



REUTERS/Darren Whiteside

THE COST OF ENVIRONMENTAL CRIME: ILLEGAL LOGGING

By Brian Huerbsch

The views and opinions expressed in this paper are those of the author and do not necessarily reflect the official policy or position of Thomson Reuters.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
THE CURRENT SITUATION	4
LINKS TO FINANCING ORGANIZED CRIME AND TERRORISM	5
THE ENVIRONMENTAL AND HUMAN COST	6
CASE STUDY 1 – LARGE U.S. TIMBER IMPORTER AND THE LACEY ACT	7
CASE STUDY 2 – A TALE OF CORRUPTION AND ENVIRONMENTAL DESTRUCTION: POTENTATES AND MALAYSIAN TIMBER GIANTS	8
CASE STUDY 3 – A MULTINATIONAL BANK AND PEP INVOLVEMENT	8
RED FLAGS AND YOUR SUPPLY CHAIN	9
CONCLUSION	10
HOW THOMSON REUTERS CAN HELP	11
REFERENCES	12

Image 1 (On the cover): Police tape is seen on land recently burned and newly planted with palm trees and now under police investigation west of Palangkaraya, Central Kalimantan, Indonesia.

EXECUTIVE SUMMARY

Illegal logging poses real and significant regulatory risk for international financial institutions and corporations, especially those connected, either directly or indirectly, with the global timber industry, or that operate in areas where the industry is prevalent and important to the local economy. Considering the notable increase in regulatory activity over the past decade, the amount of enforcement actions given, and the ballooning size of fines over the past several years, it is clear that illegal logging is a crime that cannot be ignored anymore. Fortunately, this risk can be mitigated properly if strong third-party risk and know your customer (KYC) processes are in place, including enhanced due diligence (EDD) and anti-money laundering (AML) protocols.¹

THE CURRENT SITUATION

Illegal logging is the most lucrative environmental crime and one of the most profitable organized criminal activities, alongside narcotics trafficking, counterfeiting and human trafficking. It accounts for more illicit proceeds than illegal, unreported and unregulated fishing (IUU), and wildlife trafficking (Figure 1).² This can be seen in a series of recent prosecutions by law enforcers and regulators around the world, which highlights the scale of the problem. In 2010, the Council of Ethics of the Norwegian Ministry of Finance blacklisted Malaysia's largest timber companies for corruption, bribery, illegal logging, severe and irreversible environmental damage, and human rights abuses.³ Two years later, Swiss prosecutors initiated a money-laundering investigation into one of Switzerland's largest global financial services companies for its relationship with Malaysia's Chief Minister of Sabah, a state in Borneo (Figure 2), and his alleged proceeds from illegal logging.⁴ The spotlight on Malaysia has continued because, shortly after, one of the largest publically traded banks in the world was accused of financing Malaysia's top timber companies, which in turn were contributing to the unsustainable logging and massive deforestation that has taken place in Borneo.⁵ Using real life case studies, this white paper will examine the growing problem of illegal logging and what red flags organizations need to look out for to prevent tainted timber from entering their supply chains.

Environmental crime: a growing sector

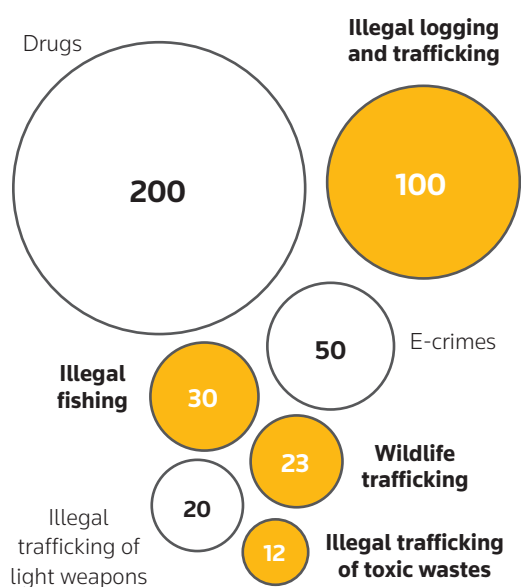


Figure 1: Annual revenue from organized crime in billions
(sources: TRAFIC; FAO; UNODC; Global Financial Integrity)



