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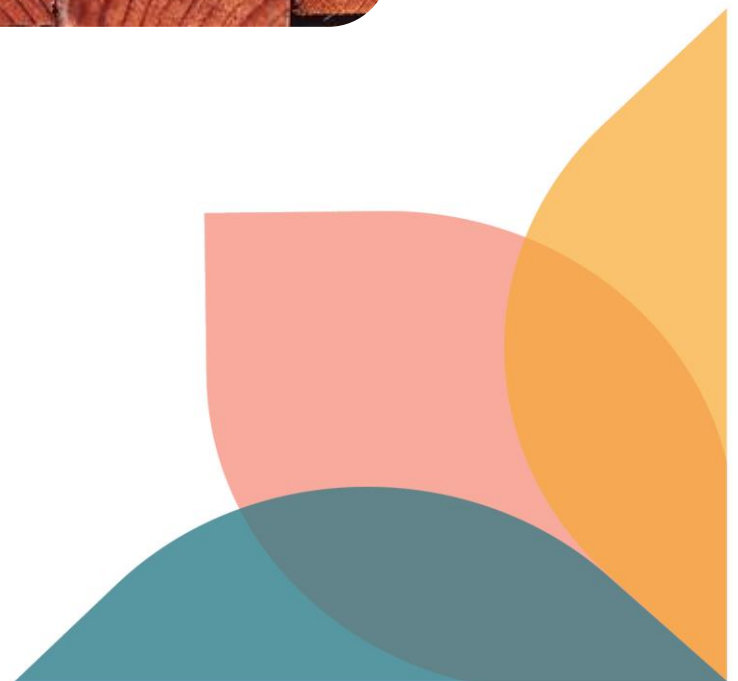
Department of Agriculture,
Fisheries and Forestry

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 1 September 2023



Australia's illegal logging laws

Contents

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Disclaimer

This template has been prepared to assist timber product importers understand, implement and comply with the requirements of the Illegal Logging Prohibition Act 2012 and the Illegal Logging Prohibition Regulation 2012 with respect of their due diligence obligations. It does not constitute legal advice. Timber product importers may elect to seek their own legal advice in relation to the legislation and related matters.

The information in this publication is current at the date of issue and is intended for use as guidance only. The Commonwealth (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.

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Acknowledgement of Country

We acknowledge the Traditional Custodians of Australia and their continuing connection to land and sea, waters, environment and community. We pay our respects to the Traditional Custodians of the lands we live and work on, their culture, and their Elders past and present.

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Introduction

About the toolkit

This toolkit aims to guide Australian importers of [regulated timber products](#) to complete their due diligence as required under [Australia's Illegal Logging Prohibition Act 2012](#) (the Act) and [Illegal Logging Prohibition Regulation 2012](#) (the Regulation).

What to do

- Ensure due diligence is required for your product (page 4).
- Refer to the **flowchart** (page 5) in this toolkit for an overview of your due diligence obligations.
- Record your contact details and your general approach to undertaking due diligence here, known as your '**due diligence system**' (page 6).
- Each time you consider importing a regulated timber product:
 - **Gather information on it** (page 8), and
 - **Assess the risk the timber was illegally logged** (page 18).
- Where the risk of illegal logging is assessed as greater than low:
 - **Gather more information on it and re-assess** (page 20), or
 - **Mitigate the risk** (page 21)
- **Save a record** (page 22) of this document for each assessed product.
- Provide this information when requested by the department.

Please note

- It is not compulsory to use this toolkit to complete your due diligence. You can complete your due diligence in any format you wish. However, using this toolkit as intended will allow you to understand and meet your due diligence requirements under Australia's illegal logging laws.
- The contents and resources provided in this tool are not exhaustive.

Where to go for more information

The department's [illegal logging webpage](#) is a source of up-to-date information, including answers to frequently asked questions.

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

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

You can also subscribe to our [illegal logging mailing list](#), to receive updates, guidance, and information about upcoming events.

Disclaimer

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Before continuing

Confirm due diligence is required for your timber product.

[Regulated timber products](#) that require due diligence to be completed prior to importation are listed under Schedule 1 of the Regulation. In some instances, a regulated timber product may be exempt.

Under Section 6 of the Regulation, an import of a regulated timber product is exempt from requiring due diligence if:

- (a) it is made up entirely from recycled material;
- (b) it is partially made from recycled material— only the part that is made from recycled material is exempt;
- (c) it is imported as part of a consignment with a combined value of regulated timber products less than \$1 000.

Question: Are you importing regulated timber product that is prescribed as exempt under the illegal logging laws?

- ☐ NO – Continue with this toolkit to complete your due diligence process.
- ☐ YES – You do not need to undertake due diligence. Provide the reason/s why your product is exempt:

Due diligence flowchart

Step 1 – Establish a Due Diligence System

Ensure that you have an up-to-date due diligence system in writing, which records your contact details and your general approach to completing the subsequent steps.



