

# Advancing the Trade and Distribution of Legally Harvested Forest Products: Navigating to Legal Timber

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APEC Experts Group on Illegal Logging and Associated Trade

April 2024



**Asia-Pacific  
Economic Cooperation**





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**APEC Experts Group on Illegal Logging and Associated Trade**

**April 2024**

APEC Project: EGILAT 01 2022A

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Note:

Various terms referenced in this report do not imply the political status of any APEC economy

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## Executive Summary

Illegal logging and associated trade deprive economies and their populations of significant revenues from the legal and sustainable management of their forests, and negatively impact the price of legally harvested wood products. This Final Summary Report outlines project work conducted for the Asia-Pacific Economic Cooperation (APEC) forum Experts Group on Illegal Logging and Associated Trade (EGILAT) in line with the group's two-year policy theme, "Advancing the Trade and Distribution of Legally Harvested Forest Products: Navigating to Legal Timber." Project EGILAT 01 2022A sought to 1) outline the different approaches to promoting timber legality in APEC economies (including timber legality frameworks, measures and other requirements) and 2) consider future opportunities to enhance timber legality measures by exploring available and emerging data, tools, and technologies to help navigate to legal timber globally.

This Final Summary Report covers project outputs including two stakeholder workshops, an updated compendium of resources to facilitate the trade in legal timber, and results of a "Stocktaking Survey" on timber legality frameworks across the APEC region. The first workshop focused on new tools and technologies to support APEC member economies' efforts to combat illegal logging and associated trade, reduce timber legality risks in complex supply chains and facilitate access to legal forest product markets. The second workshop provided an overview of the results from the Stocktaking and offered case studies outlining the different approaches APEC member economies use to promote and enforce timber legality. The 2024 EGILAT Compendium of Resources for the Facilitation of Trade and Distribution of Legally Harvested Forest Products in the APEC Region builds from information gained during both workshops and associated project research to provide a robust collection of relevant academic publications, policy and news briefs, online courses, training materials, tools, and platforms for APEC economies and stakeholders to understand and comply with frameworks and regulations for legal timber trade globally.

The project provided resources and capacity-building to government, industry, and civil society representatives in APEC member economies as well as other stakeholders that routinely engage with APEC economies around the trade in wood and wood products. This Final Summary Report also offers six recommendations for EGILAT to consider for future work to continue to advance the trade and distributions of legally harvested forest products and support broader APEC goals for sustainable and inclusive growth.

## Introduction

### Background

Illegal logging and associated trade deprive economies and their populations of significant revenues derived from the legal and sustainable management of their forests, and negatively impact the price of legally harvested wood products. APEC member economies hold over 50 percent of the world's forests and account for over 40 percent of the global trade in wood and forest products, valued at more than USD344 billion.<sup>1</sup> With the emergence of a range of new legal frameworks within the APEC region, there is a growing need for private sector operators to better understand and manage the timber legality risks in their supply chains and for forest sector officials to promote legal timber harvest and trade and enforce their laws.

This Final Summary Report outlines work conducted for the Asia-Pacific Economic Cooperation (APEC) forum Experts Group on Illegal Logging and Associated Trade (EGILAT) in line with the group's two-year policy theme, "Advancing the Trade and Distribution of Legally Harvested Forest Products: Navigating to Legal Timber," through a project of the same name. Project EGILAT 01 2022A set out to explore and promote the broad goals of advancing the trade and distribution of legally harvested forest products and to create opportunities to strengthen cross-APEC economy collaborations. The project expanded on the work of EGILAT's previous policy theme, "Advancing trade & distribution of legally harvested forest products" (2019-21)<sup>2</sup>, the existing APEC Economies' Timber Legality Guidance Templates and the Compendium of Resources for the Facilitation of the Trade and Distribution of Legally Harvested Forest Products in the APEC Region (2021).<sup>3</sup>

### Project Objectives

The project's goal was to foster a greater understanding of the existing, emerging, and changing regulatory measures, requirements, and frameworks which govern the harvest, processing, and trade of legal timber. The primary objectives of the project were:

- Outline the different approaches to promoting timber legality in APEC economies (including timber legality frameworks, measures and other requirements).

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<sup>1</sup> APEC. Nov 2015. Assessment of Progress Towards the APEC 2020 Forest Cover Goal. 27th APEC Ministerial Meeting in Manila, Philippines. [http://mddb.apec.org/Documents/2015/MM/AMM/15\\_amm\\_002.pdf](http://mddb.apec.org/Documents/2015/MM/AMM/15_amm_002.pdf)

<sup>2</sup> APEC. 2021. APEC EGILAT Policy Theme: Advancing the Trade and Distribution of Legally Harvested Forest Products. <https://www.apec.org/publications/2021/12/apec-egilat-policy-theme-advancing-the-trade-and-distribution-of-legally-harvested-forest-products>

<sup>3</sup> APEC EGILAT member economy Timber Legality Guidance Templates and Compendium of Resources (2021) can be found at: <https://www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Working-Groups/Illegal-Logging-and-Associated-Trade#:~:text=In%202022%2C%2>

- Consider future opportunities to enhance timber legality measures by exploring available and emerging data, tools, and technologies to help navigate to legal timber globally.

The project also assessed challenges for enforcing and complying with these measures and aimed to help EGILAT identify and describe existing resources to support timber legality.

### Project Outputs

The project had the following outputs:

1. Two Stakeholder Workshops
  - a. Workshop 1: Capacity-Building Workshop on Tools and Technology for Timber Legality (August 2023)
  - b. Workshop 2: Stocktaking for Navigating Legal Timber (December 2023)
2. Updated Compendium of Resources for the Facilitation of the Trade and Distribution of Legally Harvested Forest Products in the APEC Region (2024 EGILAT Compendium of Resources)
3. Final Summary Report



## **Workshop 1: Capacity Building for Tools and Technology for Timber Legality**

### Background

Under EGILAT's current two-year policy theme, "Advancing the Trade and Distribution of Legally Harvested Forest Products: Navigating to Legal Timber," members identified the need to incorporate current information on tools and technologies to support APEC economies in their efforts to promote trade in legal timber. The "Capacity-Building Workshop on Tools and Technologies for Timber Legality" was held 3-4 August 2023, in Seattle, Washington on the margins of the Third Senior Officials' and Related Meetings. The in-person workshop included informational presentations, roundtable discussions, case studies and a hands-on "Technology Showcase" to maximize participants' learning experiences and facilitate discussions among member economies and practitioners. Participants included stakeholders from private industry, government, academia and civil society.

The workshop was attended by 66 participants representing 14 APEC member economies. The gender balance of the workshop participants consisted of 58% of the participants being male and 42% of the participants female. This exceeded the project's goal for a minimum of 40% percent female participation.

### Workshop Themes and Presentations

The overarching theme of the Workshop was focused on how new tools and technologies could support APEC member economies in their efforts to combat illegal logging and associated trade, reduce timber legality risks in complex supply chains and facilitate access to legal forest product markets.

The primary goals of the workshop were to articulate current issues that surround legality within global timber supply chains, provide up to date information on the state of tools and technologies being used to support the trade in legal timber and illustrate, through case studies, how APEC member and non-APEC member economies have successfully deployed these tools. Additionally, the workshop provided APEC member economies an opportunity to interact with each other and practitioners to explore how new technological approaches might be utilized to bolster their own forest sector and overcome gaps in capacity. Please see Annex 1 for this workshop's agenda.

The opening sessions of the two-day workshop gave participants a detailed view of the global timber trade and introduced "event-based traceability," an approach to traceability that uses standards for data known as "Key Data Elements (KDEs)" and "Critical Tracking Events (CTEs)," which represent nodes of activity along a supply chain. These concepts have been adapted from other natural resource sectors that

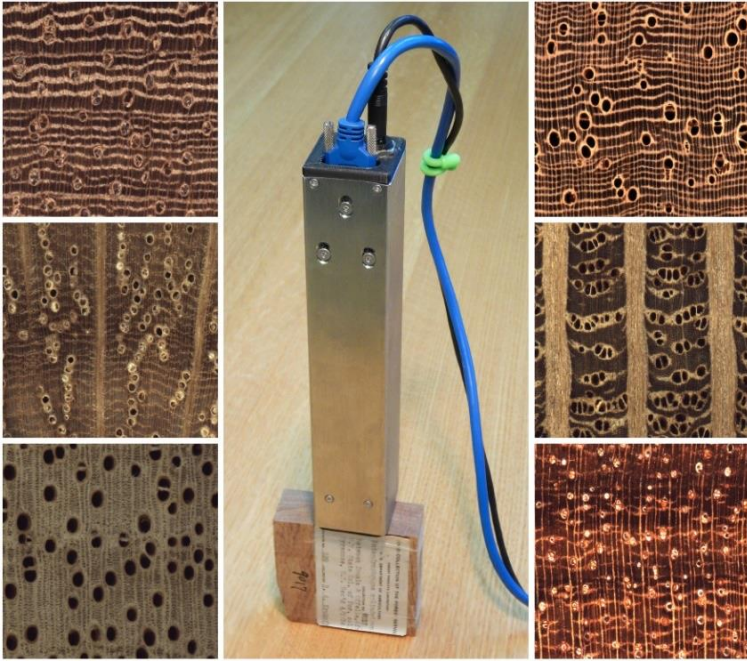
face similar issues stemming from complex and opaque supply chains. CTEs and KDEs may serve as means to evaluate and address weak points where illegal forest products often contaminate legal products in complex supply chains.<sup>4</sup>

The subsequent session built upon the concepts of CTEs and KDEs by presenting studies where these concepts had been successfully piloted. For example, a World Resources Institute (WRI) study on timber traceability in Latin America<sup>5</sup> provided substantial content for the session's panel discussions by exploring how to identify and obtain necessary CTEs and KDEs in APEC economies. The final two sessions offered deep dives into specific tools, technologies and platforms including the Global Forest Watch, Open Timber Portal and Chainparency, which support supply chain transparency. Other deep dives focused on field-based identification tools via wood anatomy such as Xylorix and XyloTron. Participants discussed how laboratory-based methods including Direct Analysis in Real Time (DART) Time-of-Flight Mass Spectrometry (TOFS), genetics, stable isotope ratio analysis (SIRA) and trace element analysis can verify origin and species information for threatened, high-value, globally traded timber species, but some expressed that lack of scientific capacity in many member economies made uptake of these technologies difficult. These sessions prepared participants to discuss the tools in more detail - especially with respect to their own economies - during the following day's "Technology Showcase."

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<sup>4</sup> GS1 .2017. GS1 Global Traceability Standard: GS1's framework for the design of interoperable traceability systems for supply chains. <https://www.gs1.org/standards/gs1-global-traceability-standard/current-standard#2-Traceability-and-the-importance-of-standards+2-4-The-need-for-interoperability-and-standards>

<sup>5</sup> FAO and WRI. 2022. Timber traceability – A management tool for governments. Case studies from Latin America. Rome. <https://doi.org/10.4060/cb8909en>



*Workshop participants learned about XyloTron and XyloScope (pictured above) during the Technology Showcase in Seattle. Photo courtesy USFS Forest Products Laboratory*

The Technology Showcase included a two-hour exhibition for practitioners to demonstrate their tools and engage participants in conversations about how, where, and in what capacity their work might aid economies to bolster legality. This session allowed participants, through face-to-face conversations with practitioners, to explore in more depth questions of cost, reliability, necessary capacity and appropriate applications. Further, the showcase enabled continued discussions around where and with what tools CTEs and KDEs may be obtained or documented.