Figure 2: Map of Borneo. The island of Borneo is home to the Malaysian states of Sarawak and Sabah, and is considered one of the planet's most important biodiversity hotspots. It is also home to several national parks that are United Nations Educational, Scientific and Cultural Organization (UNESCO) World Heritage sites.⁶ However, illegal logging has long been a problem in Malaysia, and Chatham House research in 2010 estimated that illegal logging accounted for between 14% and 25% of production and organizations need to be aware of these risks.⁷

“Illegal logging is the harvesting, transporting, processing, buying or selling of timber in violation of national laws. It also applies to harvesting wood from protected areas, exporting threatened plant/tree species, and falsifying official documents.”

WORLD WILDLIFE FUND



LINKS TO FINANCING ORGANIZED CRIME AND TERRORISM

Illegal logging generates revenues of US\$30-100 billion a year, and constitutes an astonishing 10-30% of the global wood trade, rising to as much as 50-90% within key tropical timber-producing countries.⁸ Due to illegal logging being low-risk and high-gain, organized criminal groups have established themselves around it throughout the Russian Far East and across the tropical timber-producing nations, especially in Southeast Asia, West and Central Africa, and the Amazonian region of South America.

Terrorist groups are also known to engage in illegal logging, reaping huge dividends in the process.⁹ The Taliban and Al-Shabaab have used illegal logging to finance their activities, including attacks by the Taliban on U.S. troops in Afghanistan.¹⁰ Because of this, illegal logging has garnered increasing amounts of attention from the media, international organizations, regulators, and both national and international law enforcement groups. Consequently, although corporations with extensive and complex supply-chain networks may not know it, they may be exposed to risk created by the significant overlap between the illegal logging

trade and the global timber industry, and even counterterrorist financing regulations.

Until recently, strategic policy approaches by governments and organizations for fighting illegal logging have been almost entirely based on the creation of certification schemes aimed at good forestry practices and standards, and curbing the entry of illegal timber into markets. These programs aim to bring stakeholders together and create incentives for legal exports and sustainable forestry management. The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES); the European Union Forest Law Enforcement, Governance and Trade (FLEGT); and the independent NGO Forest Stewardship Council (FSC) are well-known and advocated forest certification schemes. However, recent studies suggest they have not been as effective in curbing deforestation and illegal logging as is widely believed.¹¹ This is most likely due to common issues that plague the industry, such as corruption, timber laundering and poor enforcement of policies.



Image 2: Certified timber dock at the port of Gresik in East Java province. Port officials said that in the wake of a crackdown on illegal logging, there has been a 60% drop in the number of ships carrying wood from Borneo and Sumatra islands, the source of much of Indonesia's precious timber.

REUTERS/Sigit Pamungkas

THE ENVIRONMENTAL AND HUMAN COST

Environmental cost

The damaging effects of illegal logging go far beyond the enrichment of organized criminal groups and terrorist financing. It is directly responsible for causing great harm to our natural world and already fragile ecosystems, including large-scale deforestation and the destruction of tropical rainforests by illegal fires, which is responsible for 17% of all man-made emissions. This is 50% more emissions than all ships, aviation and land transportation combined.¹² Deforestation has been identified as a significant

contributor to climate change, irreplaceable loss in biodiversity, and the exponential rate of extinction of the world's most iconic species. The incredible scale of this problem for the natural world becomes clear in one damning statistic:

*Currently **only 10%** of the world's primary forest cover remains.*



Image 3: An aerial view of a cleared forest area under development for palm oil plantations in the Kapuas Hulu district of Indonesia's West Kalimantan province.

REUTERS/Crack Palinggi

Human life cost

The destruction done to our common natural heritage is only half the picture though, as this illicit trade is also to blame for a litany of societal wrongdoing and harm globally. It is responsible for extensive human rights abuses, including the frequent killing of environmental and human rights activists, and massive tax fraud that deprives local and national governments of much-needed funds.¹³ This damage is illustrated by the continuous daily violence meted out to environmental activists fighting the illegal logging trade. According to Global Witness, more than three people were killed a week in 2015 defending their land, forests and rivers against destructive industries. The organization's new report, *On Dangerous Ground*, documents the 185 known deaths worldwide last year – by far the highest annual death toll on record and a 59% increase from 2014. Severe limits on information mean the true numbers are undoubtedly higher.¹⁴