Step 2 – Gather information on the product

Gather information on the timber product about its illegal logging risk before deciding to import it.



Step 3a – Assess the illegal logging risk

Assess the risk that the product uses or includes illegally logged timber prior to importation. Use one of the three risk assessment methods allowed under Australia's illegal logging laws: a Timber Legality Framework (TLF), a Country Specific Guideline (CSG), or the Regulated Risk Factors (RRF).



Step 3b – Subsequent risk assessment (if required)

If you assess the risk as greater than low using the TLF or CSG methods, you must re-assess using RRF.



Step 4 – Risk mitigation (if required)

If you conclude that the product has a greater than low risk following assessment using RRF, you must mitigate the risk prior to importation, or consider not importing the product if mitigating the risk is not possible.



Step 5 – Keep a record and provide information when requested

Records of all information and evidence gathered needs to be filed and retained for 5 years. Your due diligence record, including evidence gathered must be provided if requested by the department.

Complete the Due Diligence process

Step 1 – Establish/maintain your Due Diligence system

Under Section 9(b) of the Regulation, you must have a written, up-to-date due diligence system in place prior to importing a regulated timber product.

This step will guide you through recording your due diligence system. This only needs to be completed once and can apply to all products that you import.

If you have an existing due diligence system recorded elsewhere, you do not need to complete this step.

If something in your system changes, your written record will need to be updated before it can apply to any future imports.

The written record must include your:

- **Contact details**
 - Where applicable: ABN details, address, email and telephone contact details, including information about the person responsible for maintaining the due diligence system.
 - **Information gathering process**
 - Where you will source the required information about the product (i.e. the supplier, other specific sources).
 - **Risk assessment process**
 - How you will identify and assess the risk of illegally logged timber in the product - there are three risk assessment options under the Regulation.
 - **Risk mitigation process**
 - What further steps you will take where the risk of illegal logged timber is determined to be greater than low (i.e. collecting further information, not importing the product).
 - **Record keeping process**
 - How you will store your due diligence information for five years from the date imported.
-

Further information and resources on how to create your due diligence process in accordance with the Regulation are on the department's website:

- [Due Diligence for Importers](#)
- [Establish and maintain a due diligence system](#)
- [Establishing an Illegal Logging Due Diligence System – guidance for importers](#)
- [Industry generated guidance materials](#)

Question: Do you have an existing due diligence system recorded elsewhere?

- ☐ YES – go to *Step 2*
- ☐ No – complete *Part 1A* and *1B*

Part 1A: Contact Details

To be completed by the person responsible for due diligence undertakings.

Type of importer (select one box)

- ☐ Individual
- ☐ Business

Contact details

Name _____

Position (if applicable) _____

Phone number _____

Email address _____

Director Identification Number (if applicable) _____

Business details (if applicable)

Business name _____

ABN/ACN _____

Principle business activity _____

Street address _____

Postal address _____

Business phone number _____

Part 1B: Due Diligence System Description

Describe your general approach to undertaking due diligence, including how you will approach information gathering, risk assessment and mitigation, and meet record keeping requirements.

[illegible]

Step 2 – Gather information

Under Section 10(2) of the Regulation, importers must gather as much of the following information as is reasonably practicable before each importation of a regulated timber product:

- The type and trade name of the product you are importing.
- The name (common or scientific) of the tree the timber has come from.
- The country, region and harvesting unit from where the timber was harvested.
- The country where the product was manufactured.
- The quantity of product being imported (in volume, weight or number of units).
- Details of your supplier, including name, address, trading name, and business identification numbers.
- Documents provided by your supplier for the product's purchase.
- If a Timber Legality Framework (PEFC or FSC) applies to the timber, a copy of the applicable licence or certificate.
- If a Country Specific Guideline applies to the timber, the information relating to the product that the document requires importers to obtain.
- Further evidence that can demonstrate the timber was not illegally logged including, but not limited to:
 - whether harvesting is prohibited in the source location
 - whether legislative requirements concerning the harvest of timber were met
 - whether payment was made for the timber harvesting rights (where applicable)
 - whether harvest was consistent with use and tenure rights (where applicable).

Section 16 of the Regulation requires that you keep records of all information and evidence gathered as part of your due diligence. This includes copies of any resources, supporting documents and anything provided by your supplier in relation to the purchase of your product.

You need to complete all three parts of this step for each unique timber component (each unique species and harvest area) contained in the product to the best of your ability.

Part 2A – Product and supplier details

If there is more than one timber component in your product, copy, complete and attach this section (and Part 2B below) for each additional timber component.

Timber component 1

1. Type of product and trade name _____

2. Name (common name, genus or scientific name of tree species from which timber is derived)

3. Harvesting unit location/region(s) (list all)

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4. Country(s) of harvest/manufacture

5. Shipment quantity (volume (m3), weight (kg) or number of units) _____

Supplier details

6. Business name (legal entity name) _____

7. Principal business activity _____

8. Trading name _____

9. Street address (PO Box will not be accepted)

10. Business and company registration (if applicable) _____

11. List (and attach) any other supplier documentation provided in relation to the product purchase:

Part 2B – Harvest Legality Information

For Part B, you do not need to attempt to gather information from all of these sources.

