



The Trouble with Burmese Teak

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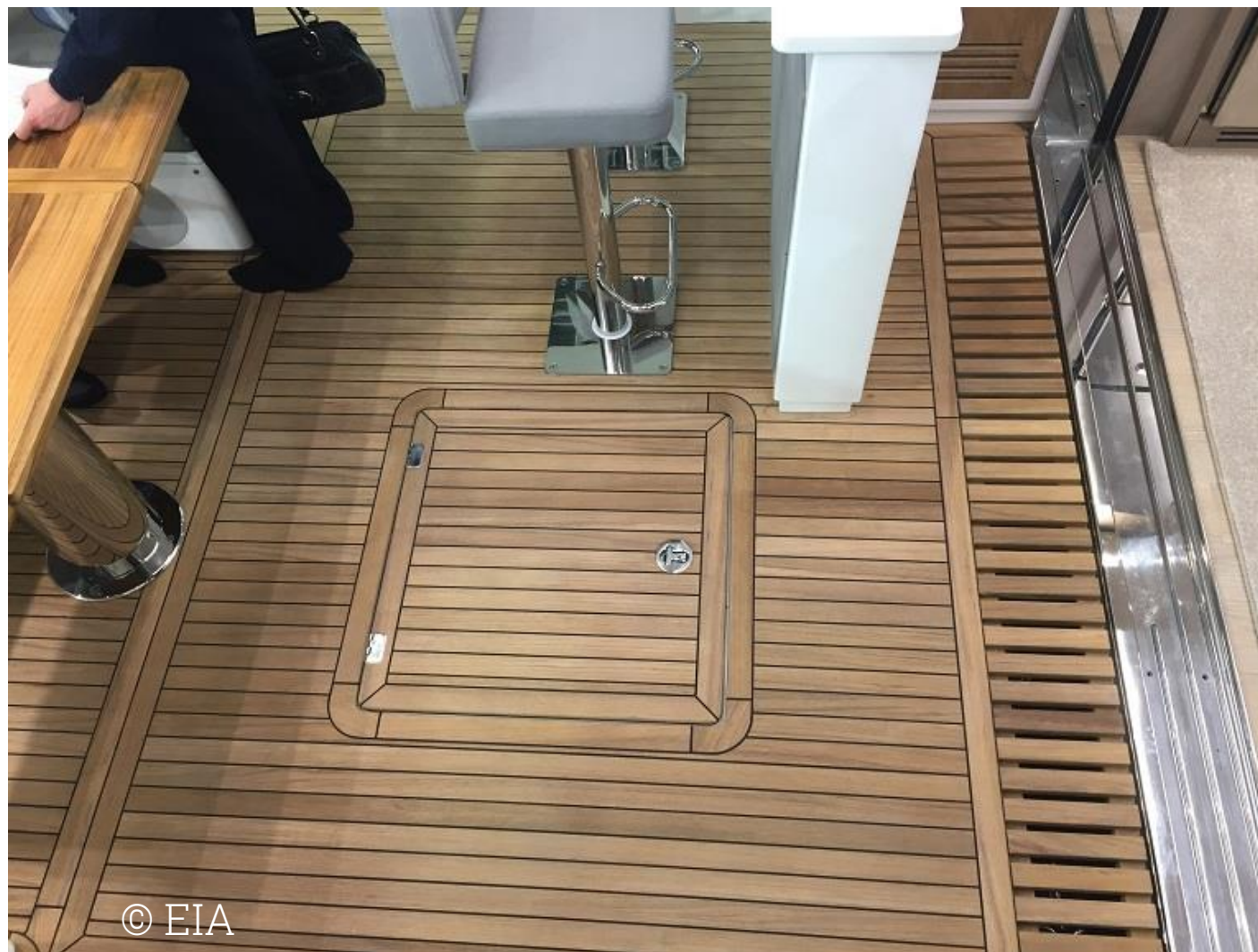
10 April 2025

