UK came through companies connected to the two mahogany kings including Exportadora Peracchi, Tapajos Timber, Semasa, Juary/Jatoba and Madeireira MCP.⁷⁹

The bulk of the imports are to International Timber, Timbmet,⁸⁰ and James Lathams (primarily through DLH Nordisk), and Vincent Murphy (who buys from Semasa). These companies supply UK reproduction furniture companies such as Rackstraw, Arthur Brett, Wood & Mott, Titchmarsh & Goodwin, Restall Brown & Clennell and Charles Barr. Other users of mahogany include window and doors manufacturers, coffin makers, piano and guitar manufacturers.

John Lewis Partnership

Peter Jones department stores, part of the John Lewis Partnership, sells reproduction solid mahogany dining room tables made by Wood and Mott, which retails for over US\$3,700. The mahogany is supplied via DLH Nordisk through International Timber (part of the Saint Gobain group, which also owns Jewsons).

Rackstraw

Part of the Worshipful Company of Furniture Makers, Rackstraw specializes in solid mahogany, yew and oak furniture, with Brazilian mahogany accounting for around 10%-15% of its mahogany sales - the rest supplied from Africa. Brazilian mahogany is sourced through importers Timbmet and John Boddy Ltd, both of which buy primarily from DLH Nordisk.



Over the years, Rackstraw's 'furniture has graced the opulent lounges of great ocean liners; major company boardrooms and the grandest of private houses'.⁸¹ Today, the bulk of Rackstraw's domestic sales are through Arighi Bianchi and Harrods. A twelve seater solid Brazilian mahogany table by Rackstraw sells at Harrods for £5,979 (US\$8,550). Overseas stockists include New York Design Center and the International Design Centre in Tokyo.

Burns Guitars

Burns Guitars of London has an impressive list of musicians who have played its guitars. Some of these, like Elvis, go back a long way. More contemporary musicians include Eric Clapton and Mark Knopfler. The company's new range of guitars includes the 'Zodiac', made with a solid one-piece Brazilian mahogany back, which sells for £1,599 (US\$2,300). The company website states: 'We hope that a sensible and sustainable use of timbers will make sure that there's always going to be healthy forests out there. After all, without forests, you can't have guitars.'⁸² One of Burns Guitars of London suppliers of Brazilian mahogany is Timbmet, which sources primarily from DLH Nordisk.



Squirrel monkey – just one of the species that depend on the forests of the Amazon

Time for action, not words

Short of a miraculous transformation in the attitude of people and governments, the earth's remaining closed-canopy forests and their associated biodiversity are destined to disappear in the coming decades.

– Klaus Toepfer, Executive Director, United Nations Environment Programme, 20 August 2001

Ancient Forest Summit

In April 2002, world governments will meet at The Hague in The Netherlands to decide on a ten-year plan for the ancient forests. The outcome of this Ancient Forest Summit will determine the fate of the world's remaining ancient forests. Greenpeace is calling for action not words from the 180 governments formally committed to the Convention on Biological Diversity (CBD) to stop the destruction of the ancient forests.

Action from world governments

- **Stop the destruction** - by stopping any further industrial activities in intact ancient forest until responsible plans for forest conservation and sustainable use have been agreed.
- **Clean up the timber trade** - by ensuring that timber is produced and traded in a legal and ecologically responsible way.
- **Come up with the money** - by providing at least US\$15 billion each year to pay for forest conservation and sustainable development.

Action on mahogany

Establish immediate MORATORIA

- Place an immediate moratorium on all industrial logging in the Middle Land until a full assessment of the ecological values of this area has been completed and a credible land-use plan developed and implemented.
- Place a moratorium on the Brazilian mahogany trade until the measures below are fully implemented.

Implement immediate MEASURES

- Carry out a full inspection of existing FMPs, with the participation not only of governmental bodies but also independent scientific experts and representatives from NGOs.
- Permanently revoke the FMPs of all companies found laundering illegal mahogany logs or other species.
- Complete a comprehensive inventory of remaining mahogany stocks before approving new FMPs for mahogany.
- Upgrade Brazilian mahogany from CITES Appendix III listing to Appendix II so that world governments can more closely regulate the trade.
- Adopt Forest Stewardship Council (FSC) independent certification as the only internationally acceptable standard for ensuring that the timber trade is both legal and ecologically and socially responsible.

Allocate MONEY

- Provide adequate funding and resources to Ibama, Brazil's environment agency, in order to establish effective monitoring and enforcement of existing Brazilian laws.
- Provide adequate funding to ensure that Indian groups currently involved in the illegal mahogany trade can establish sustainable economic alternatives and receive proper compensation for ending the illegal exploitation of these lands.

