

Forest Legality Week: US Approaches Stephanie Cappa, Director, Policy & Government Affairs, World Wildlife Fund

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Forests Are Indispensable

According to the latest IPCC report, we only have eight years left to keep 1.5°C within reach.

• There is no pathway to achieving that goal without halting deforestation.

In addition to forests' carbon sequestration and biodiversity benefits:

- Forests can reduce risks for some **noncommunicable diseases**, such as cardiovascular diseases, cancers, and mental health issues.
- Forests are our first line of defense against new infectious diseases and reduce the spread of zoonotic infectious diseases.
- Roughly **one-third of humanity** has a close dependence on forests and forest products.
- Forests are vital to the **US economy**.





The Way Forward

A comprehensive approach backed by programs, policies, funding, and engagement is needed now to:

- Protect and restore forests and other natural landscapes.
- Eliminate commodity-driven deforestation, forest degradation, and habitat conversion.
- Halt bad actors from illegally engaging in land conversion, timber extraction, and trade.
- Promote sustainable livelihoods and recognition of the rights of Indigenous peoples and local communities.



Halting the Illegal Timber Trade

- Illegal logging and associated trade has been ranked the **third-largest global transnational crime** after counterfeiting and drug trafficking, generating between US\$52–157 billion per year.
- Illegal logging threatens some of the world's most biologically diverse and vulnerable forests, contributes to climate change, harms Indigenous peoples and local communities, and undermines the legal forest products trade by significantly depressing world timber prices.



Lacey Act Amendments of 2008

- In 2008, the United States, the world's largest consumer of forest products, became the first country to ban trafficking of products containing illegally sourced wood.
- US leadership for supply chain **traceability**, **transparency**, **and accountability** for illegality
- A landmark case in 2015 resulted in the first U.S. felony conviction related to trade in illegal timber.
- Contributed to reduced imports of illegally sourced wood products by 32%-44% (2015)



Lacey Act Amendments of 2008

- <u>However</u>: A 2019 study by WWF, WRI, and the U.S. Forest Service used wood anatomy testing on 73 wood products purchased from U.S. retailers. **Testing revealed that 55% of the products had incorrect species claims**.
- The Lacey Act declaration requirement still only applies to approximately 42% of the value of wood products imported into the U.S.
- \$45 billion of imports subject to the prohibition in the Lacey Act remain, in practice, uncovered by the declaration requirement including furniture, pulp, and paper.

Recommendations to Halt the Illegal Timber Trade: Fully Utilize the Bipartisan Lacey Act Amendments of 2008

American Forest & Paper Association · American Forest Foundation · American Sustainable Business Network · Center for International Environmental Law · Ceres · Climate Advisers · Conservation International · Decorative Hardwood Association · Environmental Investigation Agency · Forest Stewardship Council US · Friends of the Earth US · Hardwood Federation · International Paper · League of Conservation Voters · National Alliance of Forest Owners · National Wildlife Federation · National Wood Flooring Association · Rainforest Action Network · Sierra Club · Sustainable Furnishings Council · Sylvamo · The Nature Conservancy · United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (USW) · Wildlife Conservation Society · World Wildlife Fund





Agenda for Action

- Administration announcement to halt illegal timber imports and prioritize implementation, compliance, and enforcement of the Lacey Act Amendments of 2008.
- USDA finalizes Lacey Act plant import declaration phase-in.
- Agencies & Congress prioritize Lacey Act Amendments funding, staffing, training, and technology.
- Administration redoubles engagement with producer countries and other markets.



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Deeper dive: Implementation

- Improve USG use of technology, such as real-time analysis of declarations and timber testing to validate declared species and origin;
- Improve coordination around collection and dissemination of critical data with key agencies, such as CBP;
- Assign enough **agents at ports** and the **compliance officers** necessary to perform additional data **analysis and outreach** for monitoring and enforcement purposes.
- Agencies should be routinely flagging suspect shipments for greater scrutiny, generating action leading to enforcement and improved due care practices.



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Lacey & US Leadership

- Glasgow Leaders Declaration & Climate and Forest Leaders Group
- President Biden's Plan for Global Forests
- \$9B Pledge for Forests & FY24 Budget Request
- President Biden's Earth Day Executive Order
- National Security & Anti-Corruption



Questions ?



Thank you

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FOREST Act

Purpose

To halt US imports of agricultural products linked to illegal deforestation and human rights abuses

Features

- Requires companies to know and show high-risk supply chains
- US assistance to coordinate solutions to illegal deforestation
- US purchasing preference for deforestation-free products

24 Deforestation Fronts

Over 43 million hectares lost 2004–2017

Forest area (2018)Deforestation front

LATIN AMERICA

- 1 Amazon Brazil
- **2** Amazon Colombia
- 3 Amazon Peru
- 4 Amazon Bolivia
- 5 Amazon Venezuela/Guyana
- 6 Gran Chaco Paraguay/Argentina
- 7 Cerrado Brazil
- 8 Chocó-Darién Colombia/Ecuador
- 9 Maya Forests Mexico/Guatemala

SUB-SAHARAN AFRICA

 West Africa – Liberia/Ivory Coast/Ghana
Central Africa – Cameroon
Central Africa – Gabon/Cameroon/ Republic of Congo
Central Africa – DRC/CAR
Central Africa – Angola
East Africa – Zambia
East Africa – Mozambique
East Africa – Madagascar

SOUTHEAST ASIA AND OCEANIA

Mekong – Cambodia
Mekong – Laos
Mekong – Myanmar
Sumatra – Indonesia
Borneo – Indonesia/Malaysia
New Guinea – Indonesia/PNG
Eastern Australia

