



Australian Government  
Department of Agriculture,  
Fisheries and Forestry

# Australian Government: illegal logging laws

*Due diligence, the Illegal  
Logging Community Protection  
Question (CPQ) and compliance*

FTA 2024 CPD Forums

Illegal Logging Compliance – Audit and Assurance Branch

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# Existing laws

- 2012 laws (Act and Regulation) among world's first
- Restrict illegally logged timber on Australian market & promote legal timber trade
- Apply to imported timber & Australian grown raw logs
  - Importers of regulated timber products & processors of Australian Grown logs

## ***Illegal Logging Prohibition Act 2012***

Prohibits importing or processing products made from illegally logged timber  
Penalties of up to 5 years imprisonment or AU\$105,000 fine

## ***Illegal Logging Prohibition Regulation 2012***

Sets due diligence requirements for a defined list of regulated timber products



# Due diligence requirements

- Supply chain risk assessment required for imports of 'regulated timber products' defined by HS code (wood, pulp, paper, furniture)
- Exemptions = products with no wood content; total consignment value less than AU\$1000; made from recycled materials
- 5 steps involved; written system must be in place before importing / processing



# Compliance approach & guidance

- Increased compliance efforts resulting in more audits & infringement notices
- We take a proportionate response to non-compliance
  - Compliance officers invest time during audit process to help address non-compliance issues before taking regulatory action
- Updated guidance material & tools available online to help meet due diligence requirements:

[agriculture.gov.au/agriculture-land/forestry/policies/illegal-logging](https://agriculture.gov.au/agriculture-land/forestry/policies/illegal-logging)





# Legal Requirements

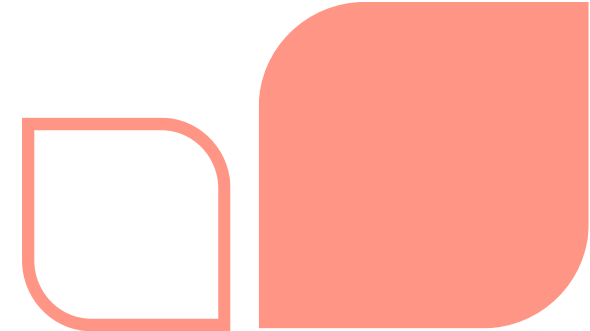
## Customs brokers:

- Are **not directly regulated** under Australia's illegal logging laws
- Do answer the CPQ on behalf of your importer clients
- The level of assurance you need from your clients to answer the CPQ is up to you
- Provide an answer to the CPQ that is not false or misleading
- Provide help to your clients to understand their responsibilities
  - Refer your clients to our website to learn what they need to do
  - Utilise guidance information on our website
- Do not need to check timber legality certification claims, e.g. FSC or PEFC
- Do not need to obtain due diligence records from an importer
- Contact the department for assistance



# Sunseting Review

- Regulations ‘sunset’ after 10 years – was due in 2023; now 1 April 2025
- Sunseting review determined reforms needed to mitigate future risk & reflect best practice
- Broad stakeholder support received for key reforms – use of timber testing & streamlined due diligence



## Who participated:



## You gave feedback through:



## You had your say on multiple key potential reforms. This included:



# Proposed changes

- Provision of key due diligence information upfront via new notification requirement (timber species & country of harvest)
- Powers to hold, sample & test timber products to verify claims of species & origin
- Powers to publish anonymous timber testing results & details of instances of non-compliance
- Address non-compliance via additional avenues, including more flexible fines, injunctions & enforceable undertakings
- Streamlined due diligence requirements



# Progress & next steps

- Draft Amendment Bill introduced on 27 March 2024 – awaiting scrutiny & debate
- Text and Explanatory Memorandum on Parliament House website ([www.aph.gov.au](http://www.aph.gov.au)) – search *Illegal logging Prohibition Amendment Bill 2024*
- Drafting of rules underway now – will replace existing Regulations & focus on streamlining due diligence
- Updates via our illegal logging newsletter:

<https://www.agriculture.gov.au/agriculture-land/forestry/policies/illegal-logging/get-updates>





# Guiding implementation

- Activities running in parallel with reforms to guide effective implementation of new laws
- AU Govt investment of \$4.4 million over 2 years (2022-24)
  - Exploring options for new IT system for due diligence notifications / e-declarations
  - World Forest ID grant
  - **Timber testing pilot**



# Timber testing pilot

- Investigating suitability of different technologies for use under new laws – not for compliance purposes
- Sampling products on Australian market & providing to labs for testing
- Large testing trial in terms of product scope:
  - 176 regulated timber products collected
  - 149 sampled (39 distinct taxa) & distributed to labs
- DNA, isotope, trace element, fibre analysis & wood anatomy





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# Thank you

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