

# Australia's illegal logging laws

## Due diligence toolkit for importers

A step-by-step guide to understand and conduct due diligence under Australia's illegal logging laws.

Version: March 2025



© Commonwealth of Australia 2025

### Ownership of intellectual property rights

Unless otherwise noted, copyright (and any other intellectual property rights) in this publication is owned by the Commonwealth of Australia (referred to as the Commonwealth).

### Creative Commons licence

All material in this publication is licensed under a [Creative Commons Attribution 4.0 International Licence](https://creativecommons.org/licenses/by/4.0/) except content supplied by third parties, logos and the Commonwealth Coat of Arms.



### Cataloguing data

This publication (and any material sourced from it) should be attributed as: DAFF 2025, *Australia's illegal logging laws: Due diligence toolkit for importers*, Department of Agriculture, Fisheries and Forestry, Canberra. CC BY 4.0.

This publication is available at <https://www.agriculture.gov.au/agriculture-land/forestry/policies/illegal-logging/importers/resources>.

Department of Agriculture, Fisheries and Forestry

GPO Box 858 Canberra ACT 2601

Telephone 1800 900 090

Web [agriculture.gov.au](https://www.agriculture.gov.au)

### Disclaimer

The information in this publication is current at the date of issue and is intended for use as guidance only. The Australian Government (acting through the Department of Agriculture, Fisheries and Forestry) has exercised due care and skill in the preparation of this publication, but does not warrant its accuracy, completeness or suitability for any purpose. Information may be subject to change without notice. Notwithstanding, the Department of Agriculture, Fisheries and Forestry, its employees and advisers disclaim all liability, including liability for negligence and for any loss, damage, injury, expense or cost incurred by any person as a result of accessing, using or relying on any of the information or data in this publication to the maximum extent permitted by law.

### Acknowledgement of Country

We acknowledge the continuous connection of First Nations Traditional Owners and Custodians to the lands, seas and waters of Australia. We recognise their care for and cultivation of Country. We pay respect to Elders past and present, and recognise their knowledge and contribution to the productivity, innovation and sustainability of Australia's agriculture, fisheries and forestry industries.

# Contents

<b>Introduction.....</b>	<b>4</b>
About the toolkit .....	4
What to do .....	4
<b>Due diligence flowchart.....</b>	<b>6</b>
<b>Establish/maintain your due diligence system.....</b>	<b>7</b>
Content of your due diligence system.....	7
<b>Before continuing: confirm due diligence is required for your regulated timber product .....</b>	<b>9</b>
Is the product a regulated timber product? .....	9
Is the regulated timber product exempt from due diligence? .....	9
Consider .....	10
<b>1 Gathering information.....</b>	<b>11</b>
Consider .....	12
<b>2 Identifying and assessing the risk.....</b>	<b>13</b>
2A. Certified products.....	13
2B. Non-certified timber products .....	16
Consider .....	18
<b>3 Risk mitigation .....</b>	<b>19</b>
Consider .....	19
<b>Exception to Steps 2 and 3 – for imports of the same regulated timber products within 12 months</b>	
<b>20</b>	
Consider .....	21
<b>4 Record keeping .....</b>	<b>22</b>
Resources.....	23

# Tables

Table 1 Certified product risk assessment considerations.....	16
Table 2 Non-certified products risk assessment considerations.....	17

# Introduction

## About the toolkit

This toolkit aims to guide Australian importers of regulated timber products as you undertake your due diligence requirements under Australia's [Illegal Logging Prohibition Act 2012](#) (Act) and [Illegal Logging Prohibition Rules 2024](#) (Rules).

## What to do

- Determine whether due diligence is required for your product.
- Refer to the flowchart in this toolkit for an overview of your due diligence obligations.
- Using the guidance in this toolkit:
  - Record your contact details and the process by which you will meet the due diligence requirements, known as your 'due diligence system'.
  - Each time you consider importing a regulated timber product:
    - Gather information on it, and
    - Identify and assess the risk the timber was illegally logged.
  - In certain circumstances, where the risk of illegal logging is assessed as not low:
    - Conduct a risk mitigation process, which may include gathering more information
    - Ensure that risk mitigation process is reasonable and proportionate, and reassess the risk the that the regulated timber product is, is made from or includes, illegally logged timber
    - Save a record of the risk mitigation process for each assessed product.
- Provide your due diligence information when requested by the department.

## Please note

- This toolkit is intended as **guidance only** to help you undertake your due diligence requirements, and the information and resources provided are **not exhaustive**.
- **There is no 'one size fits all' approach to due diligence.** You should always tailor your due diligence to your specific circumstances, considering all relevant factors that apply to your situation.