Please note:

- Many sources are provided to help you in gathering as much of information set out above as is reasonably practicable to.
- They may not be complete in their coverage, geographically or otherwise, or up-to-date.
- It is up to you to select which sources you use and ensure that together they provide adequate information using the checklist at Part C.
- Check the box of each information source used and use the space and prompts to note the key details from them.
- There is space to record information gathered additional to these sources at the end of this Part.

If there is more than one timber component in your product, copy, complete and attach this section (and Part 2A above) for each additional timber component.

Timber legality frameworks

To check any of the boxes below, you will need to verify and download relevant certificates on the following databases:

- [PEFC – Find Certified Database](#)
- [FSC - Public Certificate Search](#)

Only check and complete those that apply:

1. ☐ **FSC Forest Management Certificate**

Certificate number _____

Is the certificate no. listed on relevant database? (Y/N) _____

Is the supplier listed as the certificate holder? (Y/N) _____

Is the certificate valid for the period of supply? (Y/N) _____

Are the products being supplied within scope of the certificate? (Y/N) _____

2. ☐ **FSC Chain of Custody Certificate**

Certificate number _____

Is the certificate no. listed on relevant database? (Y/N) _____

Is the supplier listed as the certificate holder? (Y/N) _____

Is the certificate valid for the period of supply? (Y/N) _____

Are the products being supplied within scope of the certificate? (Y/N) _____

List HS product codes if relevant _____

3. ☐ **PEFC Forest Management Certificate**

Certificate number _____

Is the certificate no. listed on relevant database? (Y/N) _____

Is the supplier listed as the certificate holder? (Y/N) _____

Is the certificate valid for the period of supply? (Y/N) _____

Are the products being supplied within scope of the certificate? (Y/N) _____

Are the products being supplied within scope of the certificate? (Y/N) _____

4. ☐ **PEFC Chain of Custody Certificate**

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Gather information

Certificate number _____

Is the certificate no. listed on relevant database? (Y/N) _____

Is the supplier listed as the certificate holder? (Y/N) _____

Is the certificate valid for the period of supply? (Y/N) _____

Are the products being supplied within scope of the certificate? (Y/N) _____

List HS product codes if relevant _____

Country Specific Guidelines

5. Check the Country Specific Guideline(s) and list those that apply to the regulated timber product, if any:

6. List (and attach/record) the key documents required under the relevant CSG/s and note any other information from the CSG gathered:

Illegal logging risk information

Check any of the tools listed below that you consider, and provide details where prompted:

7. ☐ [Chatham House Forest Governance Country Profiles](#)

Harvest country's forest policy and governance rating (overall) _____

Product category's likelihood of illegality _____

8. ☐ [Preferred by Nature - Timber Sourcing Hub](#)

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Gather information

Country of harvest risk rating_____

Country of manufacture (if different) risk rating_____

9. ☐ [FSC risk assessment platform](#)

(Consider the recommended control measures and mandatory control measures in the risk description summaries)

Indicators with risk specification other than 'low' _____

10. ☐ [Deforestation and Associated Trade \(IDAT\) Risk tool](#)

Country of harvest risk score_____

Country of harvest risk category_____

Mapping of illegal logging

Check any of the maps listed below that you consider and record the nature of any alerts in relevant countries/regions:

11. ☐ [Global Forest Watch Map](#)

12. ☐ [Forest Link Mapping of Illegal Logging Reports](#)

Other country-level resources on illegal logging

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Gather information

Check any of the resources listed below that you consider and list (record/attach) documents and other info you gather in the process:

13. ☐ [APEC EGILAT Country Timber Legality Templates](#)

14. ☐ [European Timber Trade Federation – Timber Trade Portal](#)

15. ☐ [TimberLex Country-specific legal information](#)

16. ☐ [Forest Legality Alliance – Forest Products Risk Tool](#)

17. ☐ [Country of harvest laws or regulations](#)

Full title of law/regulation(s) _____

Confirmed currently in force? (Y/N) _____

18. ☐ Other (specify) _____

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Gather information

19. Were there any required documents that you couldn't gather? If so, provide details:

Protected species and areas

Use the resources listed below to consider the conservation (threatened species) status of tree species and any protected areas from which your timber product is derived:

20. ☐ [CITES-listed species](#)

Listed species: _____

Category: _____

21. ☐ [IUCN – Redlist of Threatened Species](#)

Listed species: _____

Category: _____

22. ☐ [Protected Planet](#)

Record any relevant findings regarding protected areas:

Corruption and governance in the country of harvest

Consider corruption and governance in the region of harvest using the below resources:

23. ☐ [World Bank Worldwide Governance Indicators](#)

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Percentile rankings: _____

24. ☐ [Corruption Perception Index](#)

CPI score for country of harvest: ____/100

CPI score for country of manufacture: ____/100

25. ☐ [EU Sanctions Map](#)

Record any relevant findings here:

Armed conflict in the region of harvest

Consider any armed conflict in the region of harvest using the below resources:

26. ☐ [Conflict map – Crisis Group](#)

Situation:

27. ☐ [Conflict map – Emmeline Carto](#)

Nature of conflict: _____

Conflict status: _____

Timber producer, processor or supplier's reputation

You can refer to the below resources for more country-level guidance:

28. ☐ [SPOTT Assessment Score of Producer/ Processor/Trade \(Timber and pulp\)](#)

Producer company's total score: ____/100

29. ☐ [Open Timber Portal Producer Transparency Rating](#)

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Producer company's uploaded documents: _____%

Other information and evidence

30. Consider information from relevant media articles and reports from non-government organisations.

See the following suggested resources:

- [Environmental Investigation Agency \(EIA\)—UK](#)
- [Environmental Investigation Agency \(EIA\)— US](#)
- [Global Witness](#)
- [Earthright](#)
- [WWF Forests Forward](#)

If you do, record any relevant information below:

31. Consider any Timber Identification Test Results. See:

[Global Timber Tracking Network \(GTTN\) Service Providers Directory](#)

If you do, record any relevant information on timber testing results here:

32. If you have collected any other information on the illegal logging risk of the timber product, record the details and source of information here:

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Gather information

Additional resources

For further information about global timber legality, see the below suggested resources:

- [FSC website](#)
- [PEFC website](#)
- [US Aid Forests and Conflict Toolkit](#)
- [Google News](#)

Part 2C - Checklist

Before continuing to Step 3 to assess the risk, you should be able to answer 'yes' to each of the following questions.

1. Does the information gathered appear sufficient for undertaking a risk assessment?

☐ Yes ☐ No

2. Does the information gathered cover all timber components (including any paper components) of your product?

☐ Yes ☐ No

3. Do the classification of species, quantities, and qualities match across the documentation?

For guidance on verifying documents refer to [Preferred by Nature's Guide to Identifying Fake Documents](#).

☐ Yes ☐ No

4. Can the claims made in the information gathered be verified with evidence? This includes evidence that was collected prior to import and actually provided/completed by the supplier, such as dated correspondence.

☐ Yes ☐ No

IMPORTANT: If you have been unable to obtain enough information and understand how this information relates to your product/s and supply chain it may be difficult to conclude that the product is low risk.

Step 3A - Assess the risk

Once you have completed Step 2, you must use the information you have gathered to conduct a risk assessment. Australia's illegal logging laws provide three methods to do this:

- A. **Timber Legality Framework** (Section 11 of the Regulation)
- B. **Country Specific Guideline** (Section 12 of the Regulation)
- C. **Regulated Risk Factors** (Section 13 of the Regulation)

Complete this section using an applicable method for your regulated timber product, noting that options A or B can only be used where the applicable documentation is available.

Detailed risk assessment templates are included in the Appendices. Please ensure that you refer to the relevant link/s below and the referenced Appendices to gain a complete understanding of what each risk assessment method entails.

1. Which risk assessment option have you used to undertake an assessment? Remember to attach any risk assessment templates you use.

☐ [Timber Legality Framework \(TLF\)](#) (Appendix I)

Involves gathering, verifying and considering the information set out in the applicable TLF (FSC or PEFC), along with any other information you ought reasonably to know.

☐ [Country Specific Guideline \(CSG\)](#) (Appendix II)

Involves gathering and verifying the information set out in the applicable CSG, and considering it, along with any other information you ought reasonably to know.

☐ [Regulated Risk Factors \(RRF\)](#) (Appendix III)

Involves considering certain risk factors, along with any other information you ought reasonably to know.

2. Detail the basis for arriving at you conclusion and any risks identified that the product may contain illegally logged timber

- *TLF – was the certification provided and verified?*
 - *CSG – were the relevant documents gathered and verified?*
 - *RRF – what factors were considered and what did they indicate?*
 - *For all – what other information helped determine your conclusion?*
-
-

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Assess the risk

3. Risk assessment conclusion

Check one and follow relevant instructions:

☐ **LOW / NONE**

If you have assessed the risk and decided that your product has a low risk of containing illegally harvested timber, you do not need to take any more steps. Go to *Step 6*.

☐ **GREATER THAN LOW**

If you have assessed the risk as greater than low, you have additional steps to complete.

If you used a Timber Legality Framework or Country-Specific Guideline, you should re-assess using Regulated Risk factors at *Step 4*.

If you assess the risk as greater than low using Regulated Risk Factors, you should document your risk mitigation strategy at *Step 5*.