Terrible examples of the dangers faced by local communities abound. One such case occurred in 2011 when, shortly after giving a TEDx talk on illegal logging, José Cláudio Ribeiro da Silva and his wife Maria were murdered by assassins in Brazil for simply condemning the invasion of loggers into the forest reserve where they lived. Equally appalling is the case of Hen Chantha, a 14-year-old girl who was shot and killed by Cambodian military police that were in the process of evicting her village to make room for a palm oil plantation.¹⁵ These plantations frequently replace areas that have been deforested for timber, with the end product – palm oil – then being processed into an incredible amount of different end-consumer products, from chocolate to cosmetics, soups, cooking oil, fuel and more.

Human rights abuse

In South America, especially in Brazil and Peru where the practice is ubiquitous, illegal logging is responsible for another sinister issue: slavery and human trafficking. In this case, slavery typically manifests as the forced labor of indigenous communities or the trafficking of persons to remote logging sites.¹⁶ According to the International Labor Organization (ILO), there are areas in Brazil with high incidences of slave labor, and Peru has an estimated 33,000 forced laborers in the logging industry.¹⁷ The issue is especially relevant to U.S. importers, as the country imports over 30% of certain tropical hardwoods, such as mahogany, from

Peru. Ensuring that these imports are from slavery-free and legal sources will be challenging, as experts estimate as much as 90% of Peru's timber exports are illegal. Due to the hidden nature of these crimes, identifying risks and complying with legislation like the California Transparency in Supply Chains Act, the UK Modern Slavery Act or the U.S. Tariff Act of 1930 will be difficult for companies that source their forestry products from these regions. Consequently, consumers may be unwittingly involved in this illicit trade, as timber ends up in construction materials for housing, furniture, paper, textiles, food thickeners and more.

Table 1: Relevant regulations related to the illegal timber trade¹⁸

REGULATION	OVERVIEW
U.S. Lacey Act	Makes it unlawful for companies to trade, receive or acquire plants taken, harvested, possessed, transported, sold or exported in violation of underlying laws in a foreign country or in the U.S., including timber. ¹⁹
EU Illegal Timber Regulations, e.g., FLEGT	Requires companies placing timber and timber-related products into the EU market to curb illegally harvested timber and timber products. ²⁰
Australian Illegal Logging Prohibition Act	Forbids the import or processing of wood logged in violation of the laws in the country of origin. ²¹
Foreign Corrupt Practices Act/ UK Bribery Act	Bans bribery of foreign officials. Businesses are accountable for the activities and compliance of their third parties.
New York Declaration on Forest Agreement Guidance	Nonbinding declaration of governments, companies and civil societies to cut natural forest loss by 50% by 2020 and end it by 2030.
Reducing Emissions from Deforestation and Forest Degradation (REDD) in developing countries	UN-brokered mechanism. Enables poor countries to be compensated for not destroying/degrading forests by richer countries/private companies. Companies may decide to offset their emissions through scheme.

CASE STUDY 1:

Large U.S. timber importer and the Lacey Act

The following example is a cautionary tale of what can go wrong when a company is exposed to third-party risk in the global timber industry. A hardwood flooring industry giant in the U.S. recently received the dubious distinction of receiving the largest fine in U.S. history for importing illegal timber, US\$13 million. To make matters worse, the illegal timber was cut from the remaining forests that the last Siberian tigers and Amur leopards inhabit. In this case, the company violated the Lacey Act, which prohibits importing timber taken in violation of the laws of a foreign country.²² In

2014, the executives of the Russian timber company that acted as the hardwood flooring company's supplier were found guilty of 15 counts of illegal logging and of participating in an organized criminal network.²³ Implementing the right risk management and compliance controls and conducting thorough due diligence on all third parties could have limited the importer's exposure to this risk, and prevented them from making these mistakes.