## Where to go for more information

The department's [illegal logging webpages](#) are a source of up-to-date information, including answers to [frequently asked questions](#). The [Federal Register of Legislation](#) also contains the latest versions of the Act and the Rules as they are updated from time-to-time.

If you still have questions or require further information, please contact the Department of Agriculture, Fisheries and Forestry at 1800 657 313, or email:

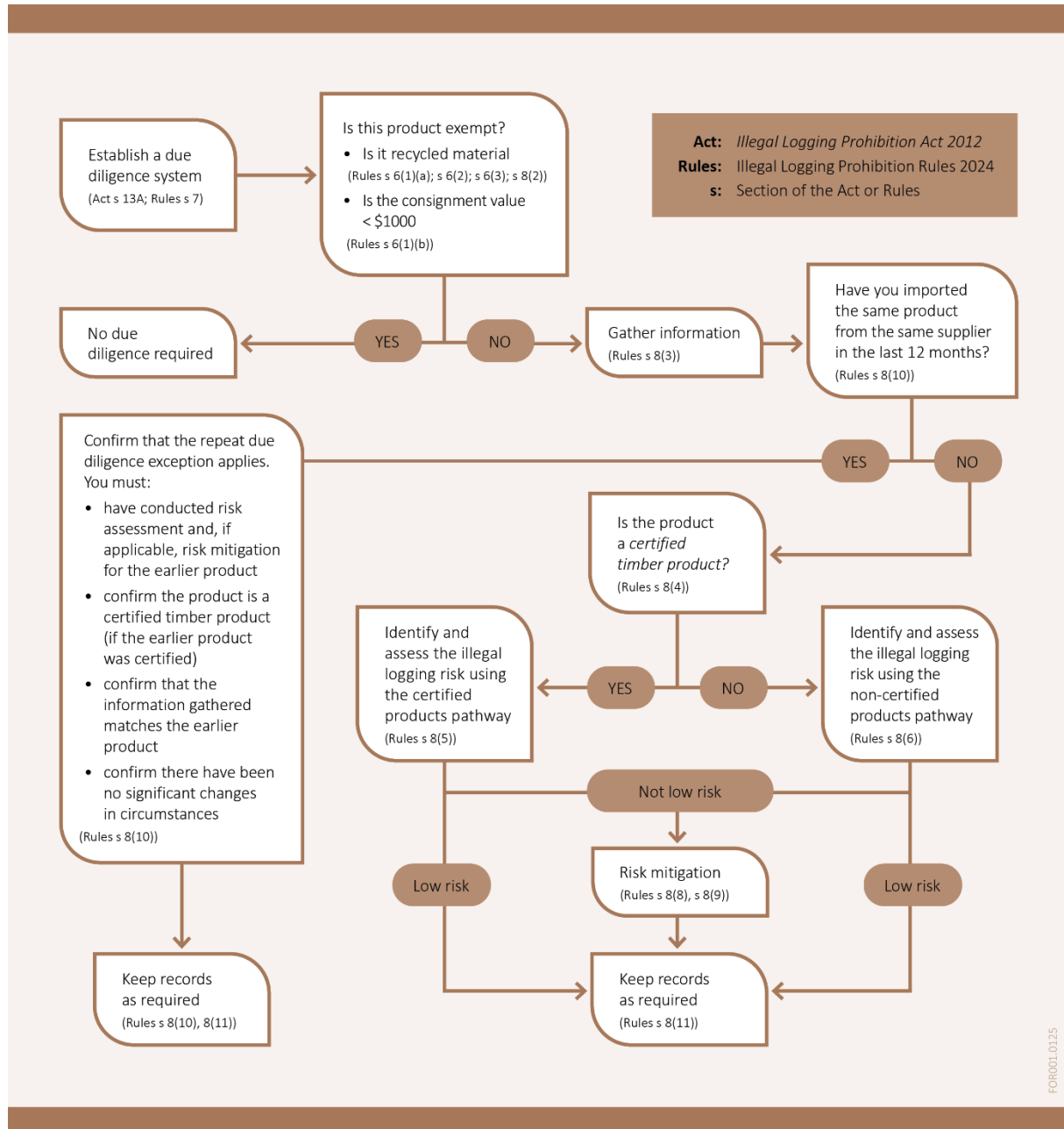
Australia's illegal logging laws: Due diligence toolkit for importers

- [illegallogging.complianceassessment@agriculture.gov.au](mailto:illegallogging.complianceassessment@agriculture.gov.au) – For information about your legal responsibilities and due diligence requirements
- [illegallogging@agriculture.gov.au](mailto:illegallogging@agriculture.gov.au) - For information relating to other illegal logging issues.

We encourage you to subscribe to our [illegal logging mailing list](#) to receive updates, guidance and information about upcoming events.

