



Cindy Squires, Esq., Executive Director

Update on U.S. Developments  
RACEWOOD / Gabon Wood Show  
October 21, 2018

# IWPA Activities



- Advocacy for Free & Responsible Trade
- Assisting Members with Compliance
- Convention & Enews-critical updates and market Intelligence
- Promote Globally Sourced Wood Products



## IWPA Core Purpose

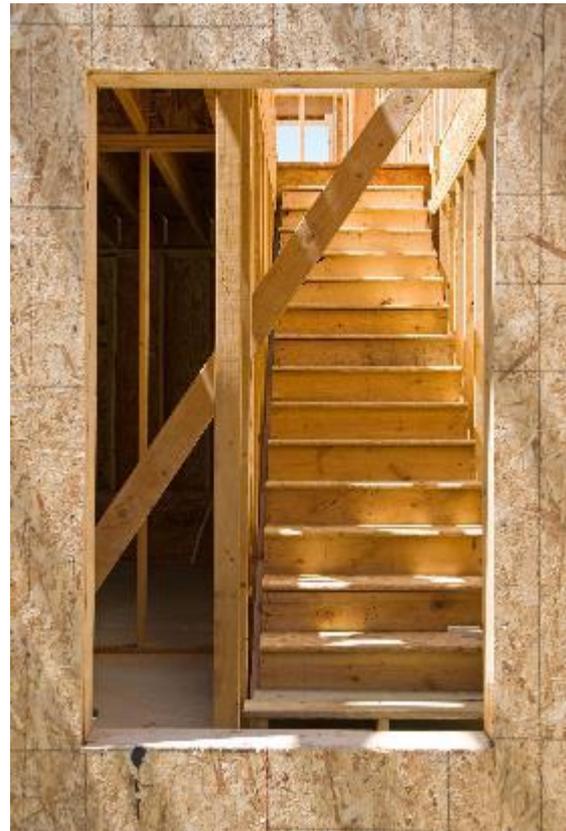
To build acceptance and demand in North America for globally sourced wood products from sustainably managed forests.



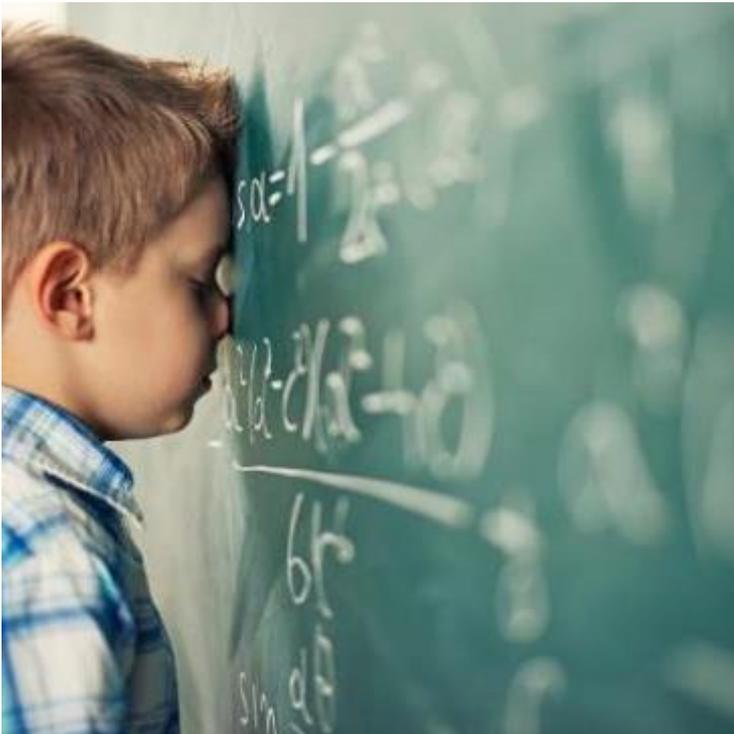
IWPA is the only U.S. based trade association dedicated to the interests of wood importers.  
Founded in 1956.

# EPA TSCA VI Emission Standards

- EPA TSCA VI Emission Standards are the same as CARB 2!
- CARB 2 required US Wide – TSCA required by March, 22, 2019



# Supply Chains Are Complex



- Supply Chains are designed for **high utilization, grade, and efficiency**
- **Mixing** is a normal part of lumber distribution and occurs during manufacturing
- Now we are **retrofitting** on top of this system due diligence systems for CoC, tracking species and country of harvest
- Industry dominated by **Small- to Medium-sized firms**