CASE STUDY 2:

A Tale of Corruption and Environmental Destruction: Potentates and Malaysian Timber Giants

Malaysia's largest timber companies have been accused of myriad abuses and criminal acts, including corruption, nepotism, bribery, illegal logging, human rights abuses, timber laundering, money laundering and more. One of Malaysia's largest timber companies, a publically traded Malaysian conglomerate, is most emblematic of this issue. This company, in turn, is part-owned by a high-ranking political figure within Malaysia, a position that has given him control of logging permits and land concessions for over three decades. This control has allowed him to amass a fortune from illegal logging, from the genesis of Malaysia's nascent timber industry to the present day. Through family and nominees, he is also part owner of another two of Malaysia's biggest timber companies. His wealth is believed to be in the billions, and he is known to have interests in nearly 400 companies in 25 countries.²⁴ Under his governorship, almost 90% of the region's rainforest has been logged, much of it inside national parks, indigenous lands protected by Native Customary Rights and UNESCO World Heritage sites. The forced removal of indigenous communities has been documented as well.

His reach is reported to extend far beyond the timber industry and includes palm oil and agricultural production, communications, shipping, media, tourism, real estate investment and development, and more. These timber companies have been financed in large part by multinational banks and other global financial institutions, including Norway's sovereign wealth fund, until the latter divested its interests in these companies after internal investigations revealed large-scale illegal logging and environmental destruction in both Malaysia and Guyana.²⁵

The list of his misdeeds and alleged unlawful behavior is long. To name a few: In 2007 the Tokyo Regional Tax Bureau of Japan

uncovered a bribery scheme for millions of dollars in kickbacks from Japanese shipping companies to timber export companies allegedly owned by the governor's nominees.²⁶ He has been officially investigated by Malaysia's Anti-Corruption Commission (MACC) in 2011, and although he was cleared of wrongdoing, it is believed the final decision was influenced by his close ties to those in power. In 2011, he was allegedly investigated alongside a multinational bank by the German Federal Ministry of Finance and German Federal Financial Supervisory Authority (BaFin).²⁷ FINMA, the Swiss Financial Market Supervisory Authority, investigated his illicitly gained assets invested in Switzerland later that same year.²⁸ In 2015, allegations surfaced of him and his family laundering millions of dollars in Australia. The Australian Securities and Investments Commission (ASIC) appointed a "specialist team" to investigate the matter further.

He is reported to hold substantial assets in the U.S., Canada, the UK and Australia, including prominent commercial real estate and luxury hotels in Seattle, Los Angeles, Ottawa and Sydney. Through his many company interests, he has done business with prominent large banks and investment companies, all while acting in his political capacity, which is a position of strategic electoral importance to Malaysia's ruling party and therefore carries particular political risk. Although at first glance this case may seem an outlier, it is not – this kind of timber tycoon can be found throughout the tropical timber-producing world. Often enough, their timber companies will be financed by major banks, and they will supply companies in North America, the European Union and Australia. Business can no longer continue as usual; it poses too great a risk to financial institutions and companies, and the human and environmental costs of illegal logging are simply unacceptable.

CASE STUDY 3:

A Multinational Bank and PEP Involvement

A multinational bank is estimated to have made over US\$130 million in interest and fees from financing the operations of these timber companies, all of which are directly connected to very high profile Politically Exposed Persons (PEPs) in Borneo.²⁹ These PEPs have been investigated by Malaysia's Anti-Corruption Commission (MACC) and have been accused of industrial-scale illegal logging and deforestation, bribery, corruption and more.³⁰ In addition, this bank marketed itself as a leader in forestry issues, having signed the Equator Principles and several other well-known environmental and sustainability policies to do so. It even entered into a much-lauded big-money partnership with the World Wildlife Fund (WWF).³¹ Although the bank is alleged to have recently ceased its operations with one of Malaysia's top three logging conglomerates because of its blacklisting, records from 2012 show it still does business with two other major timber companies that were also blacklisted.³²

Public officials are perfectly placed to ensure this illicit trade succeeds by exchanging public power or by turning a blind eye on kickbacks, such as creating fraudulent CITES export permits, falsifying certification or shipping documents, not investigating alleged crimes or impeding investigations. In addition, the major timber exporting countries are considered some of the most corrupt in the world. The level of corruption endemic to the region is readily apparent in Transparency International's "Corruption Perceptions Index," which illustrates the dire environment of corruption that companies operating in tropical timber-producing countries face. In fact, this index labels every country within the equatorial region where tropical timber is found as "Highly Corrupt" – a suitable warning for risk if ever there was one.³³

RED FLAGS AND YOUR SUPPLY CHAIN

To mitigate the risks within supply chains that are associated with illegal logging, financial institutions and corporations should be asking some key questions and looking for the red flags that indicate further investigation is needed.