# Due diligence flowchart

The information in this visual cannot be considered in isolation. Readers are directed to consider the referenced sections of the *Illegal Logging Prohibition Act 2012* and *Illegal Logging Prohibition Rules 2024* to understand their full legal requirements.



# Establish/maintain your due diligence system

You must have a written due diligence system *before* importing regulated timber products into Australia.

Section 13A of the Act sets out the requirement of having a due diligence system for importing regulated timber products. [Section 7 of the Rules](#) prescribes the information required in a due diligence system.

Your due diligence system must clearly set out the processes by which you will meet the due diligence requirements prescribed in section 8 of the Rules for importing regulated timber products.

The size, structure and format of your due diligence system should be tailored to meet your business situation and needs. More complex supply chains and business structures may need more detailed due diligence systems. However, all systems need to include certain mandatory elements.

If you are assessed, audited or issued a Requirement to Give Information and Produce Documents notice, you may be asked to provide a copy of your due diligence system in place at the time you imported the regulated timber product, which will be assessed for compliance with the requirements in the Act and the Rules.

It is important to know that a written due diligence system, on its own, is not sufficient to meet the requirements of the legislation. You must apply your system and complete a due diligence process which meets the other requirements set out in section 8 of the Rules before importing regulated timber products.

The [Due diligence for importers webpage](#) may assist in the development of your due diligence system.

## Content of your due diligence system

Your due diligence system needs to:

- be in writing;
- set out the process you (or your employees) will undertake to meet the due diligence requirements before you import regulated timber products, including:
  - [gathering information](#)
  - [identifying and assessing the risk](#)
  - [risk mitigation](#)
  - [record keeping](#)
- include certain information about you and/or your business, that is:
  - importer's/your name, street address, postal address, telephone number and email address

- if in the case of an importer who is not an individual, – the name, position and contact details (including email address and telephone number) of the individual responsible for maintaining the system
- if the regulated timber products are to be imported in connection with an importer's business – the principal business activity conducted by the importer and the importer's Australian Business Number (ABN) and Australian Company Number (ACN), where applicable.



# Before continuing: confirm due diligence is required for your regulated timber product

Before you conduct your due diligence process you should confirm that the product you are importing is a regulated timber product and is not exempt from the due diligence requirements.

## Is the product a regulated timber product?

Regulated timber products are defined in section 5 of the Rules, by reference to the relevant headings or subheadings of Schedule 3 to the *Customs Tariff Act 1995* listed in the table to that section.

If your product is not a regulated timber product or is an exempt regulated timber product for the purposes of the Rules, you are not required to conduct due diligence.

## Is the regulated timber product exempt from due diligence?

Certain regulated timber products are exempt from due diligence. These are set out in section 6 of the Rules.

Regulated timber products are exempt where:

- the product is recycled material, or entirely made from recycled material, or all timber and products derived from timber included in the product are recycled material; or
- the product is imported as part of a consignment if the total customs value of the regulated timber product that is part of a consignment, on import, does not exceed AU\$1,000.

For products that are partially made from recycled material, the due diligence requirements do not apply to the recycled parts of the product (see section 8(2) of the Rules).

### Definition of recycled material under the illegal logging laws (see section 6(2) of the Rules)

Timber, or a product derived from timber, is recycled material, if:

- the timber or product has been, or has been part of, another thing; and
- the timber or product has ceased to be the other thing, or has been removed from the other thing, and, at the time of the cessation or removal, the other thing was no longer used for its intended purpose

However, recycled material does not include timber or the product that is the by-products of manufacturing process.

## Resources

Some resources to assist you in determining whether your product is regulated include:

- [Regulated timber products webpage](#)
- [Australian Border Force's overview of tariff classification](#)

## Consider

Are you importing a regulated timber product that is exempt from due diligence requirements?

- **No:** Continue to the next step of this toolkit to complete your due diligence process –[Step 1 – Gathering information](#).
- **Yes:** You do not need to undertake further steps. If you are assessed, audited or issued a Requirement to Give Information and Produce Documents notice, you will be expected to provide information or documents that are relevant to your due diligence system in place at the time you imported the regulated timber product; or your compliance with the due diligence requirements for importing regulated timber products.

# 1 Gathering information

The first step in your due diligence process is information gathering. As with all the steps of the due diligence process, you will need to gather this information before importing your regulated timber product and you will be required to demonstrate that you gathered the information before you import the product.