*Ruth Nogueron (second from left) showcases WRI's Global Forest Watch at the Technology Showcase during Workshop 1 in Seattle.*

The final sessions of the workshop highlighted case studies by government and private sector actors from APEC member economies detailing how they employed tools to uncover illegalities, support supply chain transparency, and enable access to high-value markets trading in legal forest products.

In the government-led session, representatives from Australia; Canada; and Chinese Taipei discussed enforcement through the use of genetic tools to verify species claims and the use of the field based automated wood anatomy tool XyloTron for screening products in ports. Chile and Peru reviewed platforms developed in-house to systematically track private sector compliance with forest related laws leading to better transparency in their forest sectors. For example, in Chile government agents rely on information from drones, satellite imagery and historical information contained within their computer-based system "SAFF" (a government-run system which articulates the management plan in detail) to validate forest management plans before approval.



*Experts from Canada; Chile; Australia; Chinese Taipei; and Peru share member economy case studies during Workshop 1 in Seattle.*

During the private sector-led session, representatives from the China Timber and Wood Products Association, Timber Exporters Association of Malaysia (TEAM), the International Tropical Timber Organization and Weyerhaeuser walked participants through methodologies they employed to reduce timber legality risk within their organizations and throughout their associations. For example, TEAM developed extensive trainings to educate their constituents on the three different Malaysian timber legality assurance systems (MyTLAS, Sabah TLAS, STLVS) required to demonstrate legality within the economy and globally. Weyerhaeuser spoke about their use of drones to accurately plot and identify harvest zones and demonstrate the sustainability of their timber resources.

### Workshop 1 Discussion

The Capacity-Building Workshop on Tools and Technologies for Timber Legality produced substantive discussions and provided APEC member and non-member party stakeholders the opportunity to collaborate and address the many specific pieces of information to confirm legality of forest products within their economy. The presentations set the stage for a two-day discussion around if, how and where specific tools and platforms could assist stakeholders in verifying the legality of traded forest products.

Participants collaborated on discussions around mapping out what types of information – including on CTEs and KDEs – are needed. Participants largely agreed that (1) SMART (Specific, Measurable, Achievable, Realistic and Timely) criteria, (2) clearly defined Standard Operating Procedures (SOPs; including what information will be shared and how), (3) safeguards to detect false information, and (4) making self-reported data publicly available, are necessary elements to verify and demonstrate legality.

Further discussions on acquiring and incorporating KDE acquisition using various technological methods revealed challenges associated with stakeholder buy-in as

well as with financial, scientific, and political capacity for developing traceability systems. The situation whereby a member economy stakeholder neither had access to relevant technologies nor the financial and/or political capital to utilize the technologies demonstrated unequal resources between some APEC economies and stakeholders for addressing timber legality. Participants voiced a need for the democratization of tools to improve progress towards a fair playing field for legal timber and access to high-value markets for EGILAT members. Participants also posed questions with respect to the potential for EGILAT - which includes member economy stakeholders with access to traceability tools and technologies – in assisting member economies and their stakeholders in accessing and using technologies, and how such a process might work.

Providing the opportunity for stakeholders to meet and discuss diverse types of traceability systems between APEC economies made clear the challenges each would face with respect to advising the other and overcoming complexities in developing interoperable systems.

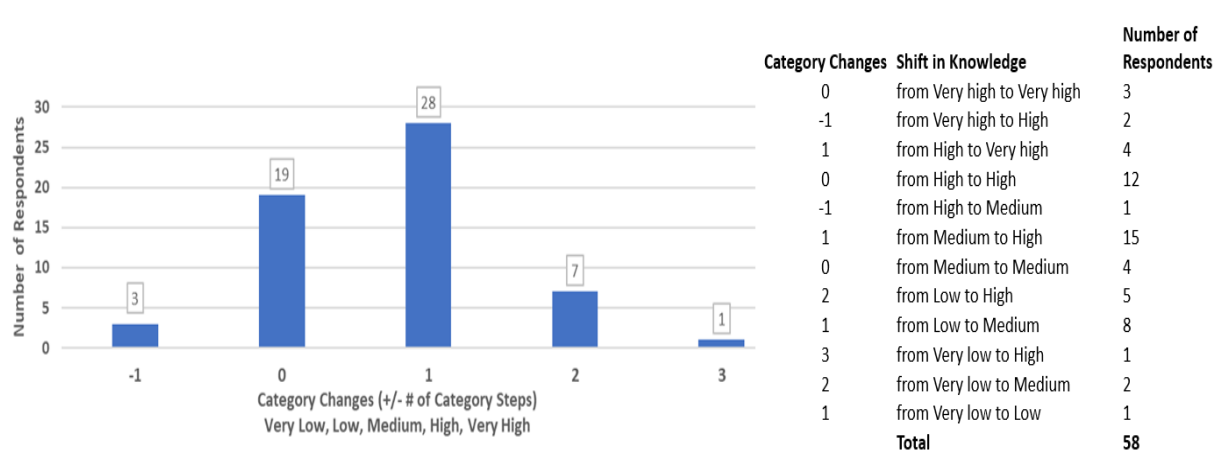
### Participant Feedback

Attendees were requested to provide feedback on the event via a Workshop Completion Survey. Fifty-eight (58) of the 66 total workshop attendees filled out a survey – a response rate of 88%.

The Workshop Completion Survey asked participants to rate their level of knowledge/understanding of the session topics before and after the workshop using the following five-point scale: Very Low, Low, Medium, High and Very High. The majority of respondents, 36 out of 58 (62%), indicated that their knowledge and understanding had increased post-workshop (Figure 1).



**Figure 1: Respondents' Category Changes (+/- # of Category Steps) of Knowledge/Understanding Transfer Before vs. After Workshop 1.**



Workshop attendees were asked to provide written comments on the workshop's results and achievements. Respondents shared what they deemed to be the most valuable results of the workshop. This included 1) exposure to innovative technologies and access to the practitioners developing them, 2) knowledge transfer between APEC economy stakeholders on the successful utilization of tools to support legality structures, and 3) the opportunity for collaboration and capacity building between economies. Many of the comments received expressed gratitude for the opportunity to network and form contacts for future collaboration with stakeholders across government, academia and industry.

Attendees were also asked how they might use the skills and knowledge gained from the workshop to build capacity in their home economy. Many participants noted a broad information and knowledge gain from the workshop and expected they would bring this new knowledge back to colleagues in their home economy. Comments received via the Workshop Completion Survey indicated that some respondents plan to organize their own training and capacity building sessions or develop strategies for including scientists in efforts to combat illegal logging. Others hope to find ways to strengthen mechanisms for collaboration on research between economies.

Overall, Workshop Completion Survey responses indicated participants were pleased with the event and the subject matter presented. In terms of areas for improvement, some respondents expressed a desire for further training on the applications of technology for policy and legislation. Others requested additional time for structured small-group discussions, increased participation from industry, or additional case studies from other member economies. Although 49 out of 58

respondents (84%) answered “Agree” or “Strongly Agree” when asked if gender issues were sufficiently addressed, nine (9) respondents (16%) answered “Disagree.” The project team worked to address this in the second workshop.



## Stocktaking Survey

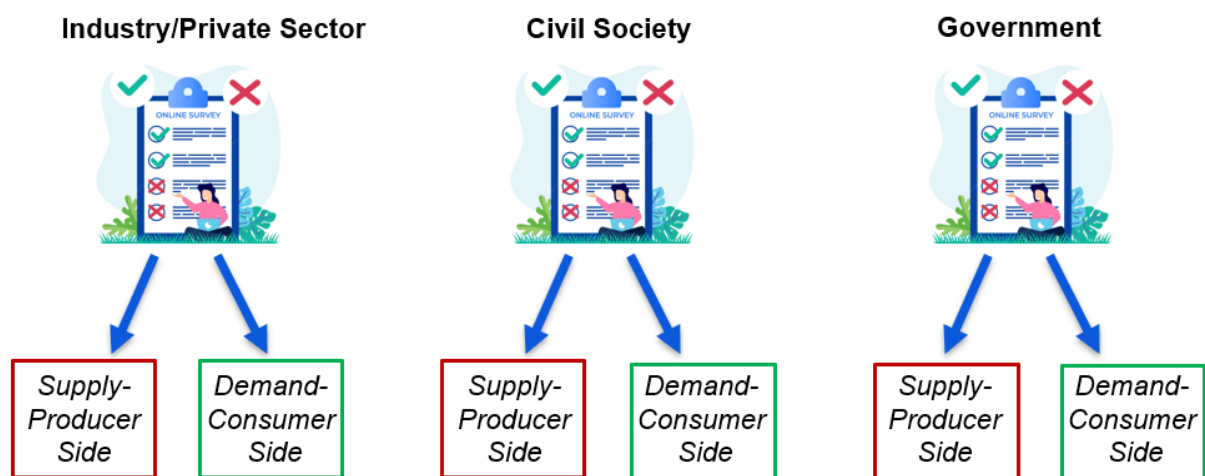
### Background and Methods

A Stocktaking Survey was conducted as part of APEC Project EGILAT 01 2022A. The goal of the survey was to better understand how APEC member economy stakeholders support the legal trade in forest products, including the employment of legal frameworks, policies and other measures. There were two main differences between the 2021 APEC survey<sup>6</sup> and this survey:

- The 2021 APEC survey specifically targeted a single stakeholder group, the private sector. In contrast, the 2023 Stocktaking Survey sought to capture the perspectives of three stakeholder groups: industry/private sector, civil society (e.g., non-governmental organizations) and the government/public sector.
- The 2021 APEC survey did not distinguish whether responses reflected supply-side/producer policies and issues, or whether they reflected demand-side/consumer policies and issues. The 2023 Stocktaking Survey utilized producer/supply- and demand/consumer-side specific questions and responses.

To capture the broad range of stakeholder categories and their perspectives, six different versions of the survey were created (Figure 2). However, each of the three stakeholder's versions for the supply-side/producers was comparable, and similarly, each of the three versions for the demand-side/consumers was comparable.