- **Location:** If a supplier or processor is located in a tropical timber-producing nation known for high levels of corruption and poor governance standards, and if operations are near protected national parks, international borders or indigenous lands.
- **Processing Countries:** If imports come from major processing nations known for timber laundering, falsification of permits and bribery, e.g., China, Laos, Malaysia, Thailand and Vietnam.³⁴
- **PEPs and government entities:** If a supplier has direct or indirect links to politically exposed persons or local/national state-owned entities (SOEs).
- **Corruption:** Has the country ratified the United Nations Convention against Corruption? Where does it rank on the major global corruption indices?

- **International Regulations:** Is the country a CITES signatory, and does its timber industry have a reputation for complying with pertinent EU, Australian and U.S. environmental and forestry policies?

- **Forestry Certification Schemes:** Does a company comply with industry-leading forestry certification schemes such as the Forest Stewardship Council (FSC)? This is an important indicator of responsible forest management.³⁵

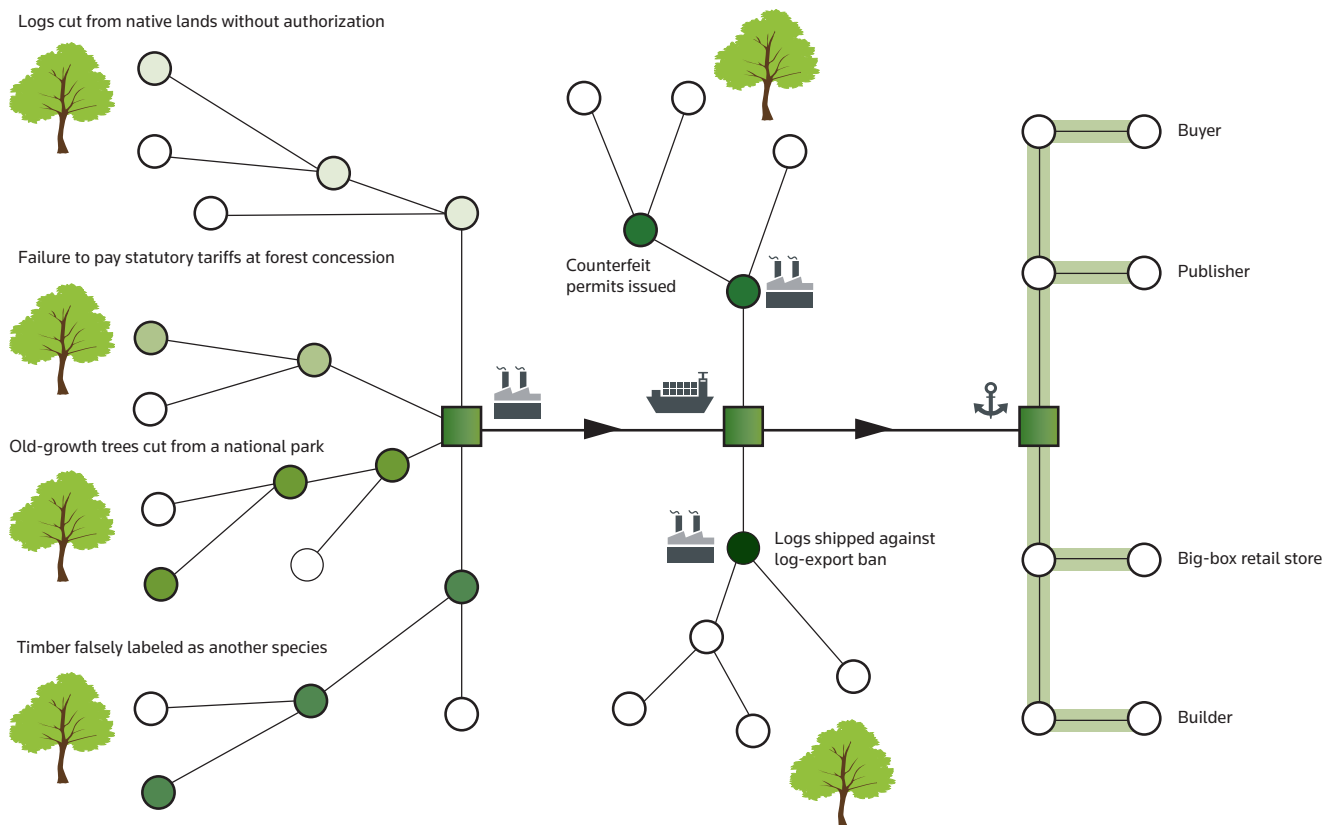
- **Supplier Reputation:** What is the supplier's reputation for integrity and conduct? Have there been past violations?

