New Global Alliance Formed to Undercut Illegal Logging

WASHINGTON, DC, May 26, 2010 (ENS) - To reduce trade in illegally harvested wood, a global initiative was launched today in Washington that brings together conservation groups, government agencies, corporations and business associations with a stake in promoting legal forest product supply chains.

The Forest Legality Alliance aims to achieve better forest governance and biodiversity conservation by reducing demand for illegally harvested forest products and increasing the capacity of suppliers to deliver legal wood and paper.

“The Alliance seeks to build confidence that imported wood and paper products are legal. Done right, trade supports environmental protection and the Alliance recognizes the role trade plays in protecting our world's great forests,” said Craig Hanson of the World Resources Institute, one of the founding members of the Alliance.

“Some companies are not aware of the need to ask questions about the wood they are buying or the consequences of letting illegal wood enter their supply chains,” said Hanson, who directs WRI’s People and Ecosystems Program.

The Alliance will focus on the capacity for legal trade in the sector as a whole, rather than the performance of individual companies, and will complement existing initiatives that certify legality and sustainability.

Joining the World Resources Institute, the Environmental Investigation Agency, and the U.S. Agency for International Development in the Alliance are the American Forest & Paper Association, the Hardwood Federation, IKEA, the International Wood Products Association, NewPage Corporation, the Retail Industry Leaders’ Association, Staples Inc., and the World Business Council for Sustainable Development, WBCSD.

The Alliance will work to ensure that importers and supply chains know and understand emerging new trade policies that
target illegally harvested wood.

For instance, in 2008, the U.S. government amended the Lacey Act to prohibit trade within the United States of products made from wood harvested in violation of the laws of a foreign country. With this amendment, the United States became the first country in the world to ban imports of illegal wood and related products.

The European Union is in the final stages of approving a "due diligence" regulation to curb illegal timber entering the European market, and Australia is also considering legislation to prohibit in illegal wood.

"From musical instruments to textbooks, legislation in the United States and abroad is fundamentally changing how wood and everything that is made from wood is traded and produced," Sascha von Bismarck, executive director of the Environmental Investigation Agency in Washington, DC, said. "Suppliers unaware of these emerging policies could face financial repercussions in addition to reputational risk."

"The Alliance will work to provide businesses and civil society groups the information they need to avoid risks and create change in the world's forests," she said.

Forests currently cover 30 percent of the world's land area but only 10 percent of production forests is independently certified for sustainability, said WBCSD president Bjorn Stigson at the annual PricewaterhouseCoopers Global Forest and Paper Industry Conference in Vancouver earlier this month.

"Forest degradation is one of the most pressing environmental issues, impacting the planet's climate, biodiversity and water resources," Sigson said. "Getting the balance right between economic development and the sustainable management of forests is therefore key for sustainability."

Much of the illegal logging taking place is directly connected to land conversion such as forest clearance for agriculture and ranching.

Illegal logging contributes to deforestation, biodiversity loss and greenhouse gas emissions, deprives nations of public revenue, and can lead to social conflict and human rights violations, the new Alliance said in a statement today.

"Any illegal wood from these activities that makes its way into international trade creates an unlevel playing field for the private sector, allowing a few bad actors to put companies with legal operations at an unfair disadvantage. It also affects poor, rural residents in developing countries who rely on forests for food, fuel, and other benefits," the Alliance said.

The American Forest & Paper Association supported the Lacey Act.
amendment and is a founding member of the Alliance as part of its Indistrial Advisory Group.

“We are proud to be a part of a global initiative that will aid in the efforts to combat illegal logging,” said AF&PA President and CEO Donna Harman. “Everyone involved in the international forest products supply chain needs to recognize the importance of sustainable forest management both domestically and in developing countries. We all have a responsibility to protect this way of life for future generations.”

As part of the services it provides, the Alliance will develop new online resources that help companies assess the risk of encountering illegal wood, conduct due care, and complete import declarations.

The federal government agency USAID helped in the formation of this new partnership.

“USAID is pleased to be a central partner in the Forest Legality Alliance,” said James Hester, director of the USAID's Office of Natural Resources Management. “Eliminating illegal wood from supply chains will help developing country producers compete in developed country markets while maintaining biodiversity in their forests and strengthening forest governance.”

The Alliance intends to demonstrate through a series of pilot tests with volunteer Alliance members that compliance with new demand-side requirements can be feasible and cost-effective, and identify practical ways to reduce and mitigate unintended burdens on importers and producers.

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