**Figure 2: Stocktaking Survey Flowchart by Stakeholder Category**



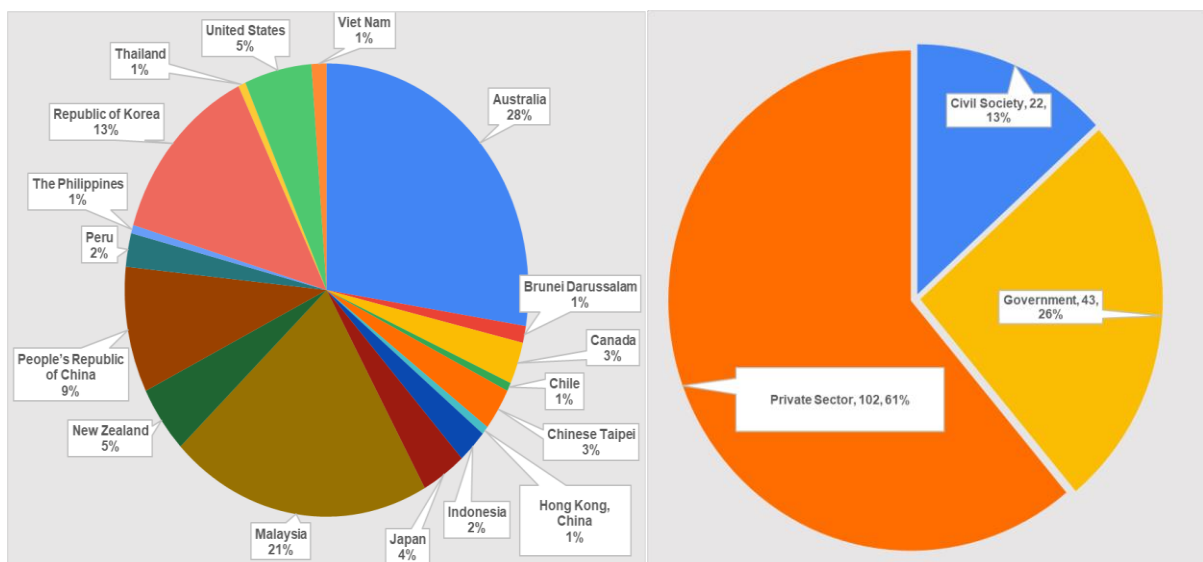
<sup>6</sup> APEC. 2021. APEC EGILAT Survey of Private Sector Organizations in the Forest Products Supply Chain. <https://www.apec.org/publications/2021/12/apec-egilat-survey-of-private-sector-organizations-in-the-forest-products-supply-chain>

## Stocktaking Survey Results

### Overview

The survey was open for eight weeks between 1 October and 24 November 2023. The survey was distributed to each APEC economy's designated survey point of contact (POC) in the EGILAT forum, and each POC was responsible for distributing the survey to relevant stakeholder groups throughout their respective economies. The survey was primarily conducted online; however, paper copies were also provided to help facilitate access for all economies and stakeholders. A total of 167 responses were received from 17 of the 21 APEC member economies (Figure 3).

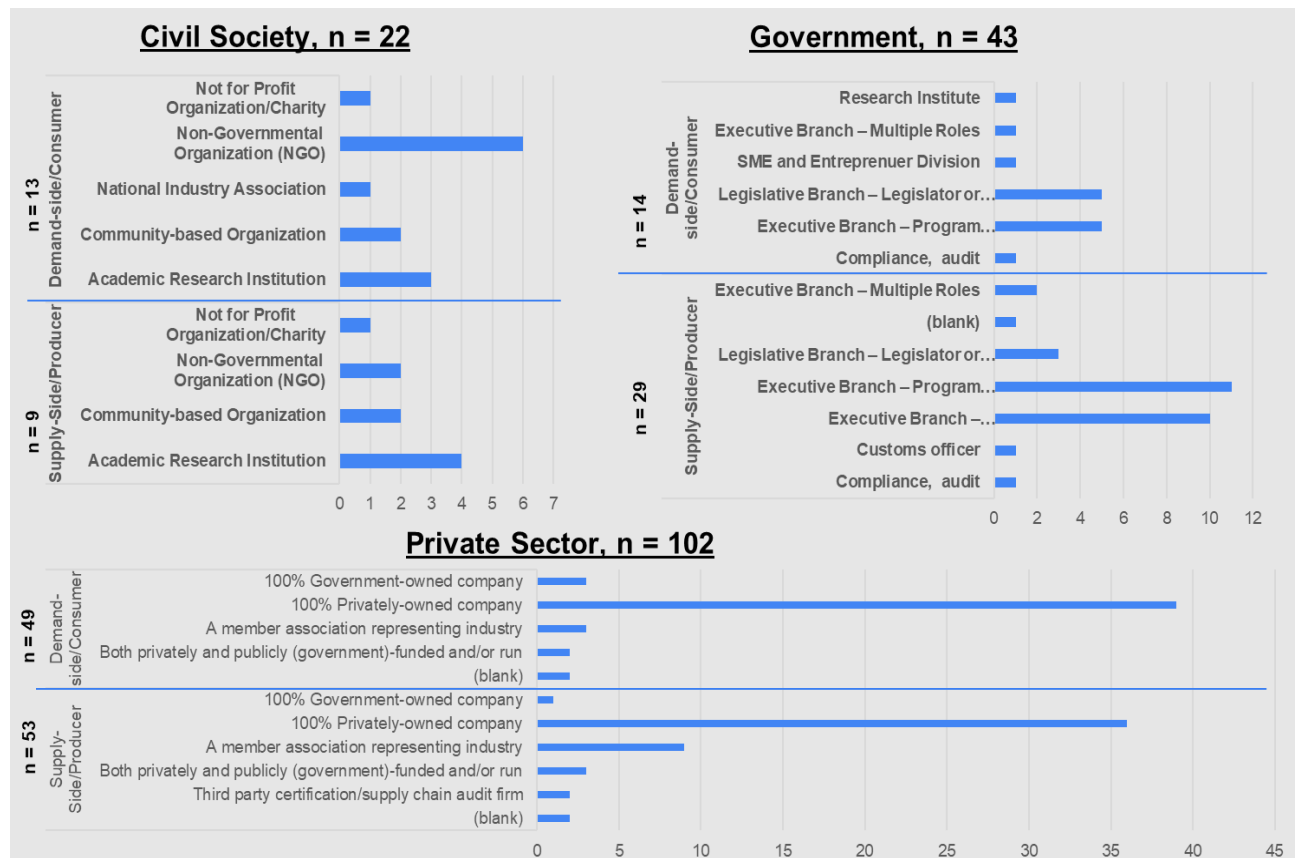
**Figure 3: Stocktaking Survey Responses by Economy (left) and Stakeholder Category (right).**



By stakeholder category, 61% of responses were from the private sector/industry, 26% from the government/public sector and 13% from civil society (Figure 3). There were 22 responses from civil society, 43 responses from the government/ public sector and 102 responses from the private sector/industry (Figure 4). Regarding enterprise size, the survey had strong results from a key target demographic – Micro, Small and Medium Enterprises (MSMEs) – with over 50% of responses coming from entities with less than 50 employees. MSMEs were the largest private sector/industry group across both supply-side/producer companies as well as demand-side/consumer companies. For each sector, the 2nd highest demographic reached was large companies with more than 200 employees.

Broadly, across all private sector/industry respondents (n=102), women made up more than 75% of the workforce in only 5% of the enterprises that responded to the survey. Moreover, women made up more than 50% of the workforce in only 25% of the enterprises that responded to the survey. Forty percent of respondents indicated less than 25% of their employees were women.

**Figure 4: Stocktaking Survey Respondents by Stakeholder Category**



The survey asked all 102 private sector/industry respondents from both supply-side/producer and demand-side/consumer companies if they import and/or export forest products. As might be assumed, demand-side/consumer companies were more likely to import forest products (and less likely to export forest products). However, supply-side/producer companies were equally as likely to export forest products as they were to import forest products. This shows that supply-side/producer companies, in addition to taking part in production and processing aspects, are not just obtaining raw material (wood) from domestic sources within each economy, but they are also importing raw materials from other economies.

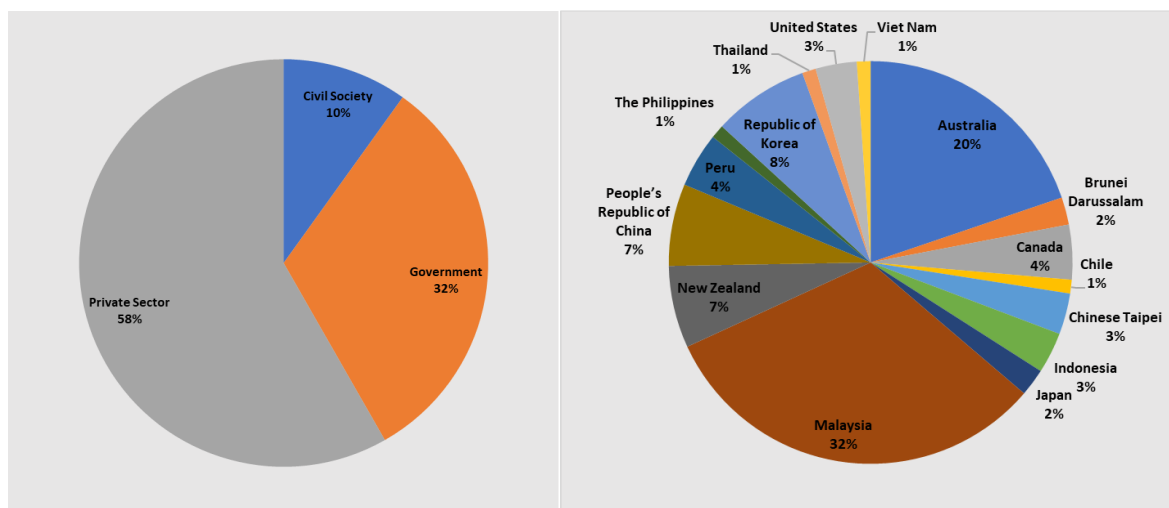
### Supply-Side/Producers

Across all stakeholder groups, just over half of the survey respondents (54% or 91 respondents) answered that they “engage with, track, follow, or work on supply-side/producer issues” and thus took this version of the survey (Figure 5).

An initial survey question was whether the economy (or sub-economy jurisdiction) the respondent operates in has a regulatory framework that is understood to be a Timber Legality Assurance System (TLAS). A working definition of a TLAS accompanied the question so that all survey-takers had the same level of understanding. The definition provided was:

*Timber Legality Assurance System (TLAS): A TLAS, broadly defined, is a combination of laws, regulations, processes, and information systems that collectively work together within an economy to provide a framework for defining, identifying, and enforcing the legality of timber and timber products.<sup>7</sup>*

**Figure 5: Stocktaking Survey Respondents Identified as Supply-Side/Producers by Stakeholder Category (left) and Economy (right).**

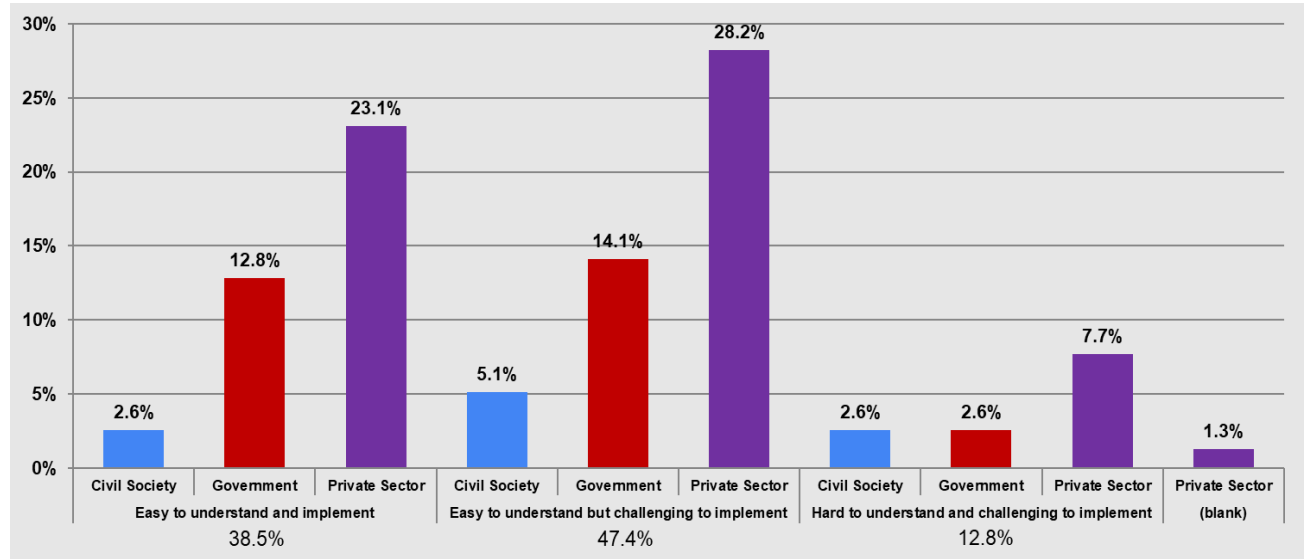


The majority (78) of the 91 respondents across all 16 economies responded “Yes.” However, for several economies, some respondents answered “Yes,” while other respondents answered “No.” This mixed result could be due to a need for more clarity in the survey question or due to a lack of clarity around whether reforms and regulatory frameworks in different economies would be considered a TLAS.