Step 3B – Subsequent risk assessment

As per Section 13(1) of the Regulation, if you assess your product using either the Timber Legality Framework or Country-Specific Guideline method and determine that the risk of the product containing illegally logged timber is greater than low, you must re-assess it using the [Regulated Risk Factors](#).

1. Detail the basis for arriving at your subsequent risk assessment conclusion, particularly where additional information has led to a different conclusion

- Regulated Risk Factors – what factors were considered and what did they indicate?
- What other information helped determine your conclusion?

2. Risk assessment conclusion

Check one and follow relevant instructions:

☐ **LOW / NONE**

If you have re-assessed the risk using the Regulated Risk Factors and decided that your product has a low risk of containing illegally harvested timber, you have completed your due diligence. Go to *Step 5*.

☐ **GREATER THAN LOW**

If you have assessed the risk as greater than low, you should apply risk mitigation steps before importing the product. Go to *Step 4*.

Step 4 – Risk mitigation

As per Section 14 of the Regulation, if you determined a risk rating of greater than low under step 4, you must conduct a risk mitigation process that is adequate and proportionate to the identified risk and document it.

1. Detail your risk mitigation process prior to import.

Your risk mitigation process may include the following steps:

- a) obtain further information about the product, including any certification or independent assessment in relation to the product;
- b) reassess the risk that the product may be, may be made from, or may include, illegally logged timber, including by using the procedures in Section 11(2), 12(2) or 13(2);
- c) consider not importing the product.

2. Outcome of risk mitigation

Step 5 – Record keeping

Ensure that you can check **all** the following boxes:

- ☐ This due diligence process has been completed prior to import of the regulated product/s
- ☐ I understand that the information used in this due diligence process is true and correct
- ☐ Records of all the information and evidence gathered as part of this due diligence process have been stored and will be retained for a period of five years from the date the product was imported.

Signature

Date

Appendix I

Timber Legality Framework Risk Assessment Template

Verifying FSC or PEFC certification

Read before completing

This is a step-by-step guide on how to use the Timber Legality Framework (TLF) method to assess the risk that your regulated timber product/s was illegally logged.

There are five steps to follow:

1. Check the supplier's certification number
2. Check if the certificate is valid for the period of supply
3. Check if the products or species being supplied are listed
4. Check if the product is certified
5. Consider any other information that may indicate illegality of harvest

This template provides you with questions to consider and options to address common problems. Use the blank space at each step to detail any risks you identify, and record your risk conclusion on the final page of this template.

Before beginning your risk assessment: Consider all the information you have been able to gather.

This includes assessing information gathered in supplier questionnaires or gathered during the due diligence process.

Consider:

- Have you been able to obtain sufficient information to inform your risk assessment?
- Does the information cover all timber components (including any paper components) of your product?
- Do the classification of species, quantities, and qualities match across the documentation?
- Can the claims made in the information gathered be verified with evidence?

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IMPORTANT: If you have been unable to obtain enough information about the species of timber and where it has come from, it will be difficult to conclude that there is low or nil risk of illegal logging associated with the product.

STEP 1: Check the supplier's certification number

Consider:

- Is your supplier's certificate number legitimate?
- Is your supplier the certificate holder?

Certified suppliers should have a unique FSC or PEFC certificate code or number quoted on their certificate (e.g. TT-COC-1234, BMT-PEFC-2334 or SGS-COC-12244). You can verify this code or number by searching on the relevant scheme's website:

- [Forest Stewardship Council \(FSC\)](#)
- [PEFC International](#)

When you have found the certificate details online, check that they match the details given by your supplier. Check that the supplier name and address details match those listed on the website.

For further information:

- [FSC Forest management certification standard](#)
- [FSC chain of custody standard](#)
- [PEFC sustainable forest management standard](#)
- [PEFC chain of custody standard](#)

Detail what you have considered and any risks you have identified in Step 1 that the product may contain illegally logged timber:

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.

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- If the FSC/PEFC certificates are not from the direct supplier, you may not be able to complete your risk assessment under the TLF and may need to perform your risk assessment under CSG or RRF.
- 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 a different risk assessment option (Country Specific Guidelines or Regulated Risk Factors).

STEP 2: Check if the certificate is valid for the period of supply

The expiry date of the supplier's certificate should be listed on the FSC or PEFC's websites.

Consider:

- Is the certificate valid for the period of supply?

Detail what you have considered and any risks you have identified in Step 2 that the product may contain illegally logged timber:

Troubleshooting:

- 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.

STEP 3: Check if the products or species being supplied are listed

Certified suppliers can supply both certified and non-certified products. You will need to check that the products being supplied are the same as those on your supplier's FSC or PEFC certificate.

Consider:

- Are the products or species being supplied listed on the certificate's record?

Detail what you have considered and any risks you have identified in Step 3 that the product may contain illegally logged timber:

Troubleshooting:

- If the certificate appears to have expired or is currently suspended, you should ask why this has occurred. You may need to contact the supplier or the scheme directly to check this.