Under section 8(3) of the Rules, you must obtain as much of the following information as it is reasonably practicable for you to obtain:

- A description of the product which includes:
  - the type and trade name (if any) of the product; and
  - the common and scientific name of the tree from which the timber, or the timber in the product, was derived.
- The country, and the area of the country, in which the timber, or the timber in the product, was harvested
- The country in which the product was processed or manufactured, if applicable
- Details of your supplier, that is, their name, address, trading name, and business registration number (if any) of the supplier of the product;
- The quantity of the shipment of the product being imported (expressed in volume, weight or number of units)
- The sales or delivery document in relation to the purchase of the product by the importer.

## Scientific name

The scientific name for a tree refers to the genus and species (i.e. *Pinus radiata* for radiata pine). Sometimes, trees can be classified even further, to a subspecies or variety level. However, this level of detail is not necessary for your due diligence.

A genus (plural. genera) encompasses a group of species that are closely related, and can include anywhere from one to over 1000 different species. Often, the genus name will be abbreviated to the first letter (i.e. *P. radiata*).

Where a document lists a genus followed by 'sp' or 'spp' it designates a single unidentified species, or a mix of multiple species within the same genus.

- *Shorea spp.* refers to an indefinite number of species in the genus *Shorea*, none of which are identified

Different species within the same genus may grow in different locations or have different levels of protection. The Rules require you to identify the tree that your timber has come from down to the species level, because otherwise it is difficult to accurately assess the risk that the product contains illegally logged timber

## Common name

Common names, or commercial names for particular timbers are generally not useful in identifying a particular species. Common names may vary regionally, and can often refer to multiple different species, sometimes across different genera.

There is no prescribed method for information gathering.

Many of these details about your product may be found in existing commercial documents, contracts or invoices. However, you may need to work with your supplier to gather more information, documents or evidence.

There are a range of approaches that you could use, including (but not limited to) phone calls, online research or questionnaires sent to suppliers. Whatever approach you utilise should be documented in your due diligence system and records created that credibly verify the source of information and the timing of gathering the information – as proof that you have complied with the requirements under subsection 8(3).

The legislation recognises that it may not always be possible to obtain all the prescribed information before importing a regulated timber product. Therefore, you are only required to obtain as much information as it is reasonably practicable to obtain.

What is reasonably practicable will depend on the circumstances. Visit our [FAQs page](#) for more information on what is meant by 'reasonably practicable'.

Where you have been unable to obtain certain information, you should be able to demonstrate what reasonably practicable steps you took to try to gather the information.

You must keep records of all information and evidence gathered as part of your due diligence. This includes, but is not limited to, copies of any resources, supporting documents and any information or documents provided by your supplier in relation to the purchase of your product (section 8(11) of the Rules).

#### Composite products

Where your product contains more than one timber component, you will need to obtain information on the species and harvest location of each unique timber component, insofar as it is reasonably practicable to do so. If you are unsure of exactly what timber is in your product, you should consider all species and countries of harvest that you know *may* be in the product as part of your due diligence.

If you are importing composite products, it may not be possible to obtain information on all the species in the product. Where this is the case, you should record the steps that you have taken to gather the information, and why you determined that the information was not reasonably practicable to obtain. You should proceed with your due diligence risk assessment, but must take this information (or lack thereof) into account when identifying and assessing the risk.

## Consider

Have you imported the same regulated timber product using the same supply chain in the last 12 months?

- **No:** You can move to [Step 2 – Identifying and assessing the risk](#).
- **Yes:** You may be able to use the Repeat due diligence exception. See: [Exception to Steps 2 and 3 – for repeat identical imports within 12 months](#).

## 2 Identifying and assessing the risk

After gathering information on the regulated timber product, you must identify and assess the risk that the product is, is made from, or includes illegally logged timber. This may involve further research and the sourcing of additional information to inform the risk assessment.

The identification and assessment of risk must be undertaken before importing the regulated timber product.

Your risk identification and assessment must be to a reasonable standard and supported by the information that you have gathered. This reasonable standard applies to all the facts and considerations in the risk assessment process.

The Rules set out two alternative risk assessment pathways, both of which are explained in detail below:

- 1) certified products (section 8(5))
- 2) non-certified products (section 8(6)).

You need to consider all the information you know which may indicate that the product is, is made from, or includes, illegally logged timber. This means you cannot ignore such information when conducting your risk identification and assessment.

Once you have assessed the level of risk, you must make a written record of the risk identification and assessment you made. You should retain copies of any documents, resources or other information that you relied upon in your assessment.

### Exception

If you have previously imported the same regulated timber product in the last 12 months in certain circumstances, you may be able to apply the due diligence exception in section 8(10) of the Rules. For further information, see Exception to Steps 2 and 3 – for imports of the same regulated timber products within 12 months.