<sup>7</sup> This definition was developed specifically through conversations with EGILAT member economy representatives, subject matter experts and the following key resources: FAO. 2007. Forest Law Enforcement, Governance and Trade (FLEGT) Briefing Notes: a timber legality assurance system. Briefing Note Number 3. <http://www.fao.org/forestry/download/33057-0e202b86f39bde3a12f7273f706d861a5.pdf>; Overdeest, C., & Zeitlin, J. 2014. Constructing a transnational timber legality assurance regime: Architecture, accomplishments, challenges. *Forest Policy and Economics*, 48, 6–15. <https://doi.org/10.1016/j.forpol.2013.10.004>

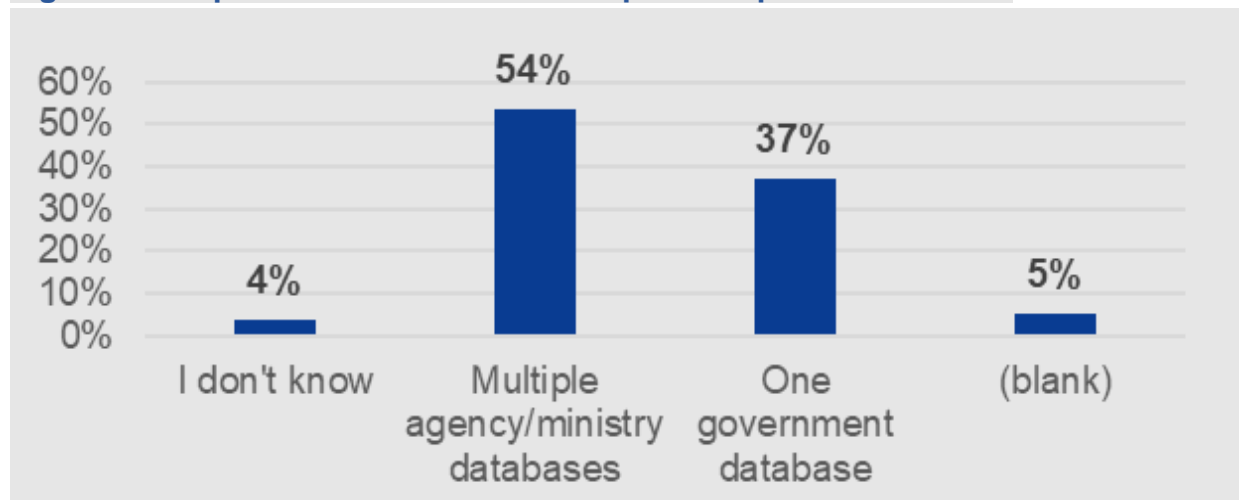
The 78 respondents who answered affirmatively to having a TLAS were asked several follow-up questions. Regarding how respondents would describe the TLAS regulatory procedures in their economy, just under half of the respondents (47.4%) answered “Easy to understand but challenging to implement” (Figure 6).

**Figure 6: Responses to, “What is your entity’s ability to understand and implement the TLAS regulatory procedures in your economy?”**

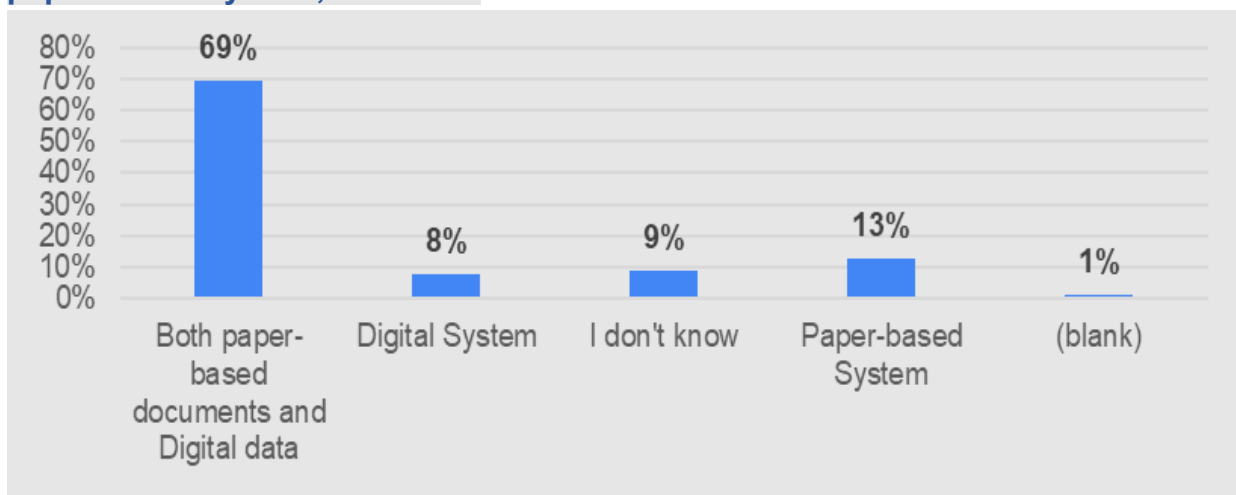


These same 78 respondents were then asked a series of questions related to their ability to work with the regulatory procedures used to demonstrate legality in their economy (Figure 7-10). The majority of respondents noted that to track legality, they used a combination of paper-based documents and digital data. Additionally, the majority of survey participants (63%) responded affirmatively that they think that their economy’s TLAS enables private sector/industry actors to trace products back to their place of harvest and receive confirmation from government authorities that the product was legally harvested.

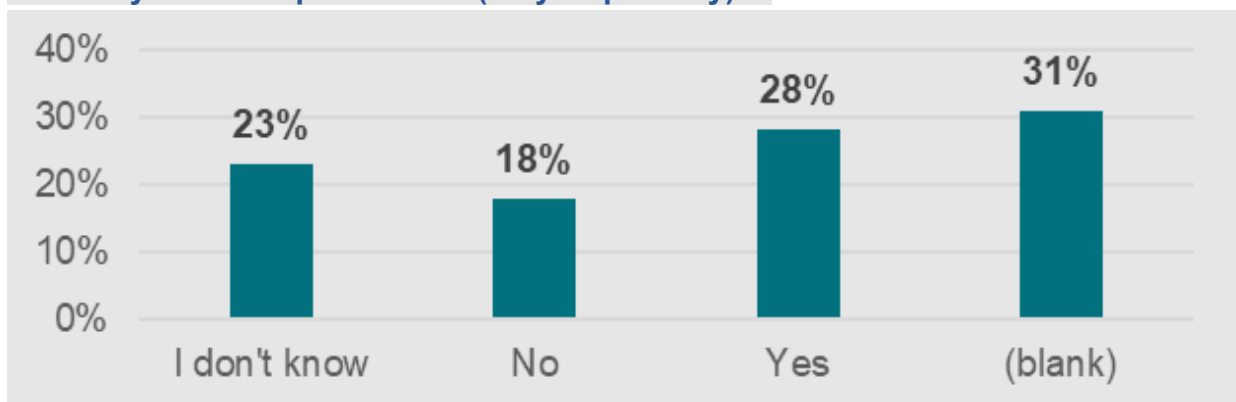
**Figure 7: Responses to: “Entities are required to provide data to:”**



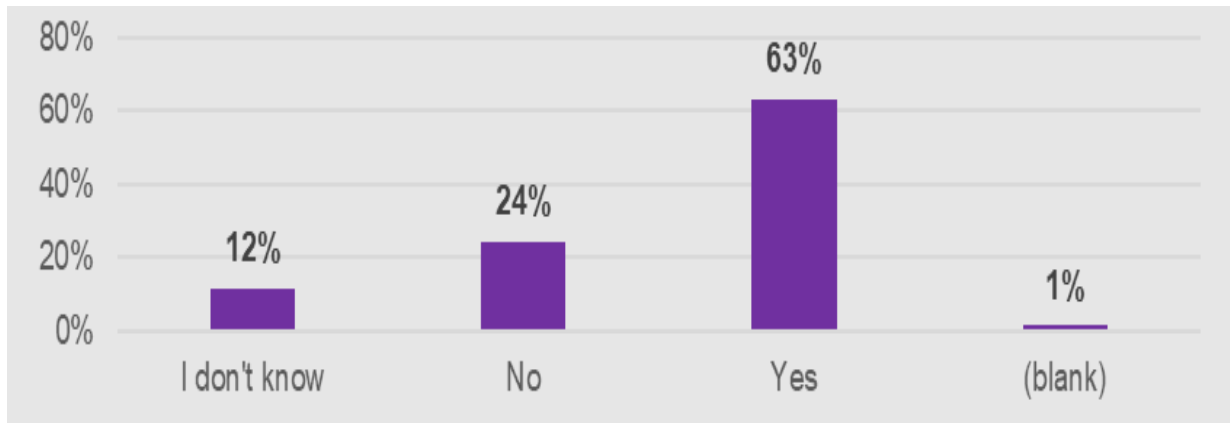
**Figure 8: Response to: “To track legality does your economy use a digital, paper-based system, or both?”**



**Figure 9: Response to: “Are the data and information systems supporting your economy’s TLAS open access (fully or partially)?”**



**Figure 10: “Do you think that your economy’s TLAS enables private sector actors in the supply chain to trace product back to place of harvest and receive confirmation from government authorities that the product was legally harvested?”**



The top three aspects of compliance highlighted as being most challenging for adhering to the respondent's economy's TLAS were:

1. Developing or providing required/requested information (26 votes)
2. Understanding regulations/frameworks (21 votes)
3. Obtaining information on regulations/frameworks (11 votes)

For the 13 "No" responses regarding whether a respondent's economy has governance structures that they understand to be its TLAS system, the following list identifies the most difficult/pressing challenges identified for developing a TLAS in a specific economy:

#### Civil Society

- Information about the legality of timber products are difficult to collect and verify

#### Government/Public Sector

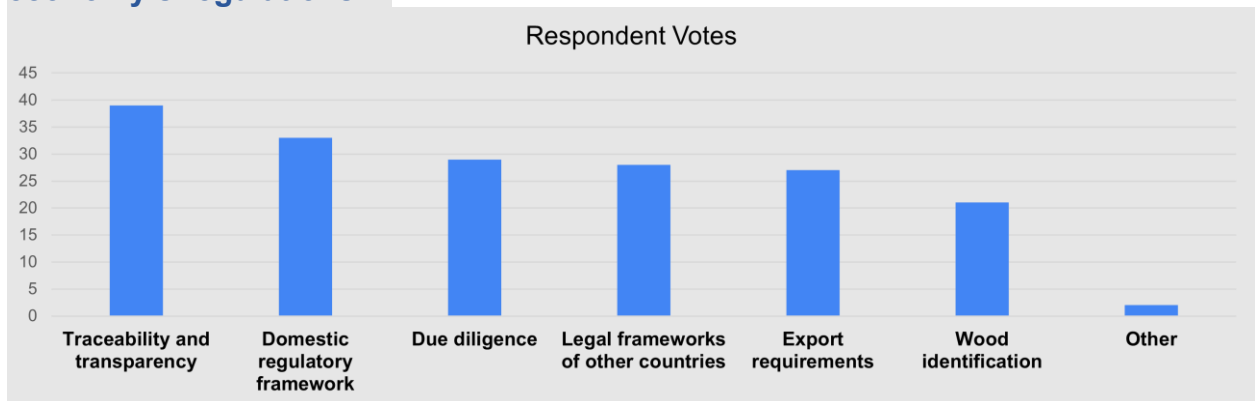
- Financial constraints
- Political Will
- Industry Opposition