**Importers and U.S. Consuming Industries Continue to Struggle with the How of Due Diligence**

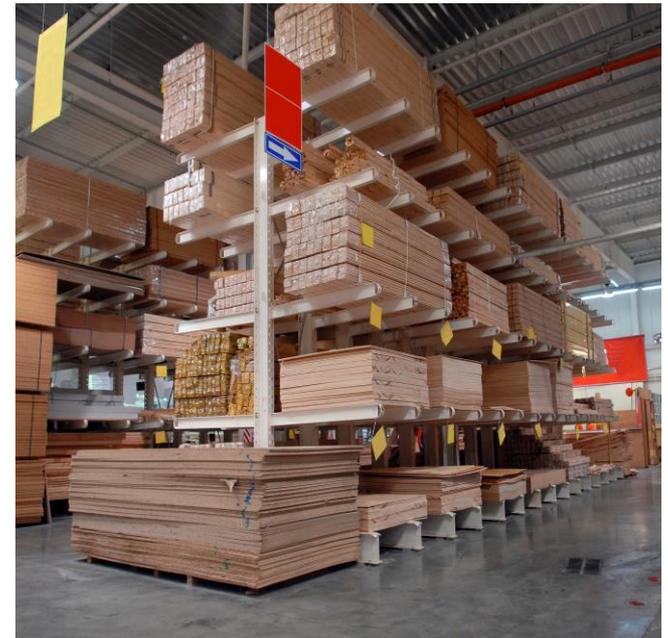
# U.S. Lacey Act

## ➤ Federal crime

➤ to import, export, transport, receive, buy, or sell plants or plant products (including timber & essential oils), taken or traded in violation of domestic or foreign laws designed to protect plants, and shipped to or within the United States.

➤ Creates a **"due care" defense to encourage inquiry** into legal harvest and sourcing of plant and plant products.

➤ **Fact-based inquiry**



# U.S. Lacey Act Enforcement Cases



## Gibson Guitars

- 2012
- Deferred prosecution agreement
- \$350K penalties & community service
- 5 page compliance plan
- Imported wood



## J & L Tonewoods

- 2015
- Felony Guilty plea
- 1 year prison & home detention 3 years supervised release
- \$159,692 restitution
- **Out of business**
- US National Forest Wood



## Lumber Liquidators

- 2016
- Felony guilty plea (Customs); Misdemeanor (Lacey)
- \$13.15 million in penalties & payments
- 8 page compliance plan
- Imported wood



## Young Living

- 2017
- Misdemeanor guilty plea
- \$760K in penalties and payments
- **22** page compliance plan
- Imported essential oils from rosewood

# U.S. Lacey Act



- ➔ **Denial of Entry**
- ➔ U.S. and Peru officials cooperated in this matter
- ➔ Wood was destroyed in settlements

# Fact Based – Strict Liability

- Remember no tool, vendor, standard or system provides an *iron clad assurance* to U.S. businesses.

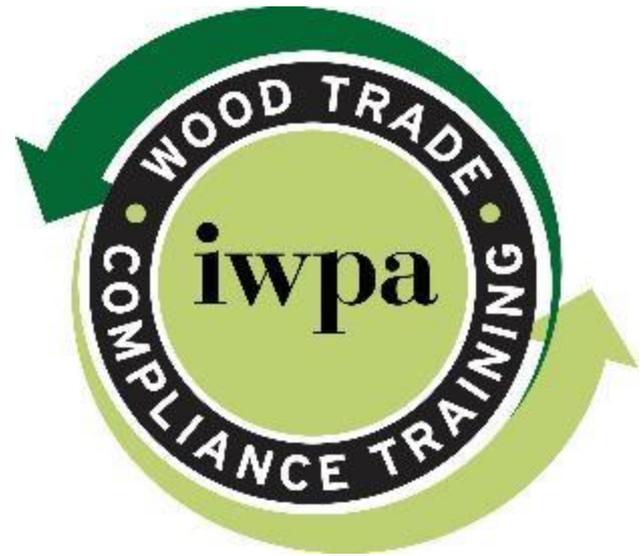


# Wood Trade Compliance Training

Seeing the  
**FOREST**  
AND THE  
**TREES**



Wood Trade  
Compliance Training  
and Due Diligence Tools



**USAID**  
FROM THE AMERICAN PEOPLE



WORLD  
RESOURCES  
INSTITUTE

# Advanced Courses 2018

Seeing the  
**FOREST**  
AND THE  
**TREES**



ADVANCED  
Wood Trade Compliance

Seeing the  
**FOREST**  
AND THE  
**TREES**



Audits for the  
Wood Trade Professional

Seeing the  
**FOREST**  
AND THE  
**TREES**



Key Components  
of Wood and Forestry  
Regulatory Schemes



WORLD  
RESOURCES  
INSTITUTE





Thank You

[Cindy@iwpawood.org](mailto:Cindy@iwpawood.org) | [@CLSquires](#) | [@IWPAWood](#)

IWPA LinkedIN Group

+1 703-820-6696

