



WORLD  
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# OVERVIEW OF THE LACEY ACT AND LEGALITY POLICY DEVELOPMENT IN EAST ASIA

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# OUTLINE

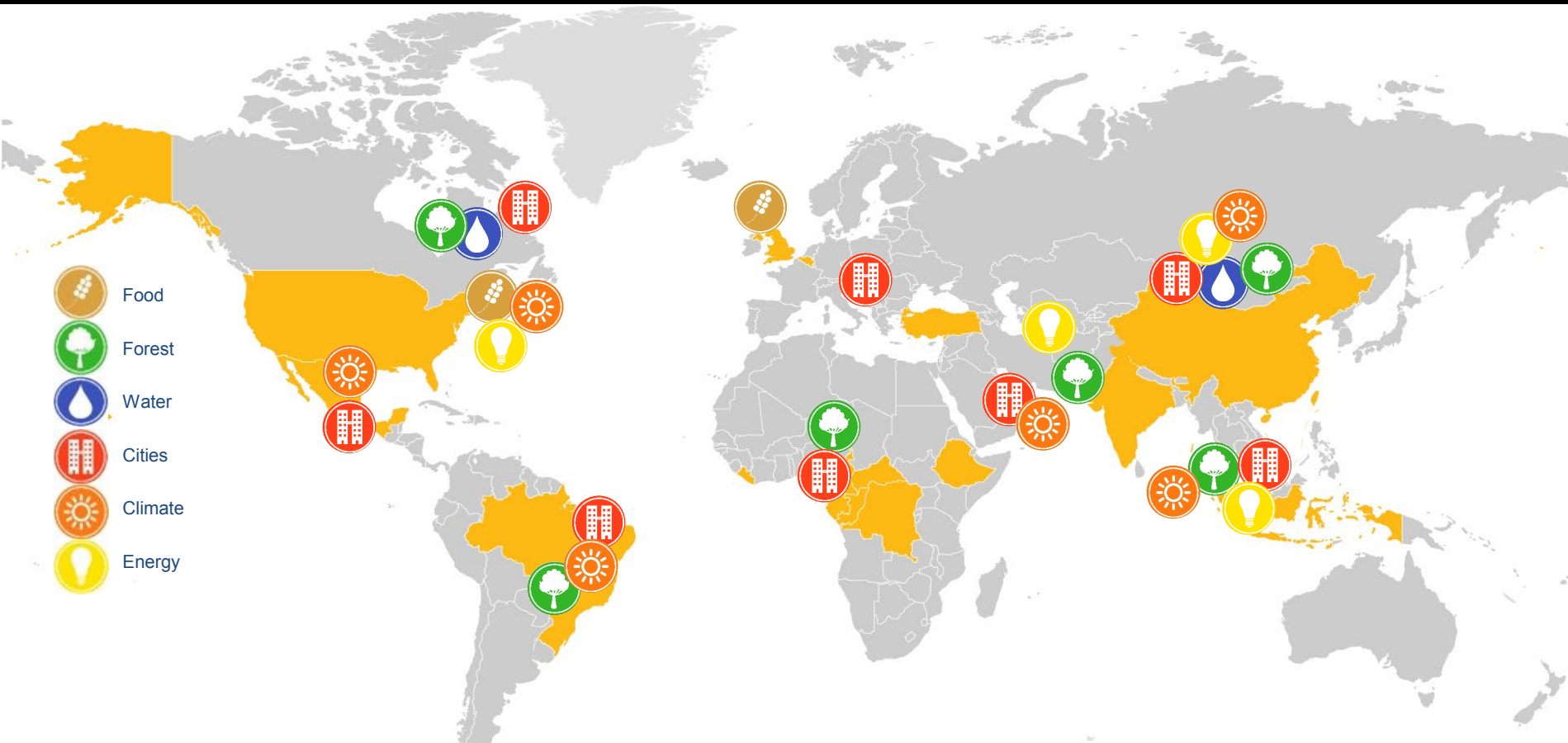
- World Resources Institute (WRI)
- U.S. Lacey Act
- Legality Policy Development in East Asia
- Conclusions

# ABOUT WRI

**WRI** is a global research organization that turns big ideas into action at the nexus of environment, economic opportunity and human well-being.

WRI has more than 700 experts and staff working at the nexus of **environment, economic opportunity and human well-being.**

# OUR PROGRAM LOCATIONS



# FOREST LEGALITY INITIATIVE

## Government    Private Sector    Civil Society

Leveraging government policies to raise awareness and build private sector capacity

X

X

Developing tools to support decision making

X

X

X

Advancing technologies for screening and supply chain management

X

X

X

# WHY FOCUS ON ILLEGAL LOGGING

Unit: Billion USD



United Nations Environment Programme, INTERPOL 2016 , Organisation for Economic Cooperation and Development.

# IMPACTS OF ILLEGAL LOGGING

- Deforestation and forest degradation
- Greenhouse gas emissions
- Government tax revenue
- Legal businesses' competitiveness
- Livelihoods of local communities

# TIMBER LEGALITY REGULATIONS IN THE US, EU, AND AUSTRALIA

## U.S. Lacey Act Amendment (2008)

- Prohibition
- Declaration

## EU Timber Regulation (2013)

- Prohibition
- Due Diligence

## Australian Illegal Logging Prohibition Act (2012)

- Prohibition
- Due Diligence



# U.S. LACEY ACT

- Definition of Legality
  - Country of harvest
- Regulated Parties
  - All entities in the supply chain

# U.S. LACEY ACT

- Penalties
  - Both civil and criminal penalties possible
  - Forfeiture of goods
  - Depending on the level of due care exercised
- Fact-based, not process- or document-based

# MISUNDERSTANDINGS



# LEGALITY LEGISLATIONS IN EAST ASIA



Clean Wood Act (2017)



Revised Act on the Sustainable Use of Timbers (2018)



Administration Measures on Strengthening the Legality of Imported Timber (?)

# LEGALITY LEGISLATION IN EAST ASIA

- Japan – Clean Wood Act (2017)
  - Voluntary registration system
  - Due diligence required for all registered entities
  - Definition: country of harvest
  - Implementation: Registering organizations
  - Penalties: Revocation of registration and fines

# LEGALITY LEGISLATION IN EAST ASIA

- South Korea - Revised Act on the Sustainable Use of Timbers (2018)
  - Mandatory legislation
  - Prohibition without due diligence obligations
  - Import declaration
  - Verification by the Korea Forestry Promotion Institute
  - Penalties: Revocation of registration, fines, and imprisonment

# COMPARISONS

	Japan	South Korea
<b>Definition</b>	Country of Harvest	Country of Harvest
<b>Participation</b>	Voluntary	Mandatory
<b>Key Requirements</b>	Due Diligence	Prohibition + Import Declaration
<b>Implementation</b>	Registering Organizations	Korea Forestry Promotion Institute
<b>Penalties</b>	Revocation of registration and fines	Revocation of registration, fines, and imprisonment

# CONCLUSIONS

- Broader policy initiatives
  - CITES
  - Free Trade Agreements: US-Peru FTA
  - Domestic policies: public procurement
- Policy implementation: when, who, and how
- Dialogues between the policy and scientific communities



# REFERENCES

- Forest Trends. Regulating the Trade in Illegal Timber: Republic of Korea Update. 2019.
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# THANK YOU!

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