#### Private Sector/Industry

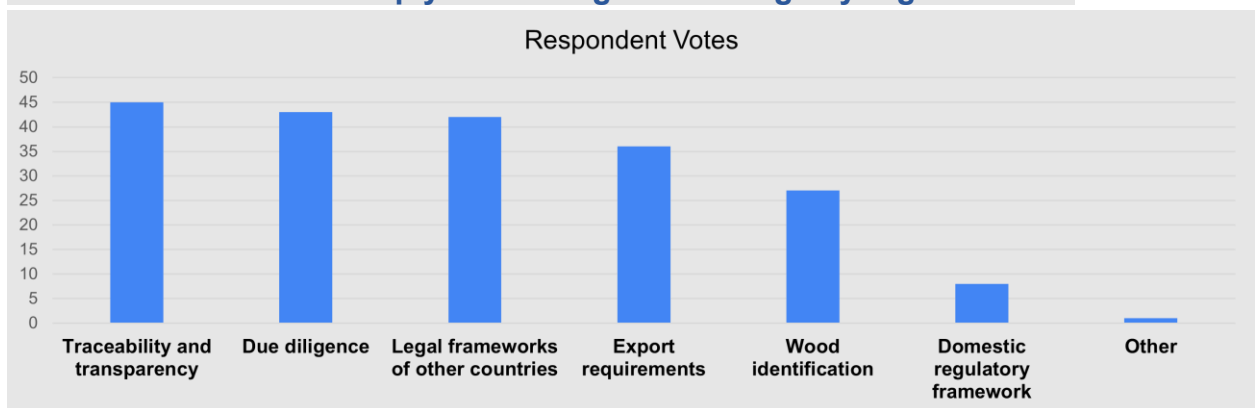
- Corruption
- Lack of perceived need by sector
- Lack of knowledge on TLAS

All 91 respondents who took the supply-side/producer version of the survey were asked the following series of questions regarding what topics should be addressed to build capacity within the respondent's economy to better understand or comply with domestic regulations (Figure 11) and to better understand or comply with foreign timber legality regulations (Figure 12). Illustrated in the results below, traceability and transparency received the highest votes indicating the value of capacity-building in this topic to be a cross-cutting solution to assist stakeholders to trade in legal wood and forest products.

**Figure 11: Number of respondent Votes by Category in Response to, “What topics should be addressed in trainings, technical assistance and capacity building to help supply chain actors better understand or comply with your economy’s regulations?”**



**Figure 12: Number of Respondent Votes by Category in Response to, “What topics should be addressed in trainings and technical assistance to help you better understand or comply with foreign timber legality regulations?”**

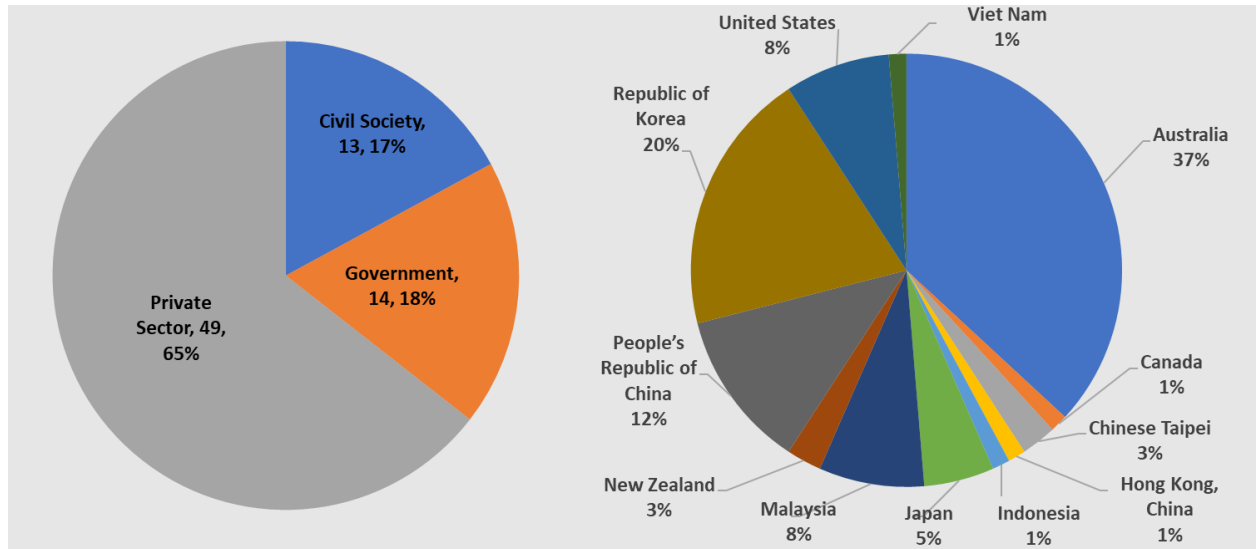




## Demand-Side/Consumers

Across all stakeholder groups, just under half of the survey respondents (46% or 76 respondents) answered that they “engage with, track, follow, or work on demand-side/consumer issues” and thus took this version of the survey (Figure 13).

**Figure 13: Stocktaking Survey Respondents by Stakeholder Category (Left) and Economy (Right) Identified as Demand-Side/Consumers**

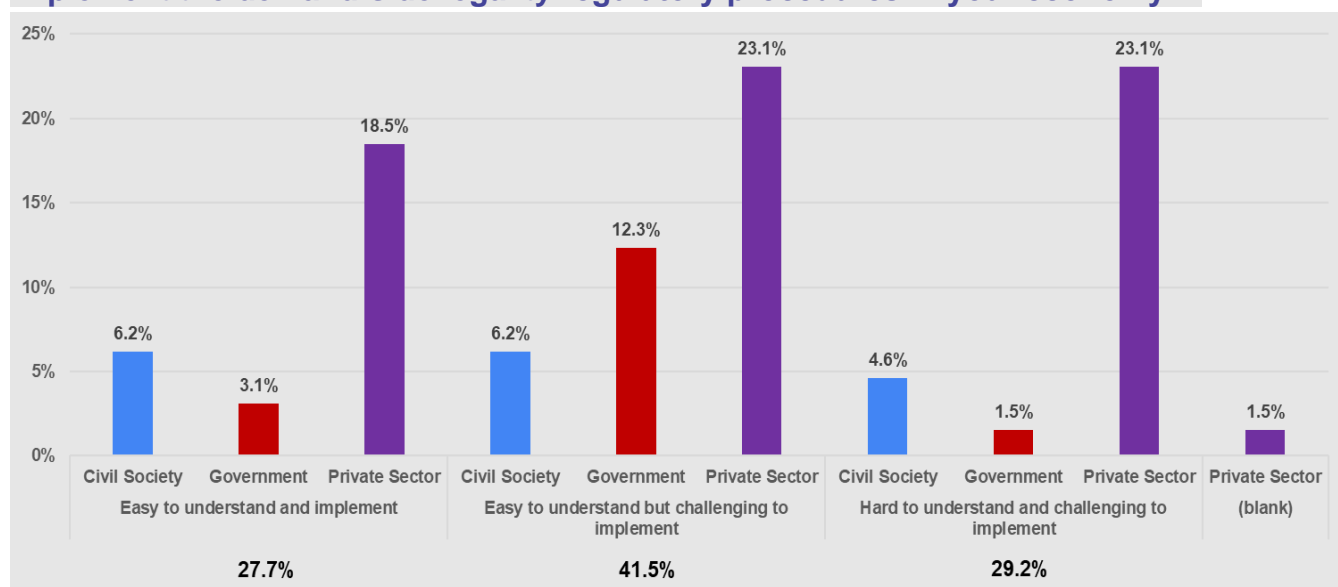


Regarding whether the economy in which the respondent operates has a demand-side timber regulation, the question included the following example of a “demand-side timber regulation”: *A demand-side timber regulation, for example, prohibits the import and/or trade of forest products that have been illegally harvested or traded at any point in the supply chain.* The majority (65 of the 76) respondents across 10 of the 12 economies responded “Yes.” However, for several economies, some respondents answered “Yes,” while other respondents answered “No.”

Similar to the supply-side question of whether the respondent’s economy had a supply-side timber legality system, this mixed result could be due to a need for more clarity in the survey question or a lack clarity regarding whether economy reforms or regulatory measures would be considered a demand-side timber regulation.

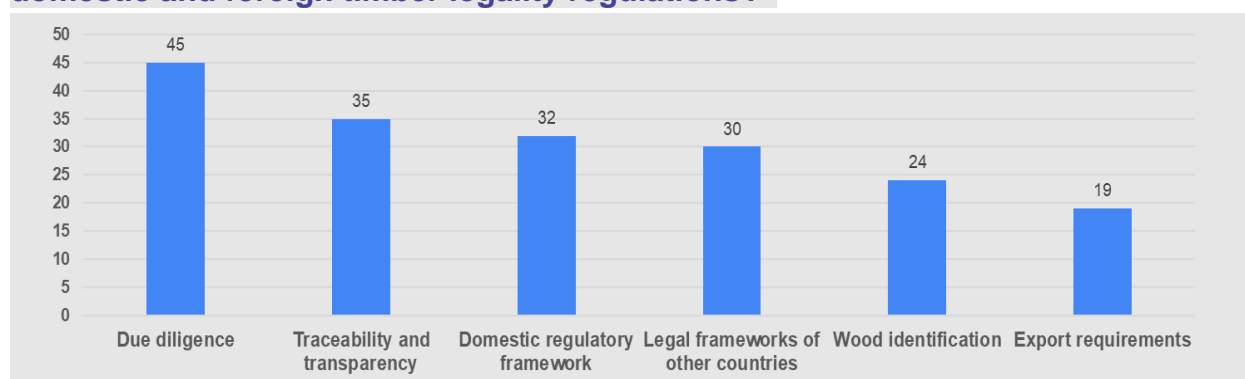
The 65 respondents who answered affirmatively to having demand-side regulations were asked several follow-up questions. Regarding how respondents would describe the demand-side legality regulatory procedures in their economy, 41.1% of the respondents answered, “Easy to understand but challenging to implement,” while the remaining respondents were split almost equally between “Easy to understand and implement” (27.7%) and “Hard to understand and challenging to implement” (29.2%) (Figure 14).

