

# Chicago Tribune

## Illinois, U.S. push ban on illegal timber

State proposal would hold retailers liable

**By Evan Osnos**

Tribune foreign correspondent

*Published April 15, 2007*

BEIJING -- U.S. and Illinois lawmakers are weighing landmark legislation against the trade of illegal timber, a vast global pipeline that touches everything from hardwood floors to children's toys.

The measures reflect mounting evidence that Americans unwittingly consume a steady supply of goods made from wood that is illegally harvested around the world, undermining U.S. companies and fueling the destruction of prized forests.

A bipartisan proposal in the U.S. House to ban the import and sale of such products would give America one of the world's toughest laws aimed at curbing illegal logging.

"This trade is as insidious in its own way as illegal drug trafficking," said Rep. Earl Blumenauer (D-Ore.), who co-sponsored the bill. "It undermines ecosystems and indigenous people while it hurts legitimate businesses here."

A similar measure in the Illinois General Assembly, in response to a Tribune report about illegal timber used in products that Americans buy from China, would make the state the first in the nation to ban the sale of illegal timber and hold retailers accountable.

The World Bank estimates that illegal logging costs governments and legitimate businesses \$15 billion a year in lost taxes and royalties, while exacting a steep toll on some of the planet's most valuable storehouses of biodiversity.

Illegal logging around the world robs U.S. companies of \$460 million a year in lost sales, according to a study by the American Forest & Paper Association, a trade group that represents the wood products industry.

Timber is considered illegal if it was harvested or smuggled against local or international laws. Most originates in Southeast Asia, the Amazon River basin, Russia's Far East and Africa. From there, it is shipped to manufacturing hubs like China, which imports more wood than any country in history, before it arrives on U.S. store shelves.

Most consumers have no reason to know where their furniture or flooring comes from. But as U.S. retailers import a growing share of products from abroad, customers face a greater likelihood of buying wood from unlawful sources. Retailers such as Home Depot and Lowe's make environmental pledges, but multiple layers of middlemen and manufacturers abroad can obscure the wood's exact origins.

Under the proposed laws, however, importers and retailers would have to take greater pains to monitor that supply chain. There are already voluntary programs, such as the Forest Stewardship Council, which tracks wood from the forest to the factory to the shelf. Under new laws, that kind of monitoring would be mandatory, with the aim that foreign suppliers would find a sudden reason to use only legal wood.

If approved, the new measures would mark a sea change in U.S. policy on illegal timber. The Bush administration has avoided remedies that would impose standards on U.S. importers, saying the problem is best-handled by foreign governments locally.

But new studies detail how the U.S. plays a crucial role in the illegal wood market. In a typical day, for instance, U.S. ports receive more than two shipments of illegal wood from Indonesia, according to a new analysis of customs records.

At least 786 shipments declared as Indonesian sawn timber and logs entered the U.S. last year, even though Indonesia bans the export of those products, according to a study by two non-profit groups, the Environmental Investigation Agency and Telapak.

"It's not only [demand] from the U.S. We also have a big problem from China, Japan and Europe," said Yayat Afianto, a forest campaigner for Telapak, which is based in Bogor, Indonesia. "There is no legislation in the U.S. or Europe that makes it against the law to receive any illegal sources of timber."

That demand from abroad helps maintain a market for illegal wood from Indonesia, despite a crackdown in 2005, and even though the United Nations Environment Program calculates that 98 percent of that nation's forests will be cut down within 15 years.

Supporters of the proposed laws say they would drain the demand for such wood.

"For the first time, it would empower the American consumer to not be a leading cause of illegal logging," said Alexander von Bismarck, campaigns director of the Environmental Investigation Agency.

The House bill, introduced in Congress March 13 and co-sponsored by Jerry Weller (R-Ill.) and Robert Wexler (D-Fla.), would expand the Lacey Act, which bans the sale of illegally taken fish and wildlife. The measure would give the Justice Department the power to sue those who bring illegal timber into the country or across state lines.

Wood industry groups are cautiously welcoming the move. They urge lawmakers to be sure that a final bill does not saddle companies with costly new requirements to show they are using legal material.

"We have been encouraged by the open dialogue among environmental groups, industry and government," said Betsy Ward, executive director of the Hardwood Federation, the largest U.S. wood products group.

The bipartisan Illinois bill would impose a fine of \$1,000 a day on anyone who knowingly sells illegal wood.

State Rep. Susana Mendoza (D-Chicago) said she first saw the effects of deforestation during U.S. State Department trips to Peru and the Dominican Republic. She decided to propose legislation in response to a Tribune report Dec. 18 that detailed how U.S. consumers buy goods made in China that originate in countries such as Papua New Guinea, where the World Bank estimates that 70 percent of all logging is illegal.

"I thought we should do something here in Illinois," said Mendoza, who introduced the Illegally Logged Wood Act on Feb. 22.

Backers of the state and federal proposals say they are not designed to go after mom-and-pop stores selling plywood but, rather, to compel the largest importers and retailers to improve their practices and force foreign suppliers to meet the legal standards.

"What we want to do is get it on the books," Mendoza said, "and then look at the enforcement component down the line."