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## **Undercover Footage Exposes Exporters' Complicity in Peru's Biggest Timber Scandal**

Companies caught up in Peru's biggest timber scandal knew or had reason to suspect their exports from the Amazon rainforest were illegal, according to undercover footage released today by Global Witness.

The footage is believed to be the first time timber exporters in Peru have been caught on camera acknowledging that official documents are often falsified, and gives an insight into the scale of corruption that allowed the scandal to happen.

The timber was transported out of the Amazon on the Yacu Kallpa ship in late 2015 after a failed attempt by a Peruvian public prosecutor to confiscate some of it, but the ship was later detained in Mexico en route to the US. More than 96% of the timber on-board was found to be illegal.

The attempted confiscation - together with the previous shipment being blocked on arrival in the US - turned the Yacu Kallpa into Peru's biggest timber scandal. It generated major Peruvian and international media attention and, following a backlash from the timber sector, contributed to protests in the two most important logging cities and led to the president of the government's forestry inspection agency, OSINFOR, being fired and forced to flee abroad.

The major Yacu Kallpa exporters claimed their timber had the correct documents, but in Peru, where regional government corruption is rampant, such documents are often falsified and used to launder illegally extracted timber. Representatives from three of the eleven exporters - Corporación Industrial Forestal's Adam Andrews, Inversiones WCA's William Castro and Sico Maderas' Dante Zevallos - were secretly filmed by Global Witness and all admitted that documents are frequently falsified and timber regularly laundered.

"I can easily know it's [the timber] not coming from a good source, because if we all bought the way we should, no one would buy a plank," Zevallos told Global Witness undercover. "So even though I knew the timber I was buying probably had this origin, I wasn't worried, because I had [the documents]. I

was a buyer in good faith.” Asked if that was what happened with the Yacu Kallpa shipment detained in Mexico, Zevallos replied, “Yes, all of it.”

The footage is potentially crucial evidence in ongoing investigations run by Peru’s public prosecutors’ offices specialising in environmental crimes, which are currently investigating over 100 people connected to the Yacu Kallpa. According to Peru’s Penal Code, it is a crime to export timber if you “know or could presume” its origin is “illicit.”

Laura Furones, Global Witness Peru campaign leader, said: “The footage we’re releasing exposes the central problem with Peru’s timber sector that the documents mean little or nothing and that the exporters themselves know this, despite what they claim publicly.”

Like the exporters, high-level government officials also defended the origin of the Yacu Kallpa timber because it was accompanied by the correct documents. The then Minister of Trade and Tourism, Magalí Silva, made this argument to Mexico’s Secretary of the Economy, as well as to the US’s Trade Representative about the previous shipment.

The timber detained in Mexico in early 2016 was all released later in the year despite OSINFOR having proved it was illegal, according to an article published last week by Peruvian media outlet OjoPúblico. Their article states that decision was made by Mexican authorities without informing Peruvian prosecutors, following pressure from the Peruvian and Mexican timber sectors.

The illegal timber trade in Peru is reported to be connected to assassinations, forced labour, tax evasion, prostitution, human rights violations, land-trafficking, narco-trafficking and organised crime. It fosters widespread corruption, encourages the invasion of indigenous peoples’ land, and contributes to the unsustainable deforestation and degradation of the Amazon basin - a major source of carbon emissions and cause of climate change.

Furones said: “No exporter must be allowed to hide behind the official documents any longer. The public prosecutors’ offices must now investigate and prosecute the major exporters involved in the Yacu Kallpa case as well as other powerful players in the supply-chain.”

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**NOTES TO EDITORS:**

Watch the undercover footage series (15 clips): <http://bit.ly/2ydFAcY>

Watch our short film: "*Buyers in Good Faith*": <http://bit.ly/2hOgfQj>

Read the report "*Buyers in Good Faith*": *How Timber Exporters are Complicit in Plundering Peru's Amazon*: <http://bit.ly/2hXyNXL>