

2 Apr 2008 : Column 784

### **Illegally Logged Timber (Prohibition of Sale and Distribution)**

1.19 pm

**Barry Gardiner (Brent, North) (Lab):** I beg to move,

That leave be given to bring in a Bill to make it an offence for any importer or distributor to sell or distribute in the United Kingdom any wood harvested, manufactured or otherwise dealt with illegally in the country from which the wood originated or through which it passed or was transhipped; and for connected purposes.

In this House, we are charged with the responsibility of making law. Our constituents, who bestow that privilege upon MPs, expect us to use it wisely—that is, to solve genuine problems without imposing yet greater ones upon them. Good law should carry the consent of the public who are governed by it. To do so, it must be possible to explain clearly the need that the legislation seeks to address and how it meets that need efficiently and simply, with the minimum of bureaucracy. The Bill that I bring before the House meets those tests. I believe that the significant cross-party support and the public backing of more than 30 non-governmental organisations and industry bodies as diverse as the Environmental Investigation Agency, James Latham Ltd, the Royal Society for the Protection of Birds, Global Witness and the Born Free Foundation demonstrate that this legislation is urgently needed and widely welcomed.

Last year, the Stern report commissioned by my right hon. Friend the Prime Minister pointed out that between 18 and 24 per cent. of all the greenhouse gas emissions that are contributing to climate change come from deforestation. If we put all the power stations in the world together—coal-fired, nuclear and all the other technologies for producing electricity—only then would we have a sector that contributed more to global warming than the loss of trees.

Last December, in Bali, the United Nations forum on combating climate change led to an historic agreement among the nations of our world that deforestation was a major problem and that the means for avoiding it must form part of the post-Kyoto settlement. To do so requires that we create ways of rewarding sustainable forest management by the time of the Copenhagen conference of the parties in 2009.

On the issue of forests, the world has declared that it shall run before it has even begun to walk. We cannot jump to sustainable forestry until we have established legal forestry. The World Bank estimates that trade in illegal timber amounts to US\$15 billion every year. The UK is the fourth largest consumer market of imported tropical timber, yet only a fraction of it can be said with any degree of certainty to have been legally sourced and harvested in its country of origin. Illegal logging is a criminal activity. It corrupts and undermines governance in many countries across the globe. In doing so, it not only destroys forest ecosystems and contributes to carbon emissions

but directly harms some of the poorest people on our planet—the indigenous forest-dwelling communities whose very livelihoods depend upon the forest. The \$15 billion of this illegal trade is \$15 billion that should be going into health care and education for them and their children.

## **2 Apr 2008 : Column 785**

We declare our support for the millennium development goals, yet it is not an offence in the UK to trade for commercial gain timber that we know to have been harvested illegally in its country of origin. If we were dealing with private property such as stolen antiques or works of art, there would be no question but that those importing or selling those artefacts were regarded as criminals and dealt with according to the full force of the law. Yet in the UK, companies habitually trading in stolen timber have committed no crime and broken no law. My Bill would change that. Any distributor or importer who sold any wood that had been harvested, sold, taken or possessed illegally in the country from which the wood was originally harvested would be subject to various penalties, ranging from five years' imprisonment and a £100,000 fine down to a simple £5,000 fine, depending upon the degree of knowledge and degree of recklessness or good faith involved.

I am grateful to the timber industry for its constructive engagement with my Bill, particularly given the severity of some of the penalties that it would impose. While recognising the pioneering work of companies such as Timbmet and others, I also want to acknowledge the help of the Timber Trade Federation, which has ensured that the Bill is much improved from its original draft. It now reflects the need to distinguish between three different cases: those who know full well that they are trading in illegal timber; those who should know but turn a blind eye and do not ask too many questions of their supplier if the price is right; and those who have acted at all times in good faith but are caught out by an honest mistake. Equally important, the best companies, which have diligently borne the expense of getting things right and have gone down the route of certification to ensure that they supply only legal and sustainable timber, would no longer see their products undercut by less scrupulous competitors.

My Bill would achieve that not by imposing a ban on illegal timber at the border—that would demand an army of Customs agents well versed in the changing legislation of each producer country and able to check the various certificates and licences that might be deemed proof of legality—but by shifting the balance of risk by providing a clear incentive for companies to drive the burden of due diligence back down their own supply chain. Seals and ribbons that are the trappings of legality can be bought for \$5 in the ports of far too many producer countries around the globe. Far better, then, that importers and distributors are put on notice that at any point they can be opened up to challenge and if found guilty will face substantial penalties. Not only Government agencies but NGOs and even the industry itself could bring forward evidence on which a prosecution could be based. The elegance of the Bill is that it does not seek to make a virtue out of catching those who do wrong but to alter the wrongdoers' behaviour by shifting the balance of risk against them. Ultimately, it is a Bill about protecting the environment, not catching thieves. To that end, it would apply Occam's razor by simplifying and cutting bureaucracy.

## **2 Apr 2008 : Column 786**

The Bill should be seen in an international context—not solely as it relates to trade between countries but in the context of other legislative measures. I particularly wish to recognise the international negotiations between the European Union and countries such as Ghana, Malaysia and Indonesia in negotiating forest law enforcement, governance and trade voluntary partnership agreements—FLEGT VPAs. That would introduce a voluntary licensing scheme that would allow only legal timber from VPA countries to enter European markets. My Bill would complement FLEGT by catching unlicensed timber from VPA countries that was laundered through third-party countries. It is no accident that the European Commission is considering measures similar to my Bill under the additional options paper. However, they would not be passed by the European Parliament until 2010, and we should not wait that long.

I must also point to the leadership given in the United States by Congressman Earl Blumenauer and Senator Ron Wyden, who have introduced similar legislation to that which I propose as an amendment to the Lacey Act. Their initiatives and foresight have inspired the content of my Bill. I acknowledge with gratitude the helpful discussions that I have had with them and their officials. If there is a race between us as to who can get such measures on to the statute book first, it is the only race I know where each runner is urging his competitor to go even faster than he himself is able. The signal that would be given to world markets by both our countries enacting such legislation is incalculable.

Perhaps the single most important legislative initiative in relation to illegal logging is that of Japan. This year, Japan hosts the G8 summit as its president. For the past three years, Japan has developed various initiatives against illegal timber, including its highly regarded Gojo wood policy. I have been privileged to chair, with my good friend Mr. Yoshino, the illegal logging dialogue. The purpose of that dialogue has been to make recommendations to the G8 summit in Hokkaido that will combat illegal logging. My Bill would be one that the legislators in the United States already—

**Mr. Deputy Speaker (Sir Alan Haselhurst):** Order. I fear that the rest will have to be taken as read.

*Question put and agreed to.*

Bill ordered to be brought in by Barry Gardiner, Margaret Beckett, Mr. Elliot Morley, Eric Joyce, Mr. Andrew Dismore, Chris Huhne, Alun Michael, Joan Walley, Mr. Graham Stuart, Mr. James Paice, Mr. Ian Cawsey and John Mann.

### **Illegally Logged Timber (Prohibition of Sale and Distribution)**

Barry Gardiner accordingly presented a Bill to make it an offence for any importer or distributor to sell or distribute in the United Kingdom any wood harvested, manufactured or otherwise dealt with illegally in the country from which the wood originated or through which it passed or was transhipped; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 17 October, and to be printed [Bill 94].