

For immediate release:
January 28, 2009



Contact: Andrea Johnson
+1-202-483-6621
andrea@eia-international.org

U.S. Market has Supported Corruption and Illegal Timber Trade in Honduras: Report

HONDURAS, C.A.-- Impunity and illegal activity continue to hamper efforts to clean up the Honduran forest sector – and U.S. importers are at risk, says the Environmental Investigation Agency (EIA), a non-profit expert on timber trade. American companies should focus attention on their supply chains to prevent violating a new law against importing or selling illegal wood.

A report released this week by the organization Global Witness details a case study of the systemic corruption that has plagued Honduras's timber sector. During 2006 and 2007, top officials in the forest authority played a key role in setting up mechanisms to enable legalization of 'abandoned' timber, fuelling large-scale illegal mahogany logging in the world-famous Río Plátano Biosphere Reserve. Well-known traffickers sold much of this wood onwards to manufacturers. Local forest cooperatives were used in the laundering process, undermining their credibility and the value of their forest lands.

At least two American companies, manufacturers of luxury doors and windows based in Florida and Minnesota, import mahogany products from Millworks International, the Honduran company in whose hands some of this illegal 'abandoned' wood ended up. Other links to the American market are likely.

If this incident had taken place a year later, importing any products made from this wood would have been a crime under a U.S. law, the amended Lacey Act, passed in May 2008.

"This case is a wake-up call to American wood importers to look closely at what sort of operations they're supporting in Honduras," said Andrea Johnson, Director of EIA's Forest Campaigns. "We can't let corrupt traders flourish while legitimate community operations fail. It's an ethical imperative and, with the Lacey Act, a legal one as well."

In another disturbing example of impunity, four Honduran policemen convicted of killing two forest activists in December 2006 have all 'escaped' from prison. The activists were murdered for protesting illegal logging on their community lands in the Olancho district.

The U.S. imported some \$41.4 million worth of Honduran wood products in 2008, according to data from the International Trade Commission.

While Honduran President Mel Zelaya has made efforts to clean up the sector, including passing a new Forestry Law and transforming the forest authority, problems remain. "We urge President Zelaya to use this final year of his term to truly put an end to illegal logging and create a legacy of lasting change in forest governance," said Andrea Johnson.

See EIA's report on Honduras, and Lacey Act resources page: www.eia-global.org/lacey
Global Witness report: "A Farce in Three Acts": www.globalwitness.org/index.php