**Figure 14: Responses to, “What is your entity’s ability to understand and implement the demand-side legality regulatory procedures in your economy?”**



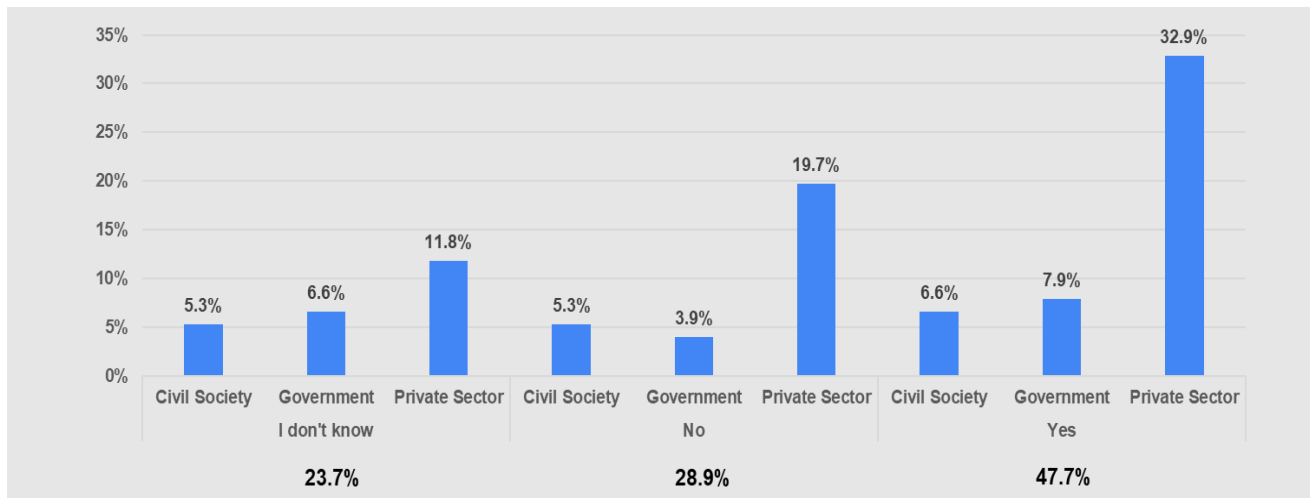
All 76 respondents who took the demand-side/consumer actor version of the survey were asked what topics should be addressed to build capacity within the respondent’s economy to better understand or comply with both domestic and foreign timber legality regulations (Figure 15). As illustrated in the results below, due diligence, along with traceability and transparency, ranked highest.

**Figure 15: Responses to, “What topics should be addressed in trainings and technical assistance to help you better understand or comply with both domestic and foreign timber legality regulations?”**



All 76 respondents who took the demand-side/consumer actor version of the survey were asked if they thought business/industry entities in their economy were able to successfully receive the necessary forest product supply chain information and data to assist in verifying legality from businesses upstream or downstream in the supply chain (Figure 16). Just under half of the respondents (47.7% or 36 respondents) indicated that they thought businesses could successfully receive necessary supply chain information and data from other businesses up- or down-stream.

**Figure 16: Responses to, “Are private sector/industry entities in your economy able to successfully receive the necessary forest product supply chain information and data from businesses upstream or downstream in the supply chain?”**



For the 36 respondents who indicated they thought businesses in their economy could successfully receive necessary supply chain information and data from other businesses up- or downstream, a follow-up question was asked to better understand the specific mechanisms that enable successful exchange of information and data between businesses. The following mechanisms were identified by respondents:

- On-site surveys/visits
- Transaction/database/document verification
- Due diligence process
- Voluntary forest certification
- Government-verified documents
- Internal forms/surveys requesting information/data
- Risk assessments using searchable databases and reports
- Market recognition
- Third-party supply chain management

For the 22 respondents who responded that they thought businesses in their economy could not successfully receive necessary supply chain information and data from other businesses up- or downstream, a follow-up question requested them to identify specific obstacles that made it difficult to successfully exchange information and data between businesses. The following obstacles were cited by respondents:

- Difficulty in validating and verifying information and data requested from supply chain actors
- Lack of capacity in developing economies of origin
- Lack of an authoritative platform and communication channels
- Lack of knowledge from importers around regulations
- Lack of supply chain transparency
- Lack of traceability
- Limited/no Guidance from government authorities on compliance
- General unwillingness to share information
- Limited/no guidance from government on how to validate and verify data
- Voluntary Forest Certification does not in and of itself enable the practical transfer of information/data through the supply chain

### Stocktaking Survey – Discussion

The overarching goal of the “Stocktaking Survey for Navigating Legal Timber” was to better understand what approaches were being used by member economy stakeholders to combat illegal tree harvesting, and promote the legal trade of forest products, as well as define the challenges faced with these approaches. The results from the survey suggest that many APEC member economy stakeholders are working through similar issues as they navigate the trade in legal timber. For example, even though some economies are often categorized as being wood “producing” economies, or wood and forest product “consuming” economies, the reality is that many APEC economies “produce” as well as “consume” wood products.

The survey results show that within each economy the forest sector may contain both a supply-side/producer aspect and a demand-side/consumer aspect. As each economy's government works to address timber legality from one or both angles, it will be critical to ensure that the combination of laws, regulations, processes, and information systems work together effectively for implementation.

There are many challenges that stakeholders face when trying to ensure the trade in legal forest products. A common theme that came up in both versions of the survey (supply-side/producer version and demand-side/consumer version) was the lack of stakeholder comprehension and subsequent compliance around both domestic and foreign regulations. A critical aspect raised by the survey was possible confusion

around whether government/public sector regulatory frameworks constituted either timber legality assurance-type systems<sup>8</sup> or demand-side timber regulations.<sup>9</sup>

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<sup>8</sup> Timber legality assurance-type systems were defined in this project as a combination of laws, regulations, processes, and information systems that collectively work together within an economy to provide a framework for defining, identifying, and enforcing the legality of timber and timber products timber legality assurance-type systems (defined in this project as a combination of laws, regulations, processes, and information systems that collectively work together within an economy to provide a framework for defining, identifying, and enforcing the legality of timber and timber products.

<sup>9</sup> Demand-side timber regulations were defined in this project as any regulation that prohibits the import and/or trade of forest products that have been illegally harvested or traded at any point in the supply chain.

## Workshop 2: Stocktaking for Navigating Legal Timber

### Background

On 13-14 December 2023, the project team convened the virtual workshop “Stocktaking for Navigating Legal Timber.” The workshop complemented the Stocktaking Survey and sought to advance stakeholder capacity to participate in the trade and distribution of legally harvested forest products by outlining the different approaches – including timber legality frameworks, measures and other requirements – APEC member economies use to promote timber legality.

During the virtual workshop, workshop facilitators delivered a presentation summarizing the results of the Stocktaking Survey, and expert panelists provided case studies from APEC member economies. Workshop participants discussed private sector adoption of legality practices along with challenges and lessons learned for legality framework implementation. The workshop also aimed to promote a greater understanding of how industry engages with timber legality frameworks, measures and requirements. The workshop was attended by 69 participants representing 15 APEC member economies. Thirty-nine, or 56%, of workshop participants were female. This exceeded the initial goal of 40% female participation.

### Workshop Themes and Presentations

The workshop focused on taking stock of approaches APEC member economies utilize to promote legal harvest and trade of timber and provided member economy stakeholders the opportunity to share and discuss their experiences working on combating illegal logging and associated trade, as well as facilitating access to legally harvested and traded timber.

Please see Annex 2 for this workshop's agenda.

Workshop facilitators presented an overview of common elements, requirements and measures associated with timber legality frameworks based on the research gathered throughout the project. They identified a common understanding of timber legality frameworks – encapsulating both supply-side and demand-side frameworks – as:

*A combination of laws, regulations, processes and information systems that collectively work together within an economy to provide a framework for defining, identifying, and enforcing the legality of timber and timber products...for products that are both domestically sourced and traded, as well as those internationally traded (imported/exported).<sup>10</sup>*

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<sup>10</sup> See footnote #8

Workshop facilitators enumerated common elements of timber legality frameworks from their desk research, which included communications with domain experts and a literature review<sup>11</sup> (Figure 17).

**Figure 17. Common elements of timber legality frameworks as presented during workshop 2.**

- **Legality standard:** a legality definition that identifies the subset of domestic laws that will be assessed for compliance
- **Transparency and stakeholder involvement:** tools and mechanisms to ensure transparency and stakeholder involvement
- **Traceability, supply chain control, data interoperability and validation:** mechanisms and data needs to ensure traceability and demonstrate the legality of the timber from any node in the supply chain
- **Government oversight and enforcement, supply chain data authorization and verification:** government oversight and enforcement actions if and when laws are broken, as well as authorization and verification of supply chain data which provides monitoring on a system level
- **Policy response:** a policy response mechanism that uses information on the functioning and impact of the legality framework/system to inform executive and legislative processes
- **Facilitating access to markets:** mechanisms and processes to communicate information and data to supply chain actors trading timber and forest products to ensure legality and enable the verification of legality
- **Political will, anti-corruption efforts, accountability, and capacity building:** mechanisms to encourage accountability with respect to implementing and enforcing laws, in addition to mechanisms to deter their circumvention, as well as human and financial resource support
- **Other elements...** (open for discussion)

Workshop participants discussed whether they felt the above common elements adequately captured the spectrum of elements that member economies work on when striving to implement programs to combat illegal logging and associated trade and enable trade in legal timber. During break-out sessions with smaller numbers of participants, workshop attendees were asked to reflect on the elements and brainstorm additional elements for consideration.

Workshop facilitators asked attendees to consider the following broad questions for each element identified:

- How do APEC economies achieve progress on some of these “common elements” of timber legality frameworks?
- What are the pathways that economies take to work on individual elements?
- What are the ways that economies integrate elements so that they collectively work together?

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<sup>11</sup> Key concepts were developed specifically through conversations with subject matter experts and the following key resources: Malessa, U., Riesco, Iola Leal, & Koopmans, Djuran. (2022). Technical Report: TLAS Assessment Framework Study (p. 41). World Wildlife Fund., and GS1. 2017. GS1 Global Traceability Standard: GS1's framework for the design of interoperable traceability systems for supply chains. <https://www.gs1.org/standards/gs1-global-traceability-standard/current-standard#2-Traceability-and-the-importance-of-standards+2-4-The-need-for-interoperability-and-standards>

- What are the challenges and opportunities that arise as economies work on these elements?
- Is there a need for capacity building/implementation assistance/information sharing for each of the different elements?

Workshop facilitators then identified three specific elements that would be the focus for the remainder of the workshop where participants would engage in deeper-dive sessions on each element:

- Traceability, supply chain control, data interoperability and validation
- Government oversight and enforcement, supply chain data authorization and verification
- Facilitating access to markets

Each session focused on one of the three common elements listed above. For traceability, expert speakers discussed how traceability systems can be built and some of the differences between government-implemented and civil society or private sector traceability systems. WRI outlined the key roles that private sector, civil society and government stakeholders can play in building traceability systems. A representative from the Institute of Food Technologist's Global Food Traceability Center discussed "event-based traceability," KDEs and CTEs, and how they have been employed in various agricultural and food production sectors to advance traceability. A consultant for Preferred by Nature (PbN) previewed a geospatial data sharing protocol that PbN and the United Nations Food and Agriculture Organization (FAO) have been developing to assist with data standardization for receiving and transmitting of geospatial data. The presenter explained that while this protocol is regulation- and commodity-agnostic, it is being developed under a quick timeline and will be critical to assist in the implementation of the EU Deforestation Regulation (EUDR).

During the session on government oversight, authorization, supply chain data verification and enforcement, a scientist from the University of Washington's Center for International Trade in Forest Products (UW CINTRAFOR) discussed research on forest product trade data discrepancies between importing and exporting economies. The presentation revealed that these discrepancies may be attributed to both benign factors and illicit factors and encouraged member economies to carefully scrutinize trade data.

