



Laws to combat illegal logging – Information for processors

FACTSHEET 1.2



Australia has laws in place to combat illegally logged timber and support the purchase and sale of legally harvested timber.

The trade in illegal timber disadvantages legitimate businesses, has negative social and environmental consequences, undercuts market prices and threatens local investment, profitability and jobs.

How will the laws affect me?

Australia's illegal logging laws prohibit you from processing domestically grown raw logs that have been illegally logged, as well as prohibiting the importation of illegally logged timber and timber products.

From 30 November 2014, you will be required to undertake due diligence before processing domestically grown raw logs.

Put simply, due diligence requires you to gather information, assess the risk that the raw log you are processing has been illegally logged and, if the risk is not low, undertake reasonable steps to mitigate this risk.

Due diligence will help guide your purchasing decisions. The requirements have been designed to be as flexible as possible and not too onerous. You may be able to use existing commercial practices to meet your responsibilities. This could include looking at the information you obtain through invoices or purchasing contracts to assess if a product is likely to be a risk.

If you are making purchasing decisions now about raw logs that will be processed after 30 November 2014, you should be considering and managing the risk of those raw logs being illegally logged.

State specific guidelines are being prepared with each Australian state government to help you understand the legal framework for harvesting timber in that state. The guidelines can assist you in undertaking due diligence.

The Department of Agriculture is providing a range of guidance materials to help you to comply with the due diligence requirements in a simple and cost effective manner.

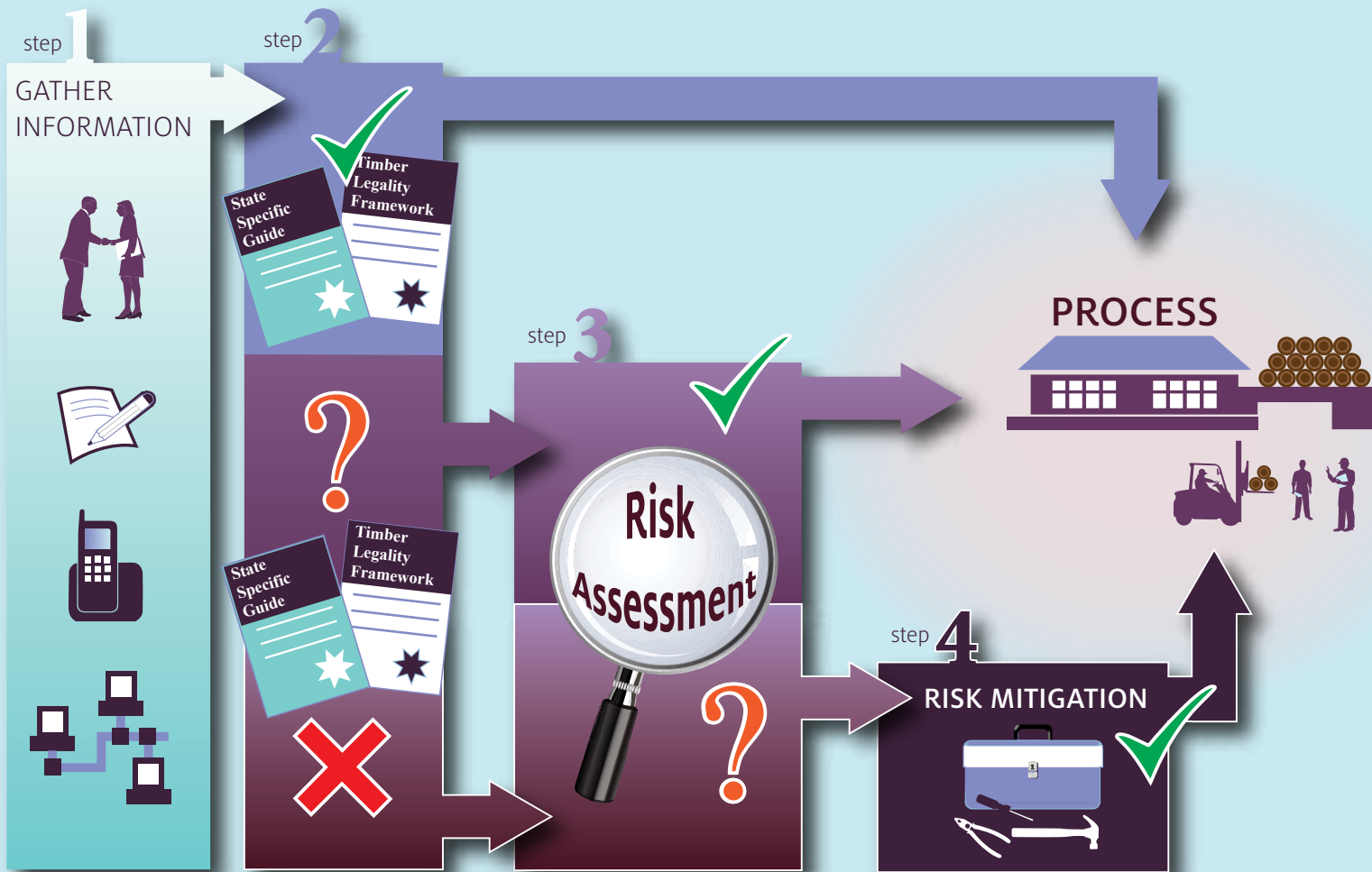
Which processors will be affected by the new laws?

- Processors that convert domestically grown raw logs into another form will be required to undertake due diligence.
- Processors of imported raw logs are exempt from the new laws. The responsibility to undertake due diligence instead sits with the importer.
- For more information see *Factsheet 3.4 – Who is considered a processor?*

Where do I go for more information?

- The department's illegal logging website is a source of up-to-date information and guidance materials, including answers to frequently asked questions.
- Please visit daff.gov.au/illegallogging
- To receive regular updates on this issue, please join our subscription list using the "Subscribe" link on the website.
- You can also email: illegallogging@agriculture.gov.au, or call 1800 657 313.

THE DUE DILIGENCE PROCESS



Keep a written record of your due diligence process

What is due diligence?

Before processing an Australian grown raw log (into another form), a processor must have a due diligence system and retain a written record of the process.

Due diligence is a four step process:

1. A processor must obtain information about the timber or timber product they intend to import;
2. Optional – A processor can identify and assess risk against a Timber Legality Framework or a State Specific Guideline (if available);
3. Where a processor has not used Step 2, or where they have used the Step 2 process but they have identified a risk that the raw log is illegally logged and the risk is other than low, a processor must undertake a risk assessment; and
4. Where a processor has, during Step 3, identified that there is a risk that the raw log was illegally logged and the risk was not low, a processor must mitigate the risk in accordance with the Regulation.

