PNG hastens audits on legal compliance

‘Erroneous’ claims on logging hit exports

By JIM BOWDEN

VOLUNTARY implementation of credible verification schemes is progressing well in Papua New Guinea with significant participation by exporters to Australia and New Zealand. Executive officer of the PNG Forest Industry Association Bob Tate told Timber & Forestry e-News the global financial crisis had resulted in a dramatic collapse in PNG markets in Asia, particularly China. "This naturally has tested everyone’s resolve," he said. "However, we anticipate a continuing improvement in demand and export orders—perhaps not back to pre-meltdown levels just yet, but certainly sustained growth." He said pressure from markets was compelling logging and wood processing companies to be independently audited for legal compliance before logs and wood products left the country for overseas markets. "Often erroneous and exaggerated claims that the forest industry in PNG operates illegally have the potential to..."
From Page I

severely restrict our exports of processed wood products to our traditional markets, particularly in Australia and New Zealand." Mr Tate said. "This comes at a time when the PNG Government, with broad industry support, is initiating policies to encourage the expansion of the wood processing sector, already a significant exporter of PNG manufactured products.

The association is encouraging its members to seriously consider participation to enable the sustainability of their shares in export markets for processed products.

The scheme is voluntary and the decision to participate was the prerogative of the individual companies." He said. "The TLW program is and remains a legal verification scheme and does not make any claims in regard to either 'sustainability' and or 'forest management verification/certification'.

"The timber legality verification could play a useful role in the wider forest governance reforms."

Mr Samol said he believed that...
Industry stakeholders welcome government's response to final CIE report on illegal logging

TIMBER traders have welcomed a Canberra announcement that recognises the input of industry stakeholders into federal policy on illegally-logged timber.

The Centre for International Economics (the CIE) has released its final report to the federal Regulation Impact Statement, which is seen as another step towards implementing the Rudd Government's election promise to combat illegal logging.

Commenting on the report, the Minister for Forestry Tony Burke said the key task for government was to determine the most efficient and effective means of identifying illegal timber products.

"We will take into account the CIE report together with the issues raised by industry stakeholders and the work of other governments, particularly the US and the European Union to identify and restrict trade in illegally logged timber products," Mr Burke said.

"The government will now move to finalise its illegal logging Regulation Impact Statement and identify its preferred approach."

Mr Burke said the Government accepted the critical importance of working with countries to tackle these problems and had established formal agreements with China, Indonesia and Papua New Guinea.

Although the CIE report estimates the global cost of illegal logging to be more than $106.5 billion dollars a year, it believes more than 90% of timber imported into Australia is legally logged.

Verification way forward for companies

Technical manager of the Australian Timber Importers Federation John Halkett said in Brisbane industry welcomed the CIE report.

"We will continue to work with the Minister to reach an outcome that meets government policy objectives and satisfies industry requirements," he said.

Queensland industry meeting, Page 7

Verification way forward for companies

From Page 2

after internal assessment, many companies would make formal applications for audit soon.

"Members of the industry, based upon market demand and more general market concerns about claims of illegal logging, are encouraged to participate in appropriate verification and certification schemes. TLTIV is a way forward for most of our companies involved in wood processing for exports," Mr Samoi said all such schemes were voluntary, market-driven mechanisms which provided independent third-party assurance.

Connecting the pieces

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