

Customs and Excise (Sustainable Forestry) Amendment Bill

Member's Bill

Explanatory note

Deforestation accounts for approximately 20 per cent of world annual greenhouse gas emissions and is one of the largest sources of emissions from the developing world. Deforestation also has profound negative effects on indigenous communities and on biodiversity. Therefore, avoiding deforestation can play a key role in defending our climate.

Deforestation is responsible for huge losses in biodiversity including many endangered species and their habitats. For some species facing a multiplicity of threats, deforestation is now synonymous with complete extinction. Such losses in biodiversity are in fact losses for the entire human race and they are forever.

Deforestation has disastrous impacts on the survival, resources, and collective well being of indigenous communities in forested regions. The loss of resources and relationships with the forests is a severe threat to the survival of forest-dependent indigenous people. A significant proportion of logging is illegal and unsustainable and New Zealand currently has no preventative mechanism to stop the resulting timber and wood products from being inadvertently sold in our shops.

In contrast, sustainable forestry in developing countries utilises the world's forest resources in ways that do not contribute to deforestation and biodiversity loss. They enhance rather than destroy commu-

nities that live in forested regions. And they create meaningful and durable jobs that can lift communities permanently out of poverty.

The purpose of this Bill is to make amendments to the Customs and Excise Act 1996 (the **principal Act**) to prohibit the import into New Zealand of timber and wood products produced illegally and unsustainably.

Clause by clause analysis

Clause 1 is the Title clause.

Clause 2 provides that the Bill comes into force on the day after it receives the Royal assent.

Clause 3 provides that the Bill amends the Customs and Excise Act 1996.

Clause 4 inserts a new definition of “timber and wood products”.

Clause 5 inserts two new sections. Section 54A makes it unlawful to import into New Zealand timber and wood products not certified under Schedule 11 as having been produced legally and sustainably. Section 54B provides that the Minister may add or omit certification schemes from the list in Schedule 11. Section 54B also provides what matters the Minister must have regard to when making a recommendation by Order in Council for changes to Schedule 11.

Clause 6 makes three amendments to section 209, which relates to the importation or exportation of prohibited goods. The first amendment is to insert a new subsection (1)(aa) to make it an offence to import goods prohibited by section 54A. The second amendment is to insert a new subsection (3A) to provide penalties for a breach of subsection (1)(aa). The third amendment is to insert a new subsection (3B) to provide that the offences in section 209(1)(a), (c), (d), (e), (f) and (g) with any necessary modifications will apply to prohibited timber imports under section 54A(1).

Clause 7 adds a new Schedule 11 to provide for Legal and Sustainable Timber Certification Schemes that comply with the criteria in the new section 54A(3).

Catherine Delahunty

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The Parliament of New Zealand enacts as follows:

- 1 Title**
This Act is the Customs and Excise (Sustainable Forestry) Amendment Act **2009**.

- 2 Commencement**
This Act comes into force on the day after the date on which it receives the Royal assent.
- 3 Principal Act amended**
This Act amends the Customs and Excise Act 1996. 5
- 4 Interpretation**
Section 2 is amended by inserting, in its appropriate alphabetical order, the following definition:
“**timber and wood products** includes rough, sawn and dressed timber; plywood and veneers; fabricated wood; wooden structural components, fittings and joinery; wooden furniture and paper products.” 10
- 5 New section 54A inserted**
The following sections are inserted after **section 54**:
“**54A Prohibited timber imports** 15
“(1) It is unlawful to import into New Zealand timber and wood products not from a verified legal and certified sustainable source.
“(2) For the purposes of **subsection (1)** only those verification and certification schemes listed under **Schedule 11** should 20
be accepted as having been produced legally and sustainably.
- “**54B Amendment to Schedule 11**
“(1) The Governor-General may on the recommendation of the Minister, by Order in Council, amend **Schedule 11** by adding or omitting verification or certification schemes from that list. 25
“(2) When making a recommendation to the Governor-General under **subsection (1)** the Minister must have regard to:
“(a) evidence of impartiality of the scheme from commercial interests; and
“(b) international best practice regarding legal and sustain- 30
able forestry; and
“(c) enhancing New Zealand’s reputation as a supporter of legal and sustainable forestry; and

- “(d) international best practice systems and performance standards for legal verification and forest management certification schemes.
- “(3) Before making a recommendation under **subsection (1)** the Minister must consult with persons he or she considers are affected by the proposed amendment.” 5
- 6 Offences in relation to importation or exportation of prohibited goods**
- (1) Section 209(1) is amended by inserting the following paragraph: 10
- “(aa) imports into New Zealand or unships or lands in New Zealand goods which are prohibited by or under **section 54A**; or”
- (2) Section 209 is amended by inserting the following subsections after subsection (3): 15
- “(3A) Every person who commits an offence against **subsection (1)(aa)** is liable on conviction,—
- “(a) in the case of an individual, to imprisonment for a term not exceeding 6 months or to a fine not exceeding \$10,000; or 20
- “(b) in the case of a body corporate, to a fine not exceeding \$50,000; or
- “(c) in either case, to a fine of an amount not exceeding 3 times the value of the goods to which the offence relates.
- “(3B) The offences in section 209(1)(b), (c), (ca) (d), (e), (f), and (g) with any necessary modifications apply to timber and timber products that have been imported contrary to **section 54A(1)**. 25
- “(3C) Every person who commits an offence against **subsection (3B)** is liable on conviction to the same penalties as expressed in **subsection (3A)**.” 30
- 7 New Schedule 11 added**
- The principal Act is amended by adding the Schedule 11 set out in the Schedule.
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Schedule	
New Schedule 11 added to principal Act	
Schedule 11	s 7
Verified legal and certified sustainable timber and wood product certification schemes	5
[Name of scheme]	