### 2A. Certified products

The Rules specify a risk identification and assessment pathway that importers can use for certified timber products. The Rules recognise two forest certification schemes:

- [Forest Stewardship Council \(FSC\)](#)
- [Programme for Endorsement of Forest Certification \(PEFC\)](#)

**Definition of forest certification standard (see s 4 of the Rules)**

Forest certification standards are defined in the Rules to mean:

- A standard of a country, or a part of a country, that was developed in accordance with the international standard known as the FSC Principles and Criteria for Forest Stewardship (FSC-STD-01-001), as those standards are in force from time to time; or
- The international standard known as the Chain of Custody Certification (FSC-STD-40-004), as that standard is in force from time to time; or
- A standard of a country, or a part of a country, that was developed in accordance with the international standard known as the Sustainable Forest Management – Requirements (PEFC ST 1003:2018), and endorsed by the international organisation known as the Programme for the Endorsement of Forest Certification, as those standards are in force from time to time; or
- A standard of a country, or a part of a country, that was developed in accordance with the international standard known as the Chain of Custody of Forest and Tree Based Products – Requirements (PEFC ST 2002:2020) and endorsed by the international organisation known as the Programme for the Endorsement of Forest Certification, as those standards are in force from time to time.

**Establish that your regulated timber product is certified****Important to note**

- Certification does not provide a guarantee that the timber in your product is legal or that it is a *certified timber product* for the purposes of the Rules.
- Certified suppliers may deal in non-certified products. You cannot assume that your product is a certified timber product because your supplier or someone else in the supply chain is certified.
- You may encounter documents or claims from other non-FSC or PEFC accredited forest certification schemes. While they can be used to support a risk identification and assessment using the non-certified products pathway, they cannot be used under the certified products pathway.

The Rules prescribes when regulated timber is a *certified timber product* at section 8(4). You must be able to demonstrate that your product meets the criteria of this provision to use the risk identification and assessment pathway for certified timber products. There is no 12-month exception applied to checking whether your product is a certified timber product. You must follow this step before each import.

To demonstrate that your product is a certified timber product, you must:

- 1) Obtain a copy of the relevant certification record from the FSC or PEFC database, current at the time of import
  - [FSC – Public Certificate Search](#)
  - [PEFC – Find Certified Database](#)
- 2) Confirm that the regulated timber product and the species of timber in the product (if relevant) falls within the scope of the certification held by the supplier in accordance with a forest certification standard

- a) When considering the scope, this may include the product, trade name, species and output category.
- 3) Verify that all the supplier's details – and all other details – in the certification record about the supplier of the regulated timber product are true and correct, including by checking that the information aligns with the information gathered in [Step 1 - Gathering information](#).
- 4) Obtain from the supplier the sales or delivery document for the regulated timber product that contains a certification claim that is consistent with the certification held by the supplier in accordance with a forest certification standard.
  - Product claims may include: FSC 100%, FSC Mix X%, FSC Recycled, FSC Mix Credit, FSC Controlled Wood, X% PEFC Certified, PEFC Controlled Sources.

#### Troubleshooting

- If the number or code has been typed incorrectly (and you cannot find it online) contact your supplier. Ask them to email you a link to the online certificate or contact the scheme and ask about the certificate codes given by the supplier.
- If the certificate appears to have expired or is currently suspended, you should ask why this has occurred. You may need to discuss this with the supplier or directly with the scheme. If the certificate is not valid for the period of supply, you cannot use the certified products pathway. FSC directives advise - when a certificate is withdrawn or expires, products which left the chain of custody whilst the certificate was valid were certified and remain certified even after the certificate has been withdrawn. Products which have not yet left the chain of custody at the time the certificate is withdrawn will not be certified. PEFC rules advise - In the case of a certificate which has been withdrawn or has expired, the certified products which left the organisation when the certificate was still valid continue to be certified even after the certificate has been withdrawn or has expired; vice versa, the products which have not yet left the organisation certified at the time of withdrawal or expiry of the validity of the certificate, can no longer be considered as certified products, with immediate effect.
- If the FSC/PEFC certificates are not for the direct supplier, you may not be able to complete your risk assessment using the certified products pathway.
- If the details of your supplier do not match those on the certificate, you should seek to confirm the authenticity of the certificate. This may involve contacting the scheme, or your supplier.
- If your supplier has claimed the product is FSC or PEFC certified but it is not their name on the certificate, the chain of custody may be broken. You need to get more information from your supplier, or the scheme to verify the authenticity.
- If there are multiple suppliers in the supply chain, all suppliers must be certified to maintain chain of custody. If the chain of custody is broken, you must use the non-certified products pathway.

If you find that your product is not certified, you must conduct your risk identification and assessment using the Note: Section 8(5)(d) of the Rules requires the importer to make a written record of the risk identification and assessment made for certified timber products.