It is important to note that even when several of the red flags have been addressed, such as a country being a CITES signatory, or a company achieving certification by an internationally respected scheme like FSC, risk still remains and enhanced due diligence is a must. This is because forgery, fraud and timber laundering can occur higher up in a supply chain, and because enforcement of policies and standards is often lacking. In fact, one of the aforementioned blacklisted Malaysian companies still distinguishes itself as holding "forest-policy certification" from a major global bank, even when it is widely known to continuously violate these policies.

TAINTING THE TIMBER SUPPLY CHAIN³⁶

If illegal timber enters into the supply chain it poses significant legal, reputational and financial risks to an organization even if unwittingly entered. Figure 3 highlights some of the ways illegal timber can enter the supply chain.

Figure 3: Tainting the timber supply chain*



*Colored circles represent examples of violations and how they can taint the entire supply chain.

Source: The Environmental Investigation Agency

CONCLUSION

Mitigating third-party risk in the supply chain is crucial. It is clear that the global timber industry presents myriad forms of risks, and illegal logging – if left unabated – will continue to harm our environment and the sustainability and stability of developing nations.

Illegal logging also poses real risk for international financial institutions and corporations as, apart from the demands of regulatory compliance, another danger they face alike is the reputational damage that can be incurred when companies fail to account for risk within their global supply chains. Losses from reputational damage can be significant, including loss of revenue, increased operating costs, decreased shareholder value and more.

This can be seen in the case of a Malaysian palm oil giant that had its sustainability certificate temporarily suspended from the RSPO (Roundtable for Sustainable Palm Oil) due to a year-long investigation into allegations that included operating without the

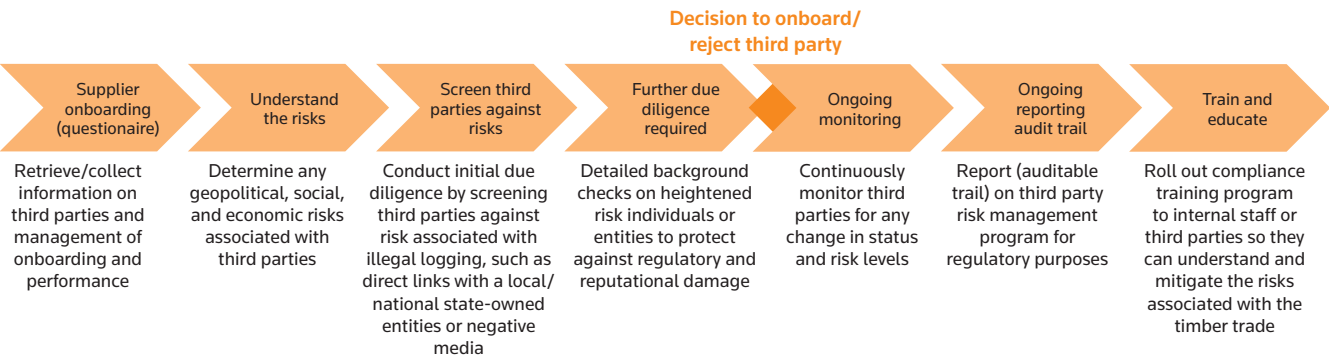
required permits, using fire to clear land, clearing rainforest and deep peat, among others. As a result, leading brands are reported to have moved to cut supplies from the palm oil giant following the suspension.³⁷

In the future, one thing is for certain: Financial institutions and corporations can no longer afford to be in the dark regarding who supplies their timber, seafood, palm oil, or textiles.