Experts from Australia; Peru; and the United States further provided case studies on government oversight, supply chain data verification, and enforcement. Australia's Department of Agriculture, Water and Environment discussed its efforts to amplify capacity for timber identification and testing. Their new timber testing trial program may help to determine how to best implement timber testing protocols for future legislative initiatives. The United States elaborated on Lacey Act Implementation,



and Peru's Custom and Tax Administration described tools and systems used to track timber and deter illegal logging and associated trade.

The session on facilitating access to markets featured methods APEC economies are using to enable private sector entities to engage in legal supply chains. A representative from the Malaysian Timber Council described the three TLAS systems in use in Malaysia. All three TLAS systems share similar principles and oversight of the following aspects: right to harvest, forest operations, statutory charges, mill operation, other users' rights, and trade and customs. A reference platform guides industry members and the public on licensing and permit applications. A representative from the Vietnam Timber and Forest Products Association (VIFOREST) described how the Vietnamese government instituted a ban on logging in natural forests in 2016 which prompted a radical shift to plantation forestry. A Voluntary Partnership Agreement with the EU Forest Law Enforcement, Governance and Trade (VPA/FLEGT) was signed in 2018 and the Vietnamese TLAS system, VNTLAS, has been in place since 2020. FLEGT licensing will begin in 2025.

A presenter from Responsible Wood in New Zealand described the forest certification standards that his organization manages and highlighted the specific due diligence and risk assessment steps that are considered. The speaker described additional important aspects considered, including workers' rights, indigenous rights, harvest rates and biodiversity.

### Workshop 2 Discussions

The Stocktaking for Navigating Legal Timber virtual workshop produced substantive discussions around approaches APEC member economies could take to address issues in navigating legal timber. It also provided participants the opportunity to discuss and share the complexities faced when working through specific aspects of the legal timber trade.

To provide fodder for discussions on the broad-level approaches APEC member economies could take to navigate legal timber, workshop facilitators provided a list of common elements that together could aid in the development of a timber legality framework (see Figure 17). This list of common elements was discussed in break-out groups with rapporteurs sharing key takeaways at the end of the session to the entire group. Workshop facilitators asked participants to consider these elements and offer suggestions for additional elements that might be considered key in developing a legality framework. Participants largely agreed that all proposed elements were critically important and noted the below suggestions:

- Another common element could focus on the political geography context of an economy, or an economy's response to external pressures from major markets and trade players.
- Another common element might represent the “practicality factor” for working on each of the other elements.
- Other common elements could address consumer engagement and education, as well as knowledge up and down the supply chain about legality issues.

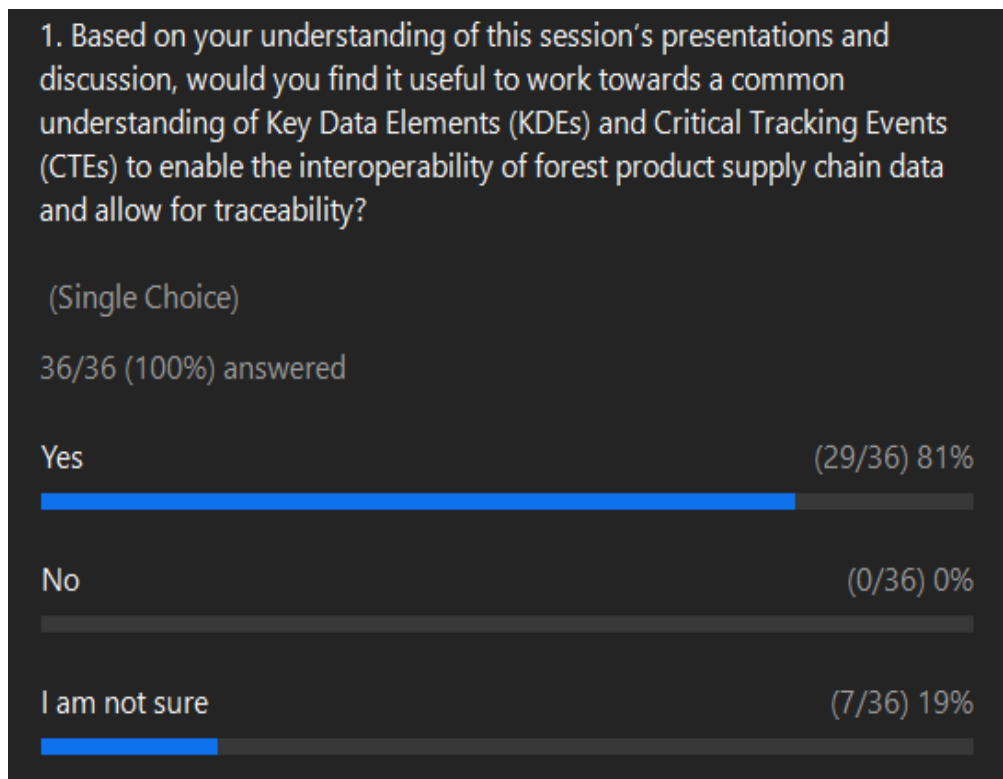
These suggestions could also fall under the previously identified element, “facilitating access to markets.”

Several attendees noted that most economies appear to be working on some of the proposed common elements but not necessarily all and noted that methods for addressing each element may vary depending on the context and needs of each economy. Each common element may warrant a dedicated deeper-dive to explore how member economies could share lessons learned, build capacity, and work collaboratively on issues in a focused manner.

Several workshop attendees indicated that the presentation of a subset of these common elements during the virtual workshop helped them understand the importance for more focused topical discussions in EGILAT in the future; noting that when discussion topics are too broad, member economy stakeholders may have a harder time mapping productive dialogues or ways forward. Expert speakers and moderators agreed that, because of the degree of complexity, individual common elements could easily serve as the subjects of entire workshops or projects, reiterating that focused discussions more likely lead to succinct and actionable outputs that provide member economies and their stakeholders the best chance at successful collaboration.

At the end of the session on traceability, supply chain control, data interoperability and validation workshop facilitators took a poll to determine if workshop attendees found the notion of using events-based traceability applicable to the forest products sector (Figure 18). Thirty-six workshop attendees took the poll, with 29 participants (81%) responding that they would find it useful to work towards a common understanding of forest sector KDEs and CTEs.

**Figure 18. Workshop poll question on events-based traceability.**



Robust discussions after the sessions on government oversight, authorization, supply chain data verification and enforcement, and facilitating access to markets demonstrated that these topics could easily have warranted longer treatment.

### Participant Feedback

Participants were asked to provide feedback on the event via a Workshop Completion Survey, which 26 of the 69 workshop attendees filled completed – a response rate of 38%. Workshop facilitators attributed this low response rate to the virtual nature of the event. Despite this limited response, the majority of comments received were positive and praised the quality of the facilitators, moderators and presenters.

Concerning whether the workshop was relevant to the participant and the participant's economy, 25 out of the 26 respondents answered either "very relevant" (15) or "mostly relevant" (10).

The Workshop Completion Survey asked participants to rate their level of knowledge and skills in the topic (timber legality frameworks and measures) before participating in the event compared to after participating in the event. Illustrated by the changes in the percentages between the two charts in Figure 19, there was a strong change

from before (left chart), compared to after (right chart). Before the workshop, some respondents indicated they had “very low” and “low” levels of knowledge. After the event, no participant responded they had “very low” knowledge and the percentage of those respondents with “low” knowledge shrank. At the upper end, the percentage of respondents with “medium” and “high” levels of knowledge increased substantially.

**Figure 19. Participant level of knowledge of and skills in the topic before participating in the event (left) compared to after participating in the event (right)**



Respondents shared what they deemed to be the most valuable results of the workshop. Key themes on the workshop’s results and achievements included (1) excellent sharing of information, (2) productive discussions around necessary elements for developing robust TLAS-type frameworks and (3) the opportunity to provide the EGILAT forum feedback to consider exploring workshop topics in more depth in future activities. Comments from respondents indicated the workshop fostered a robust exchange between stakeholders and provided inspiration for future intensive engagement the subject matter. Respondents noted the workshop raised awareness about APEC and EGILAT, along with the tools available for industry stakeholders to engage in the trade of legal timber. This feedback is encouraging for EGILAT and demonstrates a strong appetite and need for future work in this area.

Respondents were also asked to consider areas for improvement. Some requested additional offline trainings and opportunities for member economies and organizations to exchange information and knowledge. Others noted the need to consider emerging topics such as deforestation-free commodities.

## **2024 EGILAT Compendium of Resources for Advancing the Trade and Distribution of Legally Harvested Forest Products**

The 2024 EGILAT Compendium of Resources for Advancing the Trade and Distribution of Legally Harvested Forest Products (the “Compendium”), developed as part of project EGILAT 01 2022A, is a robust – yet not exhaustive – collection of relevant, academic publications, policy and news briefs, online courses, training materials, tools and platforms. The goal of the Compendium is to provide an easily accessible and resource to educate and assist government representatives and stakeholders in understanding and complying with timber legality frameworks in APEC economies and support their efforts to trade in legal forest products. The Compendium is intended to be a “semi-living” library for which the APEC Secretariat and member economies submit periodic updates to the current resource. The 2024 Compendium serves as an update to the previous Compendium published in 2021.<sup>12</sup>

The updated Compendium, as of publication of this report, contains more than 750 resources. The methodology used to develop the Compendium began with an extensive literature search using specific search terms<sup>13</sup> followed by a review of each publication, brief, tool, or platform for its validity and appropriateness in promoting EGILAT’s goals of advancing the trade and distribution of legally harvested forest products. Once documents were reviewed, each was sorted into five categories: domestic legislation, risk assessment, traceability, transparency and wood identification.

The authors solicited feedback from member economy stakeholders on the structure of the Compendium and the resources contained within. Nevertheless, the compendium does not represent the views of APEC member economies nor the personal opinions of the authors. It is intended to provide relevant and credible information and resources.

The 2024 EGILAT Compendium and online library is publicly available and may be accessed at:

[https://www.zotero.org/groups/5119307/apec\\_compendium\\_of\\_resources/library](https://www.zotero.org/groups/5119307/apec_compendium_of_resources/library).

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<sup>12</sup> APEC. 2021. The Compendium of Resources for the Facilitation of the Trade and Distribution of Legally Harvested Forest Products. [https://www.apec.org/docs/default-source/publications/2021/8/the-compendium-of-resources-for-the-facilitation-of-the-trade-and-distribution/221\\_psu-timber-compendium.pdf?sfvrsn=78ee92be\\_1](https://www.apec.org/docs/default-source/publications/2021/8/the-compendium-of-resources-for-the-facilitation-of-the-trade-and-distribution/221_psu-timber-compendium.pdf?sfvrsn=78ee92be_1)

<sup>13</sup> Search Terms: (economy) timber laws, (economy) timber regulations, (economy) forestry laws, (economy) forestry regulations, (economy) forest management, (economy) timber harvesting, (economy) TLAS, (economy) timber legality assurance system, (economy) timber legality

## Conclusions and Recommendations

### Conclusions

Through two workshops, a stocktaking survey, and an updated Compendium, project EGILAT 01 2022A successfully fostered a greater understanding among APEC-economy stakeholders of the various regulatory measures, requirements and frameworks to support the trade in legal forest products. During the workshops, cross-economy stakeholders were given the opportunity to discuss and map out how different economic sectors might use and/or benefit from the use of specific frameworks, tools and technologies to support their economies' legal timber trade. The project offered clarity on the requirements to develop timber legality frameworks and deploy tools or technologies to support them. Workshop participants obtained realistic, concrete and actionable approaches to transparency, traceability and additional aspects of timber legality to take back to stakeholders in their respective economies.