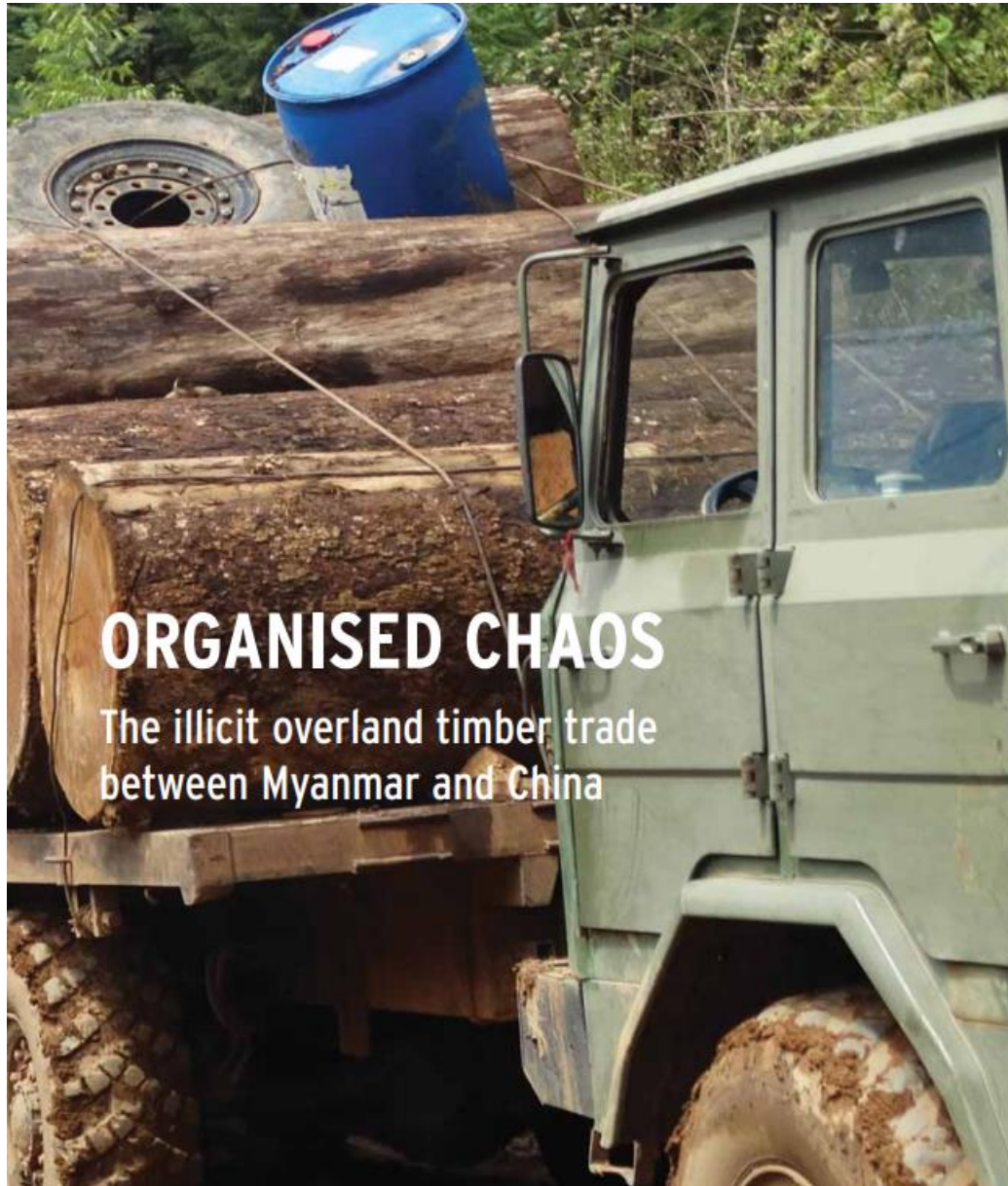
Introduction to EIA



What is Burmese Teak?