Acronyms and endnotes

AIMEX	Association of Timber Exporting Industries of Pará	FSC	Forest Stewardship Council
ATPF	Authorization of the Transport of Forest Products	GPS	Global Positioning System
CBD	Convention on Biological Diversity	G8	Group of Eight nations: Canada, France, Germany, Italy, Japan, Russia, the UK, and the United States
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora	Ibama	Brazilian Government Institute for Environment and Natural Resources
Embrapa	Brazilian Agricultural Research Corporation	NGO	Non-government Organization
FMP	Forest Management Plan		

- 1 ENS (17 September 2001) 'East Asia pledges action on illegal logging' <http://ens-news.com/ens/sep2001/2001L-09-17-06.html>
- 2 ENS (15 May 2001) 'Brazil's Amazon Rainforest Shrinking Fast' Environmental News Service
- 3 Sixth Conference of Parties of the Convention on Biological Diversity
- 4 Cavalcanti, F J d B, J d A Silva, et al (1997) Projeto de Controle Ambiental da Ambiental da Amazônia Legal: Avaliação dos Planos de Manejo Florestal Sustentável da Amazônia - Fase 1 - Análise de Documentos. Brasília, D.F., Brazil, Departamento de Recursos Florestais (DEREF); Coordenadoria de Manejo Florestal (COMAF); Divisão de Manejo Florestal (DIMAF) -- Ministério do Meio Ambiente
- 5 UK Department for International Development (1999) 'Ecology and silviculture of mahogany (*Swietenia macrophylla* king) in the state of Pará in the Brazilian Amazon' Project Summary www.oneworld.org/odi/tropics/projects/3251.htm
- 6 CITES estimates that the export market accounts for 70% of the trade - CITES (September 2001) 'Review of the Appendices' Eleventh meeting of the Plans Committee, Langkawi (Malaysia)
- 7 Verissimo A, P Barreto, et al (1995) 'Extraction of a high-value natural resource from Amazon' Forest Ecology and Management 72: 39-60
- 8 O Liberal (September 2000) O Liberal
- 9 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 10 www.iitto.or.jp/market/recent/mns091601.html#3
- 11 Based on a mature mahogany tree producing a 5m³ roundwood log, which produces on average 2.75m³ of sawn mahogany calculated on a 45% average wastage at the sawmill. Timber wastage for solid mahogany furniture production estimated at 35-50%
- 12 Verissimo, A, P Barreto, et al (1992) 'Logging Impacts and Prospects For Sustainable Forest Management in an Old Amazonian Frontier - the Case of Paragominas' Forest Ecology and Management 55(1-4)
- 13 CEDI, unpublished report and Heringer, unpublished report, cited in Verissimo et al (1992)
- 14 CEDI, unpublished report, and Heringer, unpublished report, cited in Verissimo et al (1992)
- 15 SEI is a practically oriented institute composed of the strongest NGOs in Brazil that deals with social and environmental justice issues
- 16 Hering, Richard and Stuart Tanner (1997) Plunder for profit
- 17 Hering, Richard and Stuart Tanner (1997) Plunder for profit
- 18 O Liberal (10 November 1999) 'Contrabando de mogno leva US\$300 mi' O Liberal
- 19 Watson, F (1996) 'A view from the forest floor: the impact of logging on indigenous peoples in Brazil' Botanical Journal of the Linnean Society 122
- 20 José Altino became famous for leading an 'army' of 40,000 garimpeiros who invaded the Yanomami Indian land in the 1980s
- 21 Interview (23 August 2001) www.nossojornal-online.com.br/7coluna.htm
- 22 Interview (23 August 2001) www.nossojornal-online.com.br/7coluna.htm
- 23 Ibama sources, pers. comm.
- 24 Cavalcanti, F J d B, J d A Silva, et al (1997) Projeto de Controle Ambiental da Ambiental da Amazônia Legal: Avaliação dos Planos de Manejo Florestal Sustentável da Amazônia - Fase 1 - Análise de Documentos. Brasília, D.F., Brazil, Departamento de Recursos Florestais (DEREF); Coordenadoria de Manejo Florestal (COMAF); Divisão de Manejo Florestal (DIMAF) -- Ministério do Meio Ambiente
- 25 Nucleo de Direitos Indígenas (23 August 1994) Letter to Angie Zelter
- 26 SAE (1997) 'Grupo de Trabalho sobre Política Florestal: A Exploração Florestal na Amazônia. Brasília' Secretaria de Assuntos Estratégicos
- 27 Greenpeace (1999) Facing Destruction
- 28 'A Província do Pará' (4 January 1997) cited by Hering, Richard and Stuart Tanner (1997) Plunder for profit
- 29 Federal Prosecutor Ubiratan Cazetta, in his injunction against Madeireira Juury, 06 September 1999
- 30 Ibama Brasília (2001) Copies of FMPs suspended, cancelled and active