STEP 4: Check if the product is certified

After completing all the steps above, it is still possible the supplier has not provided you with a certified product.

Consider:

- Is the certificate number quoted on your invoice(s) and delivery notes? The product description should list the product as FSC or PEFC certified.
- Does the product supplied match the product that was requested?

When importing regulated timber products under a Timber Legality Framework, the certification claim must be provided on sales and delivery documents such as the invoice. This attests to the certified status of the purchased products. It may include a product claim, such as:

- FSC 100%, FSC Mix X%, FSC Mix Credit, FSC Controlled Wood
- X% PEFC Certified, PEFC Controlled Sources

Detail what you have considered and any risks you have identified in Step 4 that the product may contain illegally logged timber:

Troubleshooting:

- If the product does not match what was promised or if the certification claim is not on the invoice, you may need to discuss this with the supplier or directly with the scheme.

STEP 5: Consider any other information that may indicate illegality.

Consider:

- Is there any other information you know or ought reasonably to know that may indicate the timber was illegally logged?
 - This includes any other information that may be publicly available on the supplier's website, about the supplier or their sub-suppliers within the supply chain or information about previous incidents of illegal logging relevant to that product, species or region the importer is sourcing from.
- Have there been any media articles, third party reports, or government statements that would bring the legality of your product(s) into question?
- Is there any other information you know or should know, that would call into question the legality of the product(s)?

Some resources which may assist with this step include:

- [Chatham House – Illegal Logging Portal](#)
- [Forest Trends – Illegal Deforestation and Associated Trade \(IDAT\) Risk Tool](#)
- [World Resources Institute – Global Forest Watch](#)
- [Transparency International – Corruption Perception Index](#)
- [Environmental Investigation Agency \(EIA\)](#)

For additional resources, please visit the '[Resources for importers](#)' page on our website.

Detail what you have considered and any risks you have identified in Step 5 that indicate that the product may contain illegally logged timber:

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FINAL RISK CONCLUSION (TLF)

Risk identification (check one)

- ☐ LOW/NONE
- ☐ GREATER THAN LOW

Justification (Detail the basis for arriving at your risk conclusion):

RISK ASSESSMENT COMPLETED BY: _____

DATE: _____

IMPORTANT:

If you have assessed the risk using the Timber Legality Framework and decided that your product is a low or nil risk of containing timber that was illegally harvested, you have completed your due diligence risk assessment. You must document your risk conclusion before proceeding to import the timber products.

If you have assessed the risk as greater than low, you must complete another risk assessment using another option (Country Specific Guidelines or Regulated Risk Factors). Where neither the Timber Legality Framework or Country Specific Guidelines assessment options conclude that the risk is low or nil, you must complete a Regulated Risk Factors assessment.

Appendix II

Country Specific Guideline Risk Assessment Template

Read before completing

This is a step-by-step guide on how to use the Country Specific Guideline (CSG) method to assess the risk that your regulated timber product/s was illegally logged.

There are four steps to follow:

1. Decide if a CSG applies to the product you are importing
2. Assess the information you have gathered against the CSG
3. Consider any factors that the CSG may not account for
4. Consider any other information that may indicate illegality of harvest

This template provides you with questions to consider and options to address common problems. Use the blank space at each step to detail any risks you identify, and record your risk conclusion on the final page of this template.

Before beginning your risk assessment: Consider all the information you have been able to gather

This includes assessing information gathered in supplier questionnaires or gathered during the due diligence process.

Consider:

- Have you been able to obtain sufficient information to inform your risk assessment?
- Does the information cover all timber components (including any paper components) of your product?
- Do the classification of species, quantities, and qualities match across the documentation?
- Can the claims made in the information gathered be verified with evidence?

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IMPORTANT: If you have been unable to obtain enough information about the species of timber and where it has come from, it will be difficult to conclude that there is low or nil risk that it was illegally logged.

STEP 1: Decide if a CSG applies to the product you are importing

Check that your product is covered by a [Country Specific Guideline](#).

The CSG method can only be used for regulated timber products that:

- are harvested wholly and manufactured in the CSG country; and
- are directly exported to Australia OR shipped via a third country and not unpacked

The CSG method **cannot** be used:

- where the timber is processed in, or exported from, a third country; or
- when dealing with products containing timber sourced from multiple countries.

Consider:

- Does the information and documentation clearly identify the country of harvest?
- Is the timber in your product wholly harvested in the CSG country?
- Is the country of harvest also the exporting country?
- Is the country of harvest also the country of manufacture?

Detail what you have considered and any risks you have identified in Step 1 that the product may contain illegally logged timber:

Troubleshooting:

- If you find that a CSG does not apply to your product, you must choose a different risk assessment method (Timber Legality Framework or Regulated Risk Factors).

STEP 2: Assess the information you have gathered against the CSG

Compare the information and documents you gathered from your supplier with those shown in the CSG.