Having or adopting a holistic risk-based approach (Figure 4) can assist firms in mitigating third-party risks, including illegal timber within their supply chains. Once organizations understand what risks to look for and regulations they need to comply with, they can systematically detect, assess and monitor these risks.

With access to the right tools and information, organizations can mitigate some of the risks associated with these suppliers and increase efficiency to drive growth across the business while limiting the negative impacts on the environment.

Figure 4: Risk-based approach to third-party risk management



How Thomson Reuters can help

We provide the intelligence, technology and human expertise that enable clients to:

- Evaluate the level of risk when working with third parties (suppliers, contractors, service providers, etc.) in a given country using Thomson Reuters Country Risk Ranking
- Screen and monitor third parties against millions of profiles using Thomson Reuters World-Check® to raise red flags about potential risks, such as sanctioned entities, PEPs, bribery and corruption, negative media, environmental crime, slavery and human rights abuse
- Illegal timber and associated environmental crimes currently fall within World-Check's "inclusion criteria" and are being monitored globally 24/7 by the World-Check research team
- Research deeper into heightened risk entities and individuals with Thomson Reuters Enhanced Due Diligence
- Provide online training for staff and third parties to help prevent risks from entering your business with Thomson Reuters Compliance Learning

As a result, organizations are able to disclose and mitigate the risks they are exposed to, maximize their sustainable commercial opportunities, avoid reputational damage and demonstrate to regulators that they have carried out appropriate due diligence.

For more information, visit risk.tr.com/thirdpartyrisk

About the author

BRIAN HUERBSCH

Brian Huerbsch is the global organized crime research lead and an anti-trafficking specialist at Thomson Reuters World-Check. Prior to joining World-Check, Brian was an enhanced due diligence case manager for IntegraScreen™ and worked in the Financial Crimes Enforcement Network's (FinCEN) Illicit Financial Methodologies unit. He holds an MA in Global Security Studies from Johns Hopkins University.