- Burmese teak (*tectona grandis*), i.e., the best teak on earth, grows naturally in Myanmar (Burma)
- Myanmar's forests provide optimal growing conditions
- Prized for its durable and water-resistant qualities by marine industry for yacht decking





ORGANISED CHAOS

The illicit overland timber trade
between Myanmar and China



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AGENCY

State of Corruption

The top-level conspiracy
behind the global trade in
Myanmar's stolen teak

February 2019

Forests

The Italian Job

How Myanmar timber is trafficked through Italy to the rest of Europe despite EU laws

September 2021

The Croatian Connection Exposed

Importing illicit Myanmar teak through Europe's back door

May 2020



Current Situation in Myanmar

Burmese teak sales supports the military

- February 2021 coup – Junta seizes all government institutions, including Myanmar Timber Enterprise (MTE)
- Military controls Myanmar's timber industry through MTE
- All revenue generated by MTE via teak sales funds the military



China/Myanmar collusion: teak smuggling across Chinese border

MTE Monthly Auctions

Military profiteering from monthly teak auctions

- **4000 teak logs** to be auctioned between 2025-2026
- MTE accepting **USD, EUR, CYN, THB**
- Anyone using **USD payments to buy teak from MTE breaches US sanctions**

TENTATIVE PROGRAMME FOR OPEN TENDER SALES 2025-2026

MINISTRY OF NATURAL RESOURCES AND ENVIRONMENTAL CONSERVATION

MYANMA TIMBER ENTERPRISE

EXPORT MARKETING AND MILLING DEPARTMENT

TENTATIVE PROGRAMME FOR OPEN TENDER SALES

2025 APRIL TO 2026 MARCH TEAK/HARD WOOD (LOGS & CONVERSIONS)

SR	MONTH	DATE	TENDER/OPEN TENDER	QUANTITY			
				TEAK LOGS	HARD WOOD LOGS	TEAK CONVERSION	TOTAL
1	APRIL(2025)	2-4-2025(Wednesday)	OPEN TENDER(EX-WORKS)	300	1250	20	1570
2	MAY	8-5-2025(Thursday)	OPEN TENDER(EX-WORKS)	350	1250	40	1640
3	JUNE	4-6-2025(Wednesday)	OPEN TENDER(EX-WORKS)	350	1250	40	1640
4	JULY	2-7-2025(Wednesday)	OPEN TENDER(EX-WORKS)	350	1250	41	1641
5	AUGUST	6-8-2025(Wednesday)	OPEN TENDER(EX-WORKS)	350	1250	40	1640
6	SEPTEMBER	4-9-2025(Thursday)	OPEN TENDER(EX-WORKS)	350	1250	41	1641
7	OCTOBER	2-10-2025(Thursday)	OPEN TENDER(EX-WORKS)	350	1250	40	1640
8	NOVEMBER	7-11-2025(Friday)	OPEN TENDER(EX-WORKS)	350	1250	30	1630
9	DECEMBER	3-12-2025(Wednesday)	OPEN TENDER(EX-WORKS)	350	1250	40	1640
10	JANUARY(2026)	7-1-2026(Wednesday)	OPEN TENDER(EX-WORKS)	300	1250	40	1590
11	FEBRUARY	4-2-2026(Wednesday)	OPEN TENDER(EX-WORKS)	300	1250	37	1587
12	MARCH	4-3-2026(Wednesday)	OPEN TENDER(EX-WORKS)	300	1250	41	1591
			GRAND TOTAL	4000	15000	450	19450

EU & US Laws Regulating Burmese Teak

EU Sanctions – MTE sanctioned June 21, 2021

- Cannot fund MTE directly or indirectly
- Cannot import teak that was in the possession of MTE after 21 June 2021

US Sanctions – MTE sanctioned April 21, 2021

- Cannot fund MTE directly or indirectly
- Cannot import teak that was in the possession of MTE after 21 April 2021
- Any US dollar payments to MTE by any individual or company, not just US, are prohibited by US sanctions law

EU Timber Regulation (EUTR) (Regulation (EU) No 995/2010) & **EU Deforestation Regulation (EUDR)** (Regulation (EU) 2023/1115)

