



Timber legality laws and regulations in Asia-Pacific

Anna Tyler, International Policy
September 2017

Growing and Protecting New Zealand



Scale of illegal log trade

The Retail Value of Transnational Crime

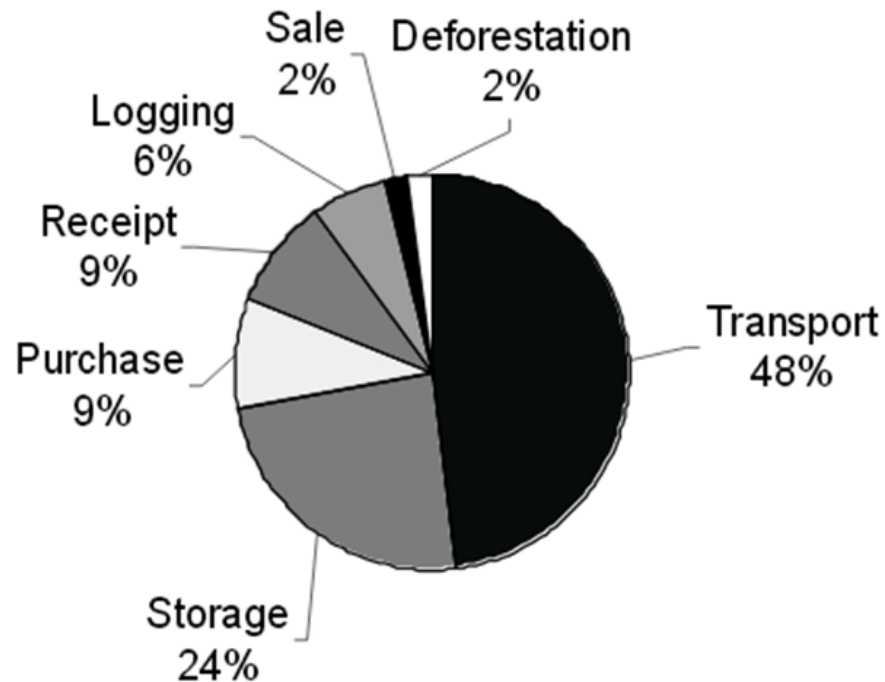


GLOBAL FINANCIAL INTEGRITY

Source: *Transnational Crime and the Developing World*

Prosecutions for forestry crime

- Despite awareness and efforts, progress is slow



Illegal logging definition

Illegal logging and related timber trade includes all practices related to the harvesting, processing and trading of timber inconsistent with national and sub-national laws.

(Hoare, 2015)

Countries with illegal logging import laws and regulations

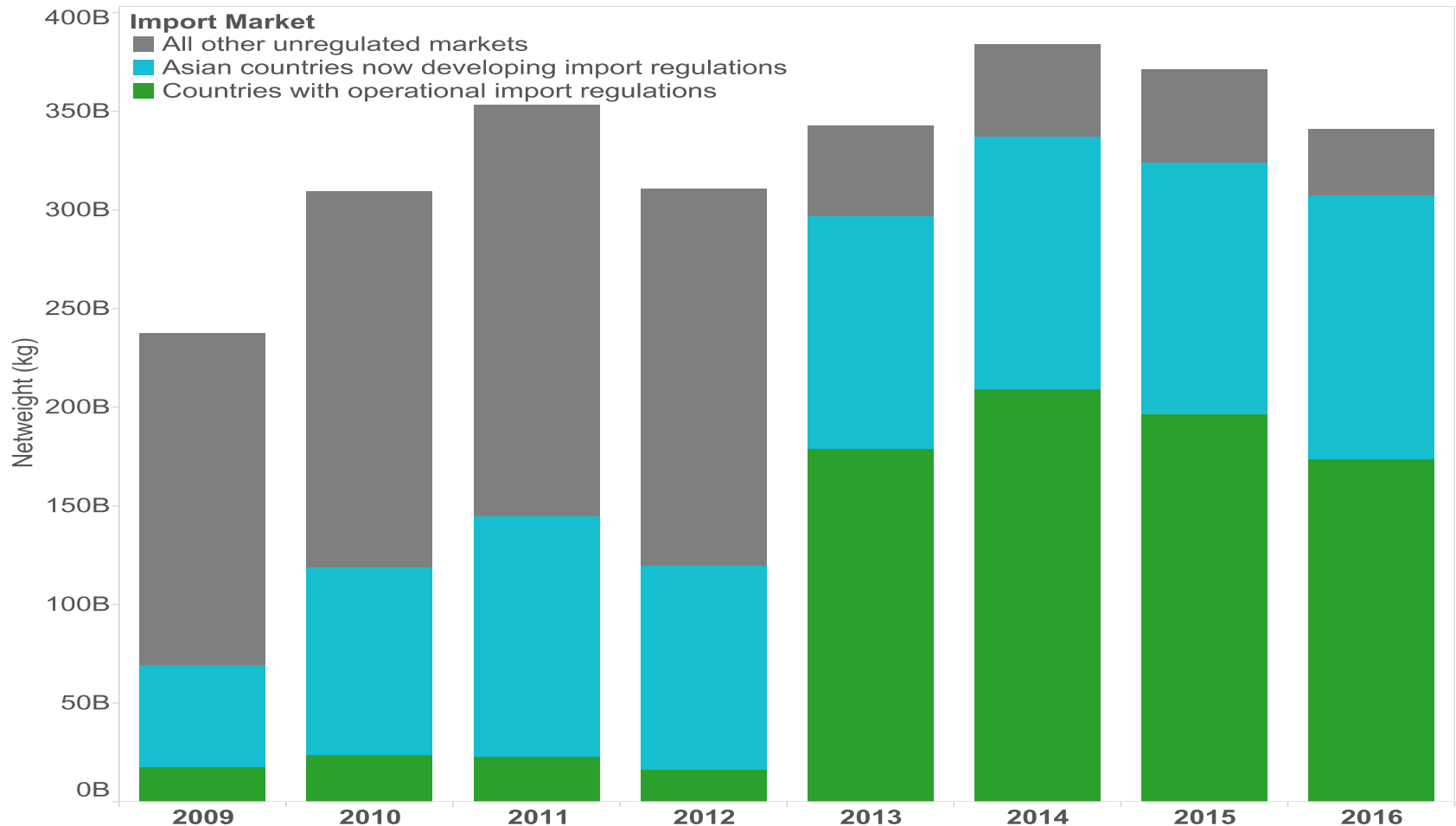
- In place:
EU, US, Australia, Canada, Japan, Malaysia (partial), Indonesia
- In development:
 - *Korea (2018), Viet Nam, China (piloting), Chinese Taipei, Thailand*