References

1. <http://www.lse.ac.uk/newsAndMedia/news/archives/2013/11/ConductCostsProject.aspx>, <http://qz.com/138036/how-the-rise-of-modern-regulation/>
2. <http://www.havocscope.com/>, <http://link.springer.com/article/10.1007/s10611-013-9461-y/fulltext.html>
3. https://www.regjeringen.no/globalassets/upload/fin/etikkk/recommendation_samling.pdf, http://etikkradet.no/files/2014/12/WTk_ENG.pdf
4. <http://www.reuters.com/article/malaysia-politics-insight-pix-graphic-re-idUSL2N0CH05E20130403>, <http://www.swissinfo.ch/eng/malaysia-money-laundering-case-ensnares-ubs-/33424624>
5. <http://www.dailymail.co.uk/news/article-2226894/HSBC-makes-100million-bankrolling-Malaysian-rainforest-destruction-watchdog-claims.html>
6. <http://whc.unesco.org/en/list/1012>, <http://whc.unesco.org/en/list/1013>, http://wwf.panda.org/what_we_do/where_we_work/borneo_forests/about_borneo_forests/borneo_animals/
7. <http://www.illegal-logging.info/regions/malaysia>
8. http://www.unep.org/pdf/RRAlogging_english_scr.pdf, <http://www.havocscope.com/>, <http://link.springer.com/article/10.1007/s10611-013-9461-y/fulltext.html>
9. <https://www.foreignaffairs.com/articles/somalia/2014-11-18/black-market>, <http://www.wsj.com/articles/SB10001424052702303960604575157683859247368>, <http://articles.latimes.com/2010/oct/13/world/la-fg-pakistan-logging-20101013>
10. Ibid
11. <https://news.mongabay.com/2016/02/review-finds-eu-plan-to-curb-illegal-logging-has-had-little-success/>
12. http://www.unep.org/pdf/RRAlogging_english_scr.pdf
13. http://www.ucsusa.org/sites/default/files/legacy/assets/documents/global_warming/illegal-logging-and-lacey-act.pdf, "The World Bank estimates that illegal logging and associated wood trade costs governments and businesses at least US \$10 billion to US \$15 billion per year"
14. <https://www.globalwitness.org/en/reports/dangerous-ground/>
15. <https://www.globalwitness.org/documents/12993/deadly%20environment.pdf>, <http://news.nationalgeographic.com/2016/02/160202-Illegal-loggers-murders-violence-defending-land/>, <http://www.smithsonianmag.com/science-nature/why-do-environmentalists-keep-getting-killed-around-world-180949446/?no-ist>
16. <http://www.verite.org/Commodities/Timber>
17. Ibid
18. <http://sustainableforestproducts.org/Box6>
19. <http://www.forestlegality.org/policy/us-lacey-act>
20. <http://www.forestlegality.org/policy/eu-timber-regulation>
21. <http://www.forestlegality.org/policy/australia-illegal-logging-prohibition-act>
22. <https://www.justice.gov/opa/pr/lumber-liquidators-inc-sentenced-illegal-importation-hardwood-and-related-environmental>
23. <http://genproc.gov.ru/smi/news/archive/news-514064>
24. <http://www.smh.com.au/business/allegations-family-of-malaysian-billionaire-taib-mahmud-laundered-money-in-australia-20150908-gjhv0w.html>
25. http://etikkradet.no/files/2014/12/Annual_report_2013.pdf, <http://www.economist.com/news/finance-and-economics/21565622-new-investigation-accuses-hsbc-ignoring-its-own-sustainability-policies-log>
26. <http://www.themalaysianinsider.com/malaysia/article/if-cant-nail-taib-mahmud-get-his-family-for-graft-pkr-tells-macc>, http://www.stop-timber-corruption.org/resources/Taib_Arrest_Letter_1.pdf, <https://news.mongabay.com/2011/12/ngos-call-for-arrest-of-malaysian-leader-for-corruption-money-laundering/>, <http://www.themalaysianinsider.com/malaysia/article/what-is-the-progress-of-probe-into-alleged-money-laundering-by-taibs-family>
27. <http://www.freemalaysiatoday.com/category/nation/2011/06/21/germany-urged-to-freeze-taibs-assets/>, <http://www.swissinfo.ch/eng/malaysia-campaigners-tackle-swiss-banks/34733184>, <https://www.gfbv.de/de/news/bundesanstalt-untersucht-geldwaesche-verdacht-gegen-die-deutsche-bank-5317/>
28. <http://www.sarawakreport.org/2011/05/swiss-president-orders-an-investigation-into-taibs-assets-exclusive/>
29. <https://www.globalwitness.org/en/archive/hbsc-rakes-us130-million-bankrolling-rainforest-destruction-and-human-rights-abuses-malaysia/>
30. <http://www.reuters.com/article/malaysia-politics-insight-pix-graphic-re-idUSL2N0CH05E20130403>, <http://www.dailymail.co.uk/news/article-2226894/HSBC-makes-100million-bankrolling-Malaysian-rainforest-destruction-watchdog-claims.html>
31. <http://www.economist.com/news/finance-and-economics/21565622-new-investigation-accuses-hsbc-ignoring-its-own-sustainability-policies-log>
32. <http://www.economist.com/news/finance-and-economics/21565622-new-investigation-accuses-hsbc-ignoring-its-own-sustainability-policies-log>, <https://www.globalwitness.org/en/archive/hbsc-rakes-us130-million-bankrolling-rainforest-destruction-and-human-rights-abuses-malaysia/>
33. <https://www.transparency.org/cpi2013/results>
34. http://www.ucsusa.org/sites/default/files/legacy/assets/documents/global_warming/illegal-logging-and-lacey-act.pdf
35. http://wwf.panda.org/about_our_earth/deforestation/forest_sector_transformation/forest_certification/
36. <http://www.forestlegality.org/sites/default/files/EIA%20Lacey%20Mythbusters%20-%20English.pdf>
37. <http://www.rspo.org/news-and-events/announcements/notice-to-rspomembers-on-the-suspension-of-ioi-groups-certification>

RISK MANAGEMENT SOLUTIONS FROM THOMSON REUTERS

Risk Management Solutions bring together trusted regulatory, customer and pricing data, intuitive software and expert insight and services – an unrivaled combination in the industry that empowers professionals and enterprises to confidently anticipate and act on risks – and make smarter decisions that accelerate business performance.

For more information, contact your representative or visit us online at risk.thomsonreuters.com