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If the CSG specifies other documents that you do not have, you should try to obtain these. You do not need to gather all documents listed in the CSG, however, you will need enough information to help you undertake a reasonable risk assessment.

Consider:

- Have you checked the information, or obtained the documents, that the CSG suggests could support that the harvest was legal?
- Does the information you have gathered on your product match the information and documentation in the CSG?

Detail what you have considered and any risks you have identified in Step 2 that the product may contain illegally logged timber:

Troubleshooting:

- If your supplier cannot provide you with documentation, check the CSG for any guidance on the type of documents available, the issuing authority, and how to obtain copies.

STEP 3: Consider any factors that the CSG may not account for

CSGs may not provide information on broader factors that can indicate whether timber was legally harvested (such as local corruption, fraud and the effectiveness of forestry laws in the country). Also, they may not reflect the latest developments in forestry laws. This information needs to be drawn on from other sources to inform your risk assessment.

Consider:

- What is the likelihood of the timber product being mixed with timber that is not assessed as low risk?
- Do the documents gathered appear to be genuine and have they been generated by the appropriate government entity or other body? See [Preferred by Nature's Guide to Identifying Fake Documents](#).
- Are there any inconsistent or missing documents?

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- Is the timber in your product the subject of a logging ban or restriction in the CSG country?
- Is the CSG country affected by armed conflict?
- Is there any information to suggest the CSG country is fragile, or there is a high risk of corruption? Consider the [Corruption Perception Index](#) and/or the [Worldwide Governance Indicators](#).
- Has the department published any [Illegal Logging E-Updates](#) on its website in respect to the country in question?

Detail what you have considered and any risks you have identified in Step 3 that the product may contain illegally logged timber:

Troubleshooting:

- If the documents seem suspicious, try to confirm their authenticity by contacting the issuing authority or asking your supplier for more information.
- Cross check the information on any suspicious documents with other documentation.
- If you are still unsure, contact the illegal logging hotline 1800 657 313.

STEP 4: Consider any other information that may indicate illegality.

Consider:

- Is there any other information you know or ought reasonably to know that may indicate the timber was illegally logged?
 - This includes any other information that may be publicly available on the supplier's website, about the supplier or their sub-suppliers within the supply chain or information about previous incidents of illegal logging relevant to that product, species or region the importer is sourcing from.
- Have there been any media articles, third party reports, or government statements that would bring the legality of your product(s) into question?
- Is there any other information you know or should know, that would call into question the legality of the product(s)?

Some resources which may assist with this step:

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- [Chatham House – Illegal Logging Portal](#)
- [Forest Trends – Illegal Deforestation and Associated Trade \(IDAT\) Risk Tool](#)
- [World Resources Institute – Global Forest Watch](#)
- [Transparency International – Corruption Perception Index](#)
- [Environmental Investigation Agency \(EIA\)](#)

For additional resources, please visit the '[Resources for importers](#)' page on our website.

Detail what you have considered and any risks you have identified in Step 4 that indicate that the product may contain illegally logged timber:

FINAL CSG RISK CONCLUSION

Risk identification (check one)

- ☐ LOW/NONE
- ☐ GREATER THAN LOW

Justification (Detail the basis for arriving at your risk conclusion):

RISK ASSESSMENT COMPLETED BY: _____

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DATE: _____

IMPORTANT:

If you have assessed the risk using the Country Specific Guideline option and decided that your product is a low or nil risk of containing timber that was illegally harvested, you have completed your due diligence risk assessment. You must document your risk conclusion before proceeding to import the timber products.

If you have assessed the risk as greater than low, you must complete another risk assessment using another option (Timber Legality Framework or Regulated Risk Factors). Where neither the Timber Legality Framework or Country Specific Guidelines assessment options conclude that the risk is low or nil, you must complete a Regulated Risk Factors assessment.

Appendix III

Regulated Risk Factors Risk Assessment Template

Read before completing

This is a step-by-step guide on how to use the Regulated Risk Factors (RRF) method to assess the risk that your regulated timber product/s was illegally logged.

There are five steps to follow:

1. Consider the prevalence of illegal logging in the area in which the timber in the product was harvested
2. Consider the prevalence of illegal harvesting of the species of tree from which the timber in the product is derived
3. Consider the prevalence of armed conflict in the area of harvest
4. Consider the complexity of the product and the supply chain
5. Consider any other information that may indicate illegality of harvest

This template provides you with questions and factors to consider while completing your assessment. Use the blank space at each step to detail any risks you identify, and record your risk conclusion on the final page of this template.

Before beginning your risk assessment: Consider all the information you have been able to gather

This includes assessing information gathered in supplier questionnaires or gathered during the due diligence process.

Consider:

- Have you been able to obtain sufficient information to inform your risk assessment?
- Does the information cover all timber components (including any paper components) of your product?
- Do the classification of species, quantities, and qualities match across the documentation?
- Can the claims made in the information gathered be verified with evidence?