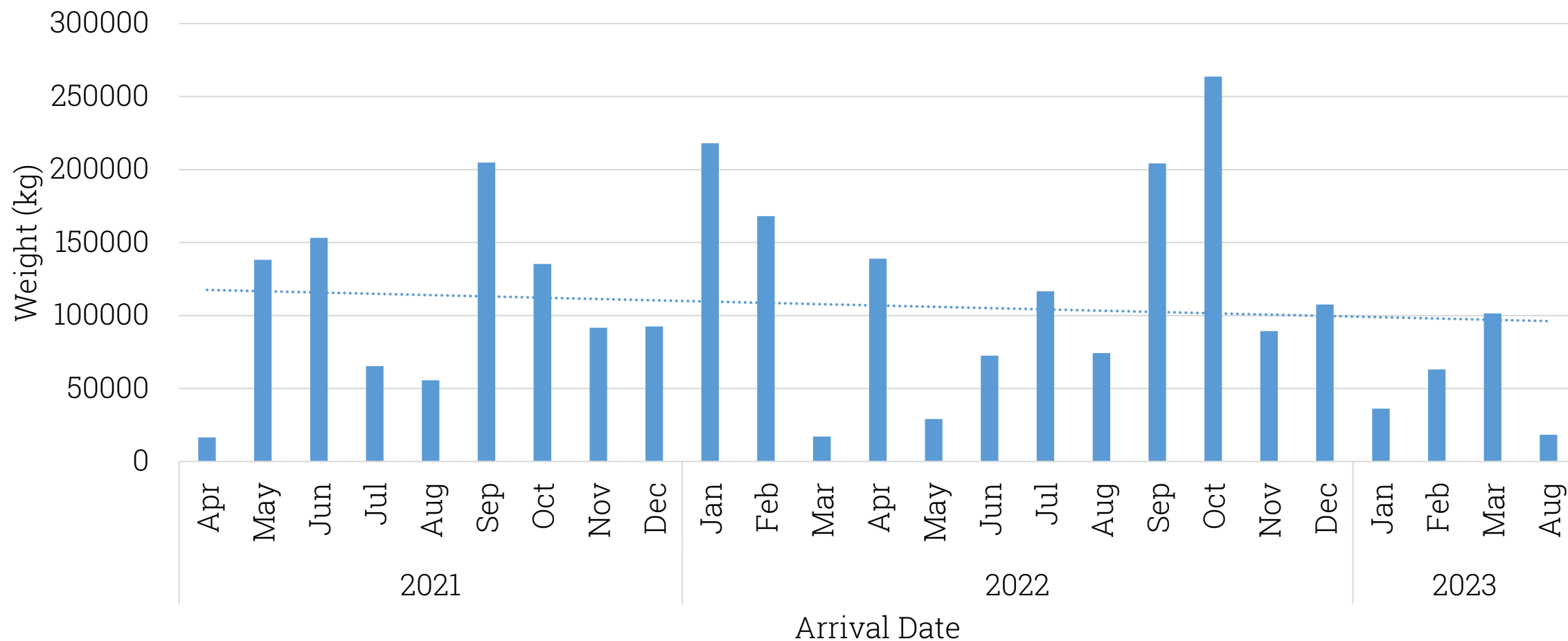
- 2020 Conclusions of EUTR Experts Group determined impossible to determine negligible risk of illegally harvested timber from Myanmar
- EUTR to be repealed on 30 December 2024 by EU Deforestation Regulation

Lacey Act (Amended 2008)

- Prohibits the import of timber and wood products into the US that have been harvested, transported or sold in violation of foreign or US state laws
- Violation includes theft & taking of plants from park, forest reserves, protected areas
- Violation includes failure to pay royalties, taxes or fees