A rapidly changing landscape

- Published details of the legislative developments are sparse.
- Proposals have evolved quickly, often faster than they have been published or translated. (Forest Trends, 2017)

Country/Regulation	Year						Still to be decided	Unknown
	2008	2012	2013	2016	2017	2018		
US Lacey Act	X							
Australian ILPA		X						
EU Timber Regulation			X					
Indonesian import control system				X				
Japanese Import provisions under the Clean Wood Act					X			
Malaysia's Import Legality Regulation Under the Timber Legality Assurance System (TLAS) FLEGT-VPA					X			
Republic of Korea's Act on the Sustainable Use of Wood import provisions						X		
Vietnamese import control system							X	
Chinese import control system								X

Coverage of global imports by import legality regulations (timber, p/p, furniture)



Scope of products (full list, example AUS)

The scope of the Australian system is typical of the broader scope of timber legality assurance systems:

Chapter 44	Chapter 48
44.03 Wood in rough	48.01 Newsprint
44.07 Wood sawn or chipped lengthwise	48.02 Uncoated writing paper
44.08 Sheets of veneering	48.03 Toilet or facial tissue
44.09 Continuously shaped wood	48.04 Uncoated kraft paper and paperboard
44.10 Particleboard	48.05 Other uncoated paper and paperboard
44.11 Fibreboard of wood	48.06 Glazed/translucent papers
44.12 Plywood	48.07 Composite paper and paperboard
44.13 Densified wood	48.08 Corrugated paper and paperboard
44.14 Wooden frames	48.09 Carbon and self-copy paper
44.16 Casks, barrels	48.10 Coated paper and paperboard
44.18 Builders' joinery, doors	48.11 Paper products coated/surfaced
Chapter 47	48.13 Cigarette paper
47.01 Mechanical wood pulp	48.16 Carbon and self-copy paper (other than 48.09)
47.02 Chemical wood pulp, dissolving grades	48.17 Envelopes, letter cards
47.03 Chemical wood pulp, soda or sulphate	48.18 Toilet paper, tissues, serviettes
47.04 Chemical wood pulp, sulphite	48.19 Cartons, boxes made of paper
47.05 Mechanical or chemical wood pulp	48.20 Paper booklets
Chapter 94	48.21 Paper labels
94.01 Seats	
94.03 Other furniture	
94.06 Prefabricated buildings	

Scope of products in new laws

Japan	Republic of Korea	Malaysia	Indonesia	Viet Nam
Wood (excluding that which was collected or discarded after having been used once or without use as well as that which uses these as materials), furniture, paper and other processed products.	Raw timber, lumber, anti-decay wood, fire retardant treated wood, laminated wood, plywood (HS codes: 4403, 4407, 4408, 4409, 4412) Other products to be included in future (~2020)	The regulation applies to the import of logs, baulks and plywood (HS codes 4403 and 4412) only. Other products to be included in future All importers of other timber products have been advised to obtain legality evidence, particularly if to be re-exported to EU	The import regulation applies to a broad range of timber products (Annex 1 of the MOT import regulation NUMBER 97/M-DAG/PER/11/2015.)	The import regulation applies to all timber and rubber wood products entering Viet Nam.

Comparison of requirements

- Encourage regulated importers to put in place (due diligence) systems
- Requirements linked to import clearance (excl. AUS, EU, Japan)
- All seek to regulate the *process* by which importers seek to exclude illegal timber

Japan	All businesses to make efforts to use legal timber. Registered companies to carry out Due Diligence with an appropriate confirmation of legality.
Republic of Korea	Importers to document the legality of timber imports. The scope of the legality definition appears to include legal right to harvest and potentially the legal right to export.
China	Expected to require businesses to carry out Due Diligence to confirm legality of the timber.
Malaysia	Importers to document the legality of timber imports. “Legal” is not defined in the legislation but compliance options vary widely in scope as evidenced in the documents accepted as proof of legality.
Indonesia	Registered importers (traders and processing operators) to carry out Due Diligence and to document the legality of the timber imports. Due Diligence is required at the relationship level between the importer and the exporter.
Viet Nam	Importers to carry out Due Diligence and document the legality of the timber in accordance with the relevant legislation of the country of harvest.

Detailed presentations

- Australia: Review of their Illegal Logging Prohibition Act
- EU Timber Regulations and co-operation mechanism: influence in Asia-Pacific
- Indonesia: Timber Legality Assurance System
- Japan: “Clean Wood Act”
- Korea
- Malaysia
- Viet Nam

What you need to do

- Get your paper trail sorted
- Compile and have to hand your documents
- FSC and PEFC are recognised by all systems*
- Understand the pathway options for your markets
 - Voluntary legality certification is often an option
- Customs declarations
- CITES and FLEGT licences do not apply to NZ
- Other