Congress of the United States Washington, DC 20515

Submission Regarding the Exposure draft and explanatory memorandum for the Illegal Logging Prohibition Bill 2011

Submission by:

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Comments:

As authors and supporters of the U.S. Lacey Act, ¹ as amended in 2008, which bans the trade in illegal plant products, including wood, we commend the Australian Senate for its efforts to combat illegal logging. The U.S. government is working to implement the Lacey Act fully, and this legislation is already influencing the way companies are making sourcing decisions and monitoring their supply chains. For example, the large U.S. company Walmart is conducting trainings with buyers and suppliers, strengthening its internal supplier documentation requirements, and implementing procedures to comply with the legislation's declaration requirements. Importantly, the law has started to level the playing field for responsible manufacturers.

Passage of the U.S. legislation was made possible because of collaboration between U.S. businesses and labor groups harmed by the importation of illegal timber and non-governmental organizations advocating for sustainable wood harvesting practices. These entities, which are often on opposite sides of natural resource issues, have come together again to promote effective implementation of the law. We are confident that this coalition will be supportive and helpful to Australia's efforts as well.

The legislation under consideration in Australia is to be commended in particular for its strong and clear prohibition on the importation of timber products containing illegally logged timber. As the bill moves through the process, I hope that the Committees can seek to further harmonize its provisions with U.S. and E.U. laws. For example, it would be preferable to harmonize the definition of what constitutes "illegal logging."

¹ 16 U.S.C 3371 *et seq.*; Congressman Blumenauer authored and championed the Lacey Act amendments in the U.S. House of Representatives. Congressman McDermott is the Ranking Member on the Trade Subcommittee of the Committee on Ways and Means in the U.S. House of Representatives.

In 2002, the World Bank placed the cost of illegal logging at \$15 billion in lost royalties annually to governments -- a staggering sum -- and a figure that has surely grown during the past decade. As a major consumer of timber products, the United States has taken seriously its responsibility to reduce illegal logging around the world. In addition to domestic legislation, the U.S. government has worked to enact strong forest governance structures in Peru in order to protect the Amazonian rainforest and strengthen Peruvian forest practices, concluded memorandums of understanding with Indonesia and China to combat illegal logging, and, together with South Africa, launched the Congo Basin Forest Partnership to improve forest sustainability in the Congo basin. Today there are U.S. Forest Service personnel on the ground in countries around the world providing technical assistance and guidance to our partners on these efforts.

Importantly, both major political parties have supported this effort in the U.S., with President Bush launching the *Initiative Against Illegal Logging* in 2002. The governments of Australia and the U.S. have worked together in various multinational forums to combat this challenge. We hope to see these trends continue as the U.S. government, together with the government of Australia and the other Trans-Pacific Partnership participants, work to limit the movement of illegally harvested timber through aggressive enforcement tools and a shared willingness to confront this challenge.

Passage of legislation in Australia will send another important signal to global timber markets that consuming economies are committed to ending trade in illegally logged timber products. As we wrote two years ago in a letter to Prime Minister Rudd, "Only through the combined efforts of the world's major consumer nations will we triumph over this pervasive problem" In response, the Hon. Tony Burke, Minister for Agriculture, Fisheries, and Forestry, wrote that the "Australian Government is firmly committed to addressing illegal logging" and highlighted the impressive steps that Australia is undertaking to end illegal logging around the world. Be assured of our continued support for your efforts in this regard and it is our shared hope that our two governments can continue to lead the way on ending these devastating practices.

We strongly support action by the Australian Parliament against the illegal timber trade and hope that our countries can work together to lead the effort. In doing so, we will strengthen the hand of responsible businesses and will make a difference for the world's forests, climate, and natural resource dependent communities.

Signed and authorized by:

Earl Blumenauer
Member, U.S. House of Representatives

Jim McDermott Member, U.S. House of Representatives