



## Curbing climate change by protecting forests – Reforms to the Illegal Logging Law and Regulation

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*According to the new ecological way of reading the same creation narratives in the Bible, the human being is the last being God creates and, therefore, the most dependent of all God's creations. For their life on Earth, human beings are dependent on the existence of animals and plants, air and water, light, daytime and night-time, sun, moon, and stars, and without these things, we cannot live. Human beings exist only because all these other creatures exist. The other creatures can all exist without the human being, but human beings cannot exist without them. So it is impossible to conceive of the human being as a divine potentate, or as a solitary gardener, over against nature. Theologian Jürgen Moltmann, from "The Spirit of Hope. Theology for a World in Peril".*

Illegal timber logging and trafficking facilitates organised crime, perpetuates corruption, and leaves behind violence and destruction in forest countries and communities. Those who try to stop it often risk paying with their lives. A report by Global Witness documented 227 deadly attacks on land defenders worldwide during 2020 alone. The report names logging as the sector linked to the most murders.

Illegal logging is the world's most profitable natural resource crime and one of the most lucrative transnational crimes behind counterfeiting and drug trafficking. It generates between \$72 and \$218 billion annually for the criminal businesses involved.

Stopping illegal logging is essential to act on climate change, halt unsustainable forest destruction, ensure local communities are more likely to benefit from their forest resources, and to protect the lives of those who protest or call out illegal behaviour. It is important in our region, as South-East Asian forests provide habitat to many species found nowhere else on Earth.

The Commonwealth Government is currently reviewing the *Illegal Logging Prohibition Regulation* that implement the *Illegal Logging Prohibition Act*. The Act and Regulation have demonstrated an impact on getting importers of timber and wood products to change their buying practices to reduce their risks of importing illegally logged timber. The compliance of importers of timber and wood products with their obligation to check the legality of the product they were importing increased from around 10% in 2017 to 75% in 2019–20. Of concern, however, is that DNA testing of imported timber by the Commonwealth Government in December 2020 found that 40% of species labels on imported timber sold at retail outlets were inaccurate. Inaccurate labelling of species is a risk indicator of timber and wood products having been illegally sourced. We have an opportunity now to seek improvement to the Act and Regulation to make them more effective.

The Commonwealth Government has acknowledged the importance of preserving rainforests to address climate change. A Government media release on 11 November 2014 stated, "Rainforests are critical for managing the Earth's climate as they capture and store millions of tonnes of carbon. With Asia-Pacific home to around 6.2 per cent of the world's forests, reducing forest loss can make a practical difference in reducing global carbon emissions."

Under the Australian *Illegal Logging Prohibition Act*, timber and wood products are only defined as illegal if the timber has been sourced in violation of harvest-related laws. However, that means where there has been bribery, tax evasion or fraud not directly tied to harvest, it is not defined as being illegal under Australian law. Laws in the US and Europe already include these crimes in their definition of what constitutes illegality in importing timber and wood products.

There is a strong link between corruption and illegal logging. INTERPOL reported that between 2009 and 2014, a 13-country survey identified an average of 250 cases of corruption related to the forestry sector per year per country. INTERPOL also found that corruption occurred 50% of the time at the point of harvest, 23% of the time related to road transport and 27% of the time in timber processing.



Corruption in forestry operations is common in our region. For example, the UN Office on Drugs and Crime reported in 2019 that "corrupted licences given to plantation firms in Indonesia are among the main underlying causes of Indonesia's deforestation." They indicated that "examples of common corruption schemes included the falsified origin of logs being cut in protected forests, invalid Environmental Impact Assessments, or falsified numbers of logs or size of the area authorised for plantations."

Between 2004 and 2019, 88 public officials in Indonesia were convicted for corruption at the provincial level, including 52 regents and vice-regents, 23 mayors and vice-mayors, and 13 governors. Most of the cases involved bribes concerning licensing approval and procurement. However, the companies that benefited from the corrupt arrangements were not fined and never lost their illegally obtained logging licences.

Analysis by the U4 Anti-Corruption Resource Centre of an illegal logging network in Indonesia in which serious corruption was involved found that a sense of impunity helped to feed the corruption activities carried out by the network. Requiring timber and wood product importers to look for signs of possible corruption in their supply chains would help erode the sense of impunity that some perpetrators may feel.

### What you can do

Write polite and respectful letters to:

#### **Senator The Hon Murray Watt**

Minister for Agriculture, Fisheries and Forestry  
PO Box 6100  
Senate  
Parliament House  
Canberra ACT 2600

#### **The Hon Chris Bowen**

Minister for Climate Change and Energy  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra, ACT, 2600

Salutation: Dear Minister

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Points to make in your letters:

- Express deep concern about the impact illegal logging has on climate change and on the well-being of communities around the world where the logs are stolen from, especially First Nations people.
- Note that illegal logging thrives on bribery and tax evasion and contributes to loss of habitat, loss of species, climate change, increased poverty amongst First Nations peoples, flooding and soil erosion.
- Note that the *Illegal Logging Prohibition Act 2012* and the Regulation that implements the Act help to ensure that importers trying to do the right thing are not undercut by any importers who recklessly trade in illegally sourced products.
- Ask that the Act be amended, so that timber or wood products are defined as illegal if they have been produced with the involvement of corruption, such as bribery, fraud or tax evasion.
- Ask that the Australian law also respect the laws of other governments, where they have banned the export of logs from their country to stem illegal logging.
- Express disappointment that the Australian Government currently facilitates the smuggling of logs from countries with an export ban by allowing Australian importers to bring such logs into Australia and sell them.
- Ask that the Regulation be amended to:
  - Allow for timber and wood products to be tested for legality at the border and be seized if they are found to be illegally sourced; and
  - Require importers of timber and wood products to have to declare the timber species of a product, where the timber was harvested, and the risk of illegal harvest before it arrives in Australia rather than allowing illegally sourced product to arrive in Australia.