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IMPORTANT: If you have been unable to obtain enough information about the species of timber and where it has come from, it will be difficult to conclude that there is low or nil risk that it was illegally logged.

STEP 1: Consider the prevalence of illegal logging in the area in which the timber in the product was harvested

Some countries and regions face challenges, such as political instability or corruption, which can limit effective governance and enforcement of forest protection and forestry activities. This can lead to illegal logging activities and leave official documents vulnerable to fraud or forgery. Consider these factors when determining the risk of illegal logging.

Consider:

- Is there much illegal logging in the country and/or area where the timber in the product was harvested?
- Is the timber harvested from a known protected area?
- Can your supplier tell you where the timber has come from?

Third party resources, such as [Preferred by Nature's Timber Sourcing Hub](#) may assist with this step. For further resources, please visit the departments '[Resources for importers](#)' webpage.

Detail what you have considered and any risks you have identified in Step 1 that the product may contain illegally logged timber:

STEP 2: Consider the prevalence of illegal harvesting of the species of tree from which the timber in the product is derived

Some timber species are more likely to be illegally logged due to their value, scarcity, or high consumer demand. To answer this question, you need to know which species of timber you are importing, and where it was harvested.

Consider:

- Can your supplier tell you which species of timber are found in your product?
- Can you confirm that the species grows in the area that the supplier claims it came from?

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- Is the species listed as '[vulnerable](#)' or '[threatened](#)'?
- [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?](#)

The [IUCN Red List](#) lists threatened species and may assist with this step. For further resources, please visit the departments '[Resources for importers](#)' webpage.

Detail what you have considered and any risks you have identified in Step 2 that the product may contain illegally logged timber:

STEP 3: Consider the prevalence of armed conflict in the area of harvest

Armed conflict may make it difficult for authorities to control forest resources and ensure legal timber harvesting. You need to establish where the timber was harvested and whether there is armed conflict in that area.

Consider:

- Is there, or has there recently been, armed conflict in the area of harvest?

Online conflict maps may assist with this step:

- [Emmeline Carto – Conflict Map](#)
- [Crisis Group – Conflict Map](#)

Detail what you have considered and any risks you have identified in Step 3 that the product may contain illegally logged timber:

STEP 4: Consider the complexity of the product and the supply chain

Long supply chains (involving multiple parties) and complex composite products (involving multiple timbers or sources) can increase the risk that illegal timber has been used.

Establish and consider the complexity of the supply chain involved in producing your product.

Without a full understanding of the components and their source, you need to consider the increased risk that your product might contain illegally logged timber.

Consider:

- Can you identify the species and origin of all timber components in your product?
- Can you identify all parties in the supply chain?

Detail what you have considered and any risks you have identified in Step 4 that the product may contain illegally logged timber:

STEP 5: Consider any other information that may indicate illegality

Consider:

- Is there any other information you know or ought reasonably to know that may indicate the timber was illegally logged?
 - This includes any other information that may be publicly available on the supplier's website, about the supplier or their sub-suppliers within the supply chain or information about previous incidents of illegal logging relevant to that product, species or area the importer is sourcing from.
- Have there been any media articles, third party reports, or government statements that would bring the legality of harvest of the timber in your product(s) into question?
- Is there any other information you know or should know, that would call into question the legality of harvest of the timber in your product(s)?

Some factors which may indicate a higher risk of illegality include:

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- Documents are potentially forged, are inconsistent or have sections / details missing (see [Preferred by Nature – Guide to identifying fake documents](#))
- The supplier is known to deal in illegally logged timber
- The goods are being sold significantly below the market rate
- The appropriate taxes are not included in the price
- The goods are being bought in cash only, or for a lower price without paperwork
- You have been asked to pay a bribe
- You are unable to get rational answers to questions asked

Some resources which may assist with this step:

- [Chatham House – Illegal Logging Portal](#)
- [Forest Trends – Illegal Deforestation and Associated Trade \(IDAT\) Risk Tool](#)
- [World Resources Institute – Global Forest Watch](#)
- [Transparency International – Corruption Perception Index](#)
- [Environmental Investigation Agency \(EIA\)](#)

For additional resources, please visit the '[Resources for importers](#)' page on our website.

Detail what you have considered and any risks you have identified in Step 5 that indicate that the product may contain illegally logged timber:

FINAL RISK CONCLUSION (RRF)

Risk identification (check one)

- ☐ LOW/NONE
- ☐ GREATER THAN LOW

Justification (Detail the basis for arriving at your risk conclusion):

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RISK ASSESSMENT COMPLETED BY: _____

DATE: _____

IMPORTANT:

If you have assessed the risk using the RRF risk assessment method and decided that your product is a low or nil risk of being illegally harvested, you have completed your due diligence risk assessment. You must document your risk conclusion before you proceed to import the timber products.

If you have assessed the risk as greater than low, you must conduct a risk mitigation process.