US Imports since April 21, 2021, Sanctions

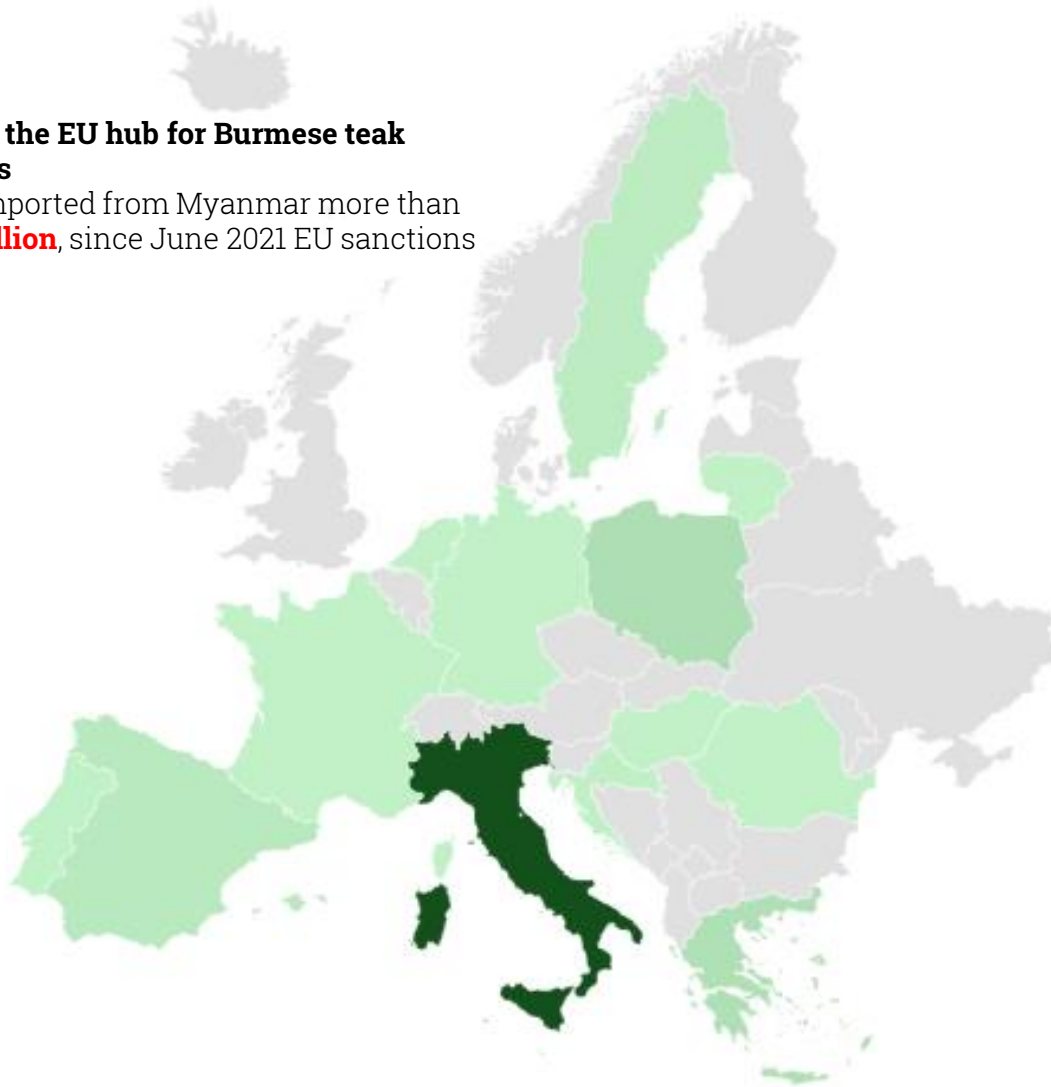
US (HS code 4407) Imports from Myanmar



EU Imports

Italy is the EU hub for Burmese teak imports

Italy imported from Myanmar more than **€27 million**, since June 2021 EU sanctions



Total EUR HS Code 4407 Imports June 2021 to December 2024



Recent Court Cases

- Oceanco fined **€150,000** by Openbaar Ministerie for teak on Jeff Bezos' yacht *Koru*
- Sunseeker International criminally convicted and fined over **£350,000** for breach of UK Timber Regulation
- CJEU ruling on WOB Timber and previous EU sanctions regime



Jeff Bezos' teak-decked yacht the Koru © Guy Fleury

Burmese teak trade continues to cause deforestation and support Myanmar military

- Despite laws regulating timber in EU & US, large quantities of teak entering markets
- Implementation of financial sanctions still have not stopped the trade in blood timber
- Traders obfuscating Myanmar origin to avoid detection and enforcement actions
- More details found in EIA Reports: <https://eia-international.org/forests/forest-reports/>

Thank you