

Global Forest & Trade Network-North America Annual Meeting

October 15, 2009 – Russell E. Train Conference Center
WWF-US Headquarters
1250 24th St NW, Washington, DC

Presentation Summary

Stephanie Lester: Retail Industry Leaders Association (RILA) Lacey Act Challenges

- RILA and its members are trying their best to implement the Lacey Act requirements, but the requirements are complicated and add another customs compliance issue, in addition to others such as on product safety and national security
- Since the amended Lacey Act was enacted, RILA has been having conversations about the declarations requirement, which is the easiest area to find common ground
- Declarations requirement should focus on the risk of illegal wood and importer's ability to identify the source of wood
- RILA has worked with various stakeholders to issue consensus documents to implement the Lacey Act. The documents were signed by 40 diverse organizations, ranging from WWF to the US Chamber of Commerce
 - Visit: www.rila.org (search Lacey Act)
 - The July consensus statement is looking to address the following issues going forward:
 - Allow importers to file blanket declarations to cover multiple entries of the same product
 - Identify acceptable species groupings
 - Date of manufacturer – the law should not apply to products made before Lacey was enacted – continue with measured phase-in schedule
 - Recycled wood products should be treated the same as recycled paper products
 - More resources for customs and APHIS to implement the law
 - Fiberboard and particleboard – Challenges for composite materials; these products should not be covered until feasible and practical. Particleboard and fiberboard were mostly removed from the phase-

in schedule, but there are still composite materials covered by the declarations requirement

- Biggest challenge for retailers is auditing of information to ensure accuracy
 - For example, consider 14 products – even within these tariff lines some retailers have between 200 to 1200 products that now require a declaration, with an average of 2400 suppliers. As the list of products grows, one retailer has identified 15,000 wood products. The possible combination of genus and species will grow exponentially, posing even greater challenges for retailers to successfully comply with the Lacey Act

- Companies are now facing a significant liability under the Lacey Act, which introduces a disincentive to open supply chains to NGOs and other organizations that work with companies to help improve their supply chains. However, there are benefits to such partnerships, such as WWF's Global Forest & Trade Network and the companies participating in its program