This project benefited member economy stakeholders across industry, governments and civil society:

Industry and private sector stakeholders benefited from an improved understanding of relevant legal regulatory frameworks across APEC economies and a general increase of knowledge on resources to assess supply chain timber legality risk and conduct due care/due diligence. Through the Stocktaking Survey, the EGILAT forum gained information on the needs of the private sector.

Government representatives from APEC member economies similarly benefited from the engagement and discussion with other member economies, which fostered an improved understanding of relevant legal regulatory frameworks as well as tools and technologies to support the development and implementation of policies and frameworks. They were also exposed to systems designed to aid the private sector in assessing legality in their supply chains.

NGOs and academia benefited from this project through direct engagement with other NGOs, international organizations, academic institutions and EGILAT delegates. This direct engagement allowed NGOs and academics the opportunity to share their research on trade data, legislative policies, and tools and technologies that can assist economies and their stakeholders in facilitating the legal timber trade.

The project also identified key challenges and needs across stakeholder categories. Government and civil society respondents to the Stocktaking Survey cited financial constraints, industry opposition and political will as the most pressing challenges to

developing TLAS systems and timber legality regulations in their economies. Private-sector/industry respondents further indicated validation and verification of transactions, databases, and documents as critical mechanisms for enabling the implementation of TLAS systems and demand-side timber regulations. Responses indicated clear due diligence/due care systems also assisted with implementation.

### Recommendations for Future Work

The recommendations below summarize key take-aways from the project activities, including feedback from workshop participants, Stocktaking Survey responses, and associated project research:

- 1) Develop targeted ways to increase stakeholder collaboration and partnerships among member economies: The feedback received through the workshops and Stocktaking Survey consistently demonstrated interest in learning about other APEC economy initiatives. These opportunities allowed participants to consider how to incorporate similar ideas in their own economies to support the trade in legal forest products.

While the workshop presentations were valuable for the participants, it was equally valuable for the EGILAT members to understand how to better support APEC economies that may lack political, financial and/or technical capacity to develop or enhance legality measures. EGILAT may further increase its impact by creating consistent opportunities for member economy stakeholders to form partnerships tailored to specific needs. Listening sessions may be used as a mechanism to better understand each economy's situation and enable more targeted knowledge transfer.

- 2) Build out additional trainings, technical assistance and capacity-building programs: The Stocktaking Survey results and Stocktaking Workshop enabled EGILAT members to have a more comprehensive understanding of frameworks for defining, identifying and enforcing the legality of forest products to cover both domestically sourced as well as internationally traded products. The Stocktaking Survey assisted EGILAT members in developing a deeper understanding of both sectoral and stakeholder views and identified key areas of mutual interest for collaborative projects across economies going forward. One key recommendation voiced across member economy stakeholders was the need for an increase in trainings, technical assistance and capacity-building programs.

The Stocktaking Survey identified interest from respondents in capacity building in the following categories and areas:

- Traceability and Transparency
- Regulatory Frameworks: Domestic and Foreign

- Due Care/Due Diligence
- Wood Identification
- Export Requirements

It should be noted that the work of this project included a strong emphasis on tools and technology to support traceability and transparency as well as regulatory frameworks. However, even though a portion of Stocktaking Survey respondents indicated legality frameworks or TLAS systems were easy to understand, a sizeable amount still indicated that they were challenging to implement. Therefore, it may be valuable for member economies to consider developing their own trainings to increase understanding of these topics, or EGILAT could consider ways to reach a broader audience of stakeholders through its future capacity building initiatives, as well as emphasizing implementation and enforcement.

Feedback received during the Stocktaking Workshop also suggest a series of individual initiatives dedicated to each of the seven identified common elements of timber legality frameworks could highly benefit member economy stakeholders. These common elements include:

- Legality standards
- Transparency and stakeholder involvement
- Traceability, supply chain control, data interoperability and validation
- Government oversight and enforcement; supply chain data authorization and verification
- Policy response
- Facilitating access to markets
- Political will, anti-corruption efforts, accountability and capacity-building

It is important to note that the common elements listed above may not be exhaustive and EGILAT may wish to tackle these topics in a different manner and/or add additional topics for discussion based on need and context of economies participating in future initiatives.

- 3) Seek out connections and collaborations with other APEC sub-fora: EGILAT routinely invites other APEC working groups, such as the Anti-Corruption and Transparency Experts Working Group (ACTWG), the Sub-Committee on Customs and Procedures (SCCP) and the Small and Medium Enterprise working Group (SMEWG) to plenary meetings to share updates on relevant work and promote cross-fora collaboration; however, the benefits of this collaboration may be greatly enhanced through more in-depth projects and initiatives.



- 4) Embed EGILAT's work within broader cross-sectoral initiatives and elevate deliverables within the APEC forum: EGILAT could benefit from elevating the stature of its work by building connections to other sectoral or thematic initiatives and collaborating on higher-level deliverables for consideration for Senior Officials, Ministers and Leaders. Communication products such as the APEC Roadmap for Combating Illegal, Unreported and Unregulated (IUU) Fishing provide an example of how technical sub-fora can successfully elevate their work to APEC Ministers and Leaders for greater attention and impact.<sup>14</sup>
  
- 5) Identify strategies to be more inclusive in EGILAT projects, meetings and initiatives: For over two decades, APEC has been working to advance women's economic integration in the region. *The La Serena Roadmap for Women and Inclusive Growth*<sup>15</sup> further seeks to empower women through access to capital and markets, strengthen women's labor force participation, improve access of women to positions of leadership at all levels of decision making, and support women's education, training and skills development and access in a changing world of work. This project, along with other EGILAT projects, have contributed to these efforts by seeking out qualified women experts as speakers and striving to reach gender parity among workshop participants. However, some workshop participants for this project noted gender issues could have been more effectively addressed. EGILAT could further evaluate options to strengthen women and girls' access to and retention in science, technology, engineering and mathematics (STEM) education and careers, as relevant, to EGILAT's Terms of Reference and activities. EGILAT has also sought to engage women through its work with MSMEs. The Stocktaking Survey revealed a consistent gender disparity in the workforce across private sector/industry respondents. EGILAT could consider how to more effectively engage these stakeholders and women business leaders.
  
- 6) Consider how EGILAT or APEC can address emerging forest legality and trade issues: Throughout this project's life cycle, discussions around the shifting forest legality and policy landscape continued to emerge. Expert speakers and workshop participants frequently brought up efforts to address emerging topics related to deforestation-free commodities. Discussions centered around challenges related to changes in legality frameworks for forest products and traceability tools under development for compliance with the EU Deforestation Regulation. EGILAT may wish to explore how this topic

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<sup>14</sup>APEC. 2019. APEC Roadmap on Combatting Illegal, Unreported and Unregulated Fishing.

[https://www.apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2019/2019\\_AMM/Annex-C](https://www.apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2019/2019_AMM/Annex-C)

<sup>15</sup> APEC. 2019. The La Serena Roadmap for Women and Inclusive Growth (2019-

2030)[https://www.apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2019/2019\\_AMM/Annex-A](https://www.apec.org/Meeting-Papers/Annual-Ministerial-Meetings/2019/2019_AMM/Annex-A)

may relate to its core areas of work on combating illegal logging and associated trade and facilitating trade in legal forest products. Considering APEC's mission to promote sustainable economic growth and prosperity across the region, EGILAT could benefit from evaluating options for addressing these emerging forest legality and trade issues. Although member economies may have different views on these policies, EGILAT, which has served as an incubator for ideas since its inception, could provide a valuable platform for discussing challenges and opportunities in this regulatory landscape as well as capacity building in a field that is already in high demand across member economy stakeholders.

## Annexes

Annex 1: Agenda for Workshop #1 – Technology Capacity-building Workshop (in person, SOM3, 3-4 August 2023)

**Day 1: Thursday, 3 August (Morning)**

<p><b>08:00 – 08:30</b></p>	<p><b>Arrival and Registration</b></p>
<p><b>08:30–9:00</b></p>	<p><b><u>Day 1 Opening Session</u></b></p>
	<ul style="list-style-type: none"> <li>● Welcome remarks by <b>Jennifer Conje</b> (EGILAT Chair 2022-2023; USDA Forest Service)</li> <li>● Introduction of workshop facilitators, <b>John Simeone</b> (Simeone Consulting) and <b>Meaghan Parker-Forney</b> (Meaghan Parker Consulting)</li> <li>● Overview of Workshop Goals and Agenda</li> </ul>
<p><b>09:00–09:30</b></p>	<p><b><u>Session I – Contextual Framing for Tools and Technology to Aid Timber Traceability, Chain of Custody, and Enforcement</u></b></p>
	<p>Moderators: <b>John Simeone</b> (Simeone Consulting) and <b>Meaghan Parker-Forney</b> (Meaghan Parker Consulting)</p> <ul style="list-style-type: none"> <li>● Presentation by <b>Art Blundell</b> (Forest Trends)</li> <li>● Audience Q/A</li> </ul>
<p><b>09:30–10:45</b></p>	<p><b><u>Session II – Key Data Elements to Achieve Verifiable Information for Traceability, Chain of Custody, and Enforcement</u></b></p>
	<p>Moderator: <b>Art Blundell</b> (Forest Trends)</p> <ul style="list-style-type: none"> <li>● Presentations by <b>Ruth Nogueron</b> (World Resources Institute), <b>Hin Keong Chen</b> (TRAFFIC), <b>Kristen Finch</b> (University of Washington)</li> <li>● Audience Q/A.</li> <li>● Group Exercise: By tables, participants brainstorm specific Key Data Elements (KDEs) for collection, locations along the supply chain for collection, data collectors, and data availability.</li> </ul>

10:45 – 11:15	Coffee Break
11:15 – 12:30	<b><u>Session III – Understanding Stakeholder Needs: Obtaining and Validating Necessary Data Elements</u></b>
	<p>Moderator: <b>Laurie Dubriel</b> (U.S. Department of Justice)</p> <ul style="list-style-type: none"> <li>Panel: <b>Hin Keong Chen</b> (TRAFFIC), <b>Drasopolino Drasopolino</b> (Ministry of Environment and Forestry, Republic of Indonesia), <b>Elinor Colbourn</b> (U.S. Department of Justice)</li> <li>Audience Q/A</li> <li>Group Exercise: By tables, participants discuss how member economies can facilitate the gathering of key data elements and support the needs of the private sector and law enforcement/forest management officials. Participants discuss challenges, obstacles, and opportunities.</li> </ul>

#### Day 1: Thursday, 3 August (Afternoon)

12:30-14:00	Lunch
14:00 – 15:00	<b><u>Session IV, Part I – Current State of Tools for Verifying Timber Legality, Public and Private Sector Approaches</u></b>
	<p>Moderator: <b>Alicia Grimes</b> (U.S. Agency for International Development)</p> <ul style="list-style-type: none"> <li>Presentations by <b>Teal Edelen</b> (U.S. Endowment on Forests) and <b>Henry Ines</b> Chainparency) as well as <b>Ruth Nogueron</b> (World Resources Institute)</li> <li>Panel Discussion and Q/A</li> </ul>
15:00 – 15:30	Coffee Break
15:30 – 17:00	<b><u>Session IV, Part II – Current State of Tools for Verifying Timber Legality, Public and Private Sector Approaches</u></b>

	<p>Moderator: <b>Eric Rosenfield</b> (USDA Forest Service)</p> <ul style="list-style-type: none"> <li>• Presentations by <b>Prabu Ravindran</b> (University of Wisconsin), <b>Ratih Damayanti</b> (National Research and