- 31 Anon (1996) 'Manejo das florestas não passa de uma lorota no Pará' O Liberal
- 32 Ibama Brasília (2001). Copies of FMPs suspended, cancelled and active
- 33 In many ways, CITES Appendix III is an ineffective mechanism for controlling the international trade in mahogany as the illegalities are primarily at the initial stages of the supply chain. However, rather counterproductively, it legitimizes the trade in the market place by the ostensible regulation through chain of custody documentation.
- 34 O Liberal (01 February 1997) 'Índios ajudam no contrabando do mogno' O Liberal
- 35 Eduardo Martins (15 September 1997) O Estado de s. paulo
- 36 Arquivo de Notícias (13 March 2001) 'Exportação de mogno desafia o Ibama' www.folhawe.com.br
- 37 Hering, Richard and Stuart Tanner (1997) Plunder for profit
- 38 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 39 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 40 Relatório da Operação Mogno - DEFIS no 270/98
- 41 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 42 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 43 Ibama export documents
- 44 Hering, Richard and Stuart Tanner (1997) Plunder for profit
- 45 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 46 Epoca (13 August 2001) 'Madeira sem lei' Epoca
- 47 Greenpeace investigation 2001
- 48 Quota determined for Mogno: Companies and contingencies 2001
- 49 Greenpeace investigation 2001
- 50 See FUNAI DPI Codema (1992), Ministério Público (1998), Jornal A Província do Pará (1993), ISA (1987-90), FUNAI/Cimi/Ibama/Ministério Público, Funai reports and minutes, Ibama (2000) Operação Xingu
- 51 CEDI (1993) Green Gold on Indian Land
- 52 See FUNAI DPI Codema (1992), Ministério Público (1998), Jornal A Província do Pará (1993), ISA (1987-90), FUNAI/Cimi/Ibama/Ministério Público, Funai reports and minutes, Ibama (2000) Operação Xingu
- 53 NDI, (23 August 1994) letter to Angie Zelter
- 54 Report from the Federal Prosecutor in Pará (September 1999)
- 55 Formal criminal charge by the Federal Prosecutor against Serra Dourada Ltda (September 1999)
- 56 There is only one exception: a project of sustainable logging in the Xicrin Indian Land, which is authorized by the government. The project is being monitored by NGOs and aims to be FSC certified.
- 57 GPS - equipment oriented by satellite to locate a position on the ground.
- 58 CITES Eleventh meeting of the Plants Committee 3-7 September www.cites.org/eng/cttee/plants/11/E-PC11-13-03.pdf
- 59 Ibama data 2001
- 60 www.dlh-nordisk.com/environment.html
- 61 see www.greenpeace.org/pressreleases/forests/2001jul16.html
- 62 Ibama 2001. Export data - comprehensive feb 2000 - feb 2001
- 63 Ibama data 2001 and pers. comm. DLH Nordisk Inc (US)
- 64 Ibama data 2001
- 65 Ibama export data Feb 2000 to May 2001
- 66 Ibama 2001. Export to all countries 2000
- 67 www.greensboro.com/97top50/changes.htm
- 68 Business Week (6 August 2001)
- 69 www.hoovers.com/premium/profile/4/0.2147.57514.00.html visited 13 Sept 2001
- 70 www.thestandard.com/companies/dossier/0,1922,269206,00.html
- 71 www.thestandard.com/companies/dossier/0,1922,269206,00.html
- 72 www3.thomasville.com/AboutUs/environment.asp
- 73 pers. comm. Stickle's
- 74 www.stickley.com
- 75 www.ethanallen.com
- 76 www.bahneys.com/gibbard.htm
- 77 collections.ic.gc.ca/heirloom_series/volume1/chapter17/Gibbard.htm
- 78 According to the Timber Trade Federation, UK imports of Brazilian mahogany equalled about 5,000m³ in 2000; Ibama documentation puts the figure at 3718m³
- 79 Ibama 2001
- 80 Timbmet and International Timber (part of Saint Gobain) are two of the main UK traders of mahogany. Both belong to the WWF95+ Group of companies, which has the strongest commitment to buy from legal and well-managed sources to standards of the Forestry Stewardship Council (FSC). However, these companies continue to buy mahogany, primarily from DLH which sourced for the UK market between February 2000 and May 2001 from Exportadora Peracchi, Tapajos Timber, Jatoba and MCP.
- 81 www.rackstraw.co.uk
- 82 www.burns-guitars.co.uk

Forest law cannot be effectively enforced in the absence of good governance. Good governance begins with strong political will, demonstrated by solid and consistent commitment at the highest level of government.

Mark Baird, World Bank, September 2001¹



October 2001

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