#### 2B. Non-certified timber products pathway.

## Assess the risk that your product contains illegally logged timber

When identifying and assessing the risk that a certified timber product is, is made from, or includes, illegally logged timber, there are several risk factors you must consider. You must be able to demonstrate in your written risk assessment that you considered each factor.

Table 1 sets out the factors you must consider and some possible questions to guide your thinking. Some resources to assist you can be found on the department's [Resources for importers webpage](#).

**. Table 1 Certified timber product risk assessment considerations**

Mandatory considerations	Potential questions
Information the importer obtained under section 8(3) (information gathering requirements)	<ul style="list-style-type: none"> <li>Have you been able to obtain sufficient information to inform your risk assessment?</li> <li>Does the information cover all timber components (including any paper components) of your product?</li> <li>Do the classification of species, quantities, and qualities match across the documentation?</li> <li>Can the claims made in the information gathered be verified with evidence?</li> <li>Is any of the information inconsistent with other information you know or have obtained?</li> </ul>
The extent of illegal logging in general involving entities known to the importer in the supply chain for the timber that is, or the timber that is in, the regulated timber product	<ul style="list-style-type: none"> <li>Is there any information publicly available about the supplier or their sub-suppliers within the supply chain, on the supplier's website or under allegation or investigation by an NGO/FSC/PEFC/government concerning illegal logging or trade in illegally logged timber?</li> </ul>
Any other information that the importer knows that may indicate whether the regulated timber product is, or is made from, or includes, illegally logged timber	<ul style="list-style-type: none"> <li>Is there any information about previous incidents of illegal logging relevant to that product, species or region?</li> <li>Have there been reports of conflict timber entering supply chains in the countries from which this product originates?</li> <li>Have there been any media articles, third party reports, or government statements that would bring the legality of your product(s) into question?</li> </ul>
The source, validity and reliability of the above matters considered by the importer for the regulated timber product.	<ul style="list-style-type: none"> <li>Do the documents gathered appear to be genuine and have they been generated by the appropriate government entity or other body?</li> <li>Are there any inconsistent or missing documents?</li> </ul>

Note: Section 8(5)(d) of the Rules requires the importer to make a written record of the risk identification and assessment made for certified timber products.

## 2B. Non-certified timber products

If your timber product is not certified, you must identify and assess the risk that the regulated timber product is, is made from, or includes, illegally logged timber using the non-certified products pathway.

Section 8(6) of the Rules sets out a list of risk factors that you must take into account when conducting your risk identification and assessment. You must be able to demonstrate in your written risk assessment that you considered each factor.



## Identify and assess the risk that your product contains illegally logged timber

When assessing the risk that a non-certified regulated timber product is, is made from, or includes, illegally logged timber, there are several risk factors you must consider. Table 2 sets out the factors and some possible questions to guide your thinking.

Some resources to assist you can be found on the department's [Resources for importers webpage](#).

**Table 2 Risk assessment considerations for non-certified regulated timber products**

Mandatory factors	Potential considerations
Information the importer obtained under section 8(3) of the Rules	<ul style="list-style-type: none"> <li>Have you been able to obtain sufficient information to inform your risk assessment?</li> <li>Does the information cover all timber components (including any paper components) of your product?</li> <li>Do the classification of species, quantities, and qualities match across the documentation?</li> <li>Can the claims made in the information gathered be verified with evidence?</li> <li>Is any of the information inconsistent with other information you know or have obtained?</li> </ul>
Any country specific guideline (CSG) that relates to the timber that is, or the timber that is in, the regulated timber product	<ul style="list-style-type: none"> <li>Have you checked the information, or obtained the documents, that the CSG suggests could support that the harvest was legal?</li> <li>Does the information you have gathered on your product match the information and documentation in the CSG?</li> </ul>
The extent of illegal logging in general involving entities, known to the importer, in the supply chain for the timber that is, or the timber that is in, the regulated timber product	<ul style="list-style-type: none"> <li>Is there any information publicly available on the supplier's website, about the supplier or their sub-suppliers within the supply chain, on the supplier's website or under allegation or investigation by an NGO/FSC/PEFC/government concerning illegal logging or trade in illegally logged timber?</li> </ul>
The extent of illegal logging in general of the species or genus of tree from which the timber that is, or the timber that is in, the regulated timber product was derived	<ul style="list-style-type: none"> <li>Is there any information about previous incidents of illegal logging relevant to that species?</li> <li>Can you confirm that the species grows in the area that the supplier claims it came from?</li> <li>Are there any other factors which may indicate that the species is prone to illegal logging in this area? For example, is the species highly sought after and highly valued due to its scarcity?</li> <li>Is this species similar to, or regularly substituted for a species which may be high value or scarce?</li> </ul>
The conservation status (if any) of that species or genus, including if that species or genus is included in Appendix I, II or III of the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES)	<ul style="list-style-type: none"> <li>Is the species subject to any international trade restrictions (e.g. CITES)?</li> <li>Is the species protected under domestic legislation in the country of harvest?</li> <li>Is the species listed on the International Union for Conservation of Nature Red List of Threatened Species (the IUCN Red List)?</li> <li>Is the timber in your product the subject of a logging ban or restriction in the country of harvest?</li> </ul>
The extent of illegal logging in general in the area or country in which the timber that is, or the timber that is in, the regulated timber product was harvested	<ul style="list-style-type: none"> <li>Is there much illegal logging in the country and/or area where the timber in the product was harvested?</li> <li>Is there any information about previous incidents of illegal logging relevant to that region?</li> <li>Is the timber harvested from a known protected area?</li> </ul>

Mandatory factors	Potential considerations
	<ul style="list-style-type: none"> <li>Can your supplier tell you where the timber has come from?</li> </ul>
The extent of armed conflict in that area or country	<ul style="list-style-type: none"> <li>Is there currently, or has there recently been, armed conflict in the area of harvest?</li> <li>Have there been reports of conflict timber entering supply chains in the countries from which this product originates?</li> </ul>
The extent of corruption in that area or country	<ul style="list-style-type: none"> <li>Is there any information to suggest the country is fragile, or there is a high risk of corruption?</li> </ul>
The governance arrangements for forest management in that area or country	<ul style="list-style-type: none"> <li>What are the rules, policies and legislation which govern forest use in that area or country?</li> <li>How are those laws enforced and implemented?</li> </ul>
Any other information that the importer knows that may indicate whether the regulated timber product is, or is made from, or includes illegally logged timber	<ul style="list-style-type: none"> <li>Have there been any media articles, third party reports, or government statements that would bring the legality of your product(s) into question?</li> <li>Are you unable to get rational answers to questions asked of your supplier or other entities in the supply chain?</li> <li>Are the goods being sold significantly below the market rate?</li> <li>Are the appropriate taxes included in the price?</li> </ul>
The source, validity and reliability of the above matters considered by the importer	<ul style="list-style-type: none"> <li>Do the documents gathered appear to be genuine and have they been generated by the appropriate government entity or other body?</li> <li>Are there any inconsistent or missing documents?</li> </ul>

Note: Section 8(6)(d) of the Rules requires the importer to make a written record of the risk identification and assessment made for non-certified timber products.

## Consider

Your next steps will depend on the risk conclusion you reached:

- If you concluded in your written risk assessment that the risk of your product containing illegally logged timber is low or nil risk, you can move onto [Step 4 – Record keeping](#).
- If you concluded in your written risk assessment that the risk of your product containing illegally logged timber is not low, you will need to complete [Step 3 – Risk mitigation](#).

### 3 Risk mitigation

If the risk of your product containing illegally logged timber was not a low, you need to undertake a risk mitigation process (section 8(8) of the Rules).

Risk mitigation means taking active steps to reduce or minimise the risks associated with your product in a way that is reasonable and proportionate to the identified risk.

This may include the following steps:

- obtaining further information about the product
- obtaining further information about the risk that the regulated timber product is, is made from, or includes, illegally logged timber
- conducting further research
- requesting certified alternatives, if your product is not certified
- visit your supplier to learn more about their supply chains
- using scientific methods relating to timber identification to identify the scientific name of the tree from which the timber that is, or the timber that is in, the regulated timber product was derived and the country in which the timber was harvested.

In some cases, you may need to consider sourcing a lower risk regulated timber product or even changing suppliers. If you are unable to mitigate the risk by taking other measures, your risk mitigation may involve not importing the product.

Following the risk mitigation process, you must reassess the risk that your regulated timber product is, is made from, or includes, illegally logged timber. This reassessment of risk takes into account your earlier risk assessment and any risk mitigation measures you have taken.

You must have verifiable records of the steps and information that informed your risk mitigation.

You must make a written record of your risk mitigation process conducted which includes:

- the risk level following the risk mitigation process; and
- any further information obtained as part of that process.

#### Exception

If you have previously imported the same regulated timber product in the last 12 months in certain circumstances, you may be able to apply the due diligence exception in section 8(10) of the Rules. For further information, see Exception to Steps 2 and 3 – for imports of the same regulated timber products within 12 months.

### Consider

Once you have completed your risk mitigation, you can move onto [Step 4 – Record keeping](#).

# Exception to Steps 2 and 3 – for imports of the same regulated timber products within 12 months

If you are importing the same regulated timber product more than once within a 12-month period in certain circumstances, you may not be required to conduct another risk assessment or risk mitigation process during that 12-month period (subsection 8(10)).

**This is not an exception to the information gathering requirements set out in Step 1. Importers must still comply with those requirements in relation to the import of the current product.**

To be able to rely on this exception, you must:

- 1) Confirm that you have imported a regulated timber product within the last 12 months.
- 2) Confirm that you complied with the information gathering requirements, the risk identification and assessment process and the risk mitigation process (as applicable,) in relation to the importation of the earlier product;
- 3) Where applicable, confirm that the certification status of the earlier product and the current product are the same (that is, either certified or non-certified timber products).
  - If your earlier product was a certified timber product and you conducted your risk assessment using the certified products pathway (set out in [Pathway 2A](#)), you must confirm that your current regulated timber product is also a certified timber product, in accordance with section 8(4) of the Rules (see [Pathway 2A](#) for further details) and create the required records for the current product.
- 4) Check that you have obtained the information covered by sections 8(3)(a) – (d) of the Rules for the current regulated timber product and confirm that the information is the same as the information for the earlier regulated timber product, namely:
  - the description of the regulated timber product
  - the country and area of harvest of the timber in the product
  - the country or area of processing or manufacture (if applicable)
  - the supplier's details.
- 5) Consider whether, since you complied with the information gathering requirements, the risk identification and assessment process and the risk mitigation process (as applicable) in relation to the importation of the earlier product, there has been a significant change in circumstances which has increased the risk that the current product is, is made from, or includes, illegally logged timber. Examples of significant changes include:
  - the outbreak of war or armed conflict in the area or country of harvest
  - a military coup occurs in the area or country of harvest
  - the relevant certification for timber harvested in certain areas is suspended or revoked
  - a significant increase in the reports of illegal logging in a particular area

- the introduction of a log export ban or similar measure in the country or area of harvest
- the conservation status of the relevant species of tree has changed.

If you are satisfied that there has not been such a significant change in circumstances, you must make a written record to that effect.

If you are assessed, audited or issued a Requirement to Give Information and Produce Documents notice, you may also be required to provide a copy of the risk assessment and risk mitigation process of the earlier product that you relied upon for your current product.

## Consider

If you have determined that the exception applies, you can move onto [Step 4 – Record keeping](#).

If the exception does not apply to your regulated timber product, you must return [to Step 2 – Identifying and assessing the risk](#) to complete a risk identification and assessment process, and if applicable, risk mitigation, for the product.

## 4 Record keeping

You must keep records covering all the steps you took in the due diligence process. This includes records of all information and evidence gathered as part of your due diligence.

Under subsection 8(11) of the Rules, you must keep the following records for the period of 5 years beginning on the day the regulated timber product is imported:

- the information obtained under the information gathering requirements; and
- for certified regulated timber products - the copy of the record from the database maintained by the FSC or the PEFC that the regulated timber product or the species of timber in that product is covered by the certification held by the supplier in accordance with a forest certification standard and the sales or delivery document for the regulated timber product that is consistent with that certification; and
- the written record of the risk identification and assessment process; and
- the written record of the risk mitigation processes (where relevant).

For imports of the same regulated timber product within the last 12 months, you must keep the following records for a period of 5 years beginning on the day the regulated timber product is imported:

- the description of the regulated timber product, the country of manufacture (if applicable) and the country where the timber in the product was harvested; and
- the details of the supplier of the product; and
- the record of the assessment that there has not been a significant change in circumstances since the importation of the earlier regulated timber product.

Your records must be able to demonstrate that you complied with all your due diligence obligations before importing the regulated timber product.

Records can be kept digitally or on paper.

You may be given a notice under section 18E of the Act requiring you to provide information and produce documents relevant to:

- your due diligence system in place at the time you imported a regulated timber product; and
- your compliance with all the due diligence requirements for importing regulated timber products.

You may commit an offence or be subject to a civil penalty for failure to comply with the notice.

A person may commit an offence or contravene a civil penalty provision if they provide false or misleading information or documents (see sections 137.1 and 137.2 of the *Criminal Code Act 1995* (the *Criminal Code*), and section 84 of the Act).

Further, under section 28 of the Act, the Secretary may require an audit to be carried out in relation to whether a person who imports a regulated timber product has complied with the due diligence requirements for importing the regulated timber product. A person may commit an offence or contravene a civil penalty provision if they fail to comply with a requirement of an auditor to answer a question, give information in writing or produce a document, and/or fails to comply with a requirement of an auditor to provide all reasonable facilities and assistance for the conduct of the audit.

A person may also commit an offence if the person provides false or misleading information or documents (see sections 137.1 and 137.2 of the *Criminal Code*).

## Resources

The department's [illegal logging compliance webpage](#) provides information to assist you with how to respond to a Requirement to Give Information and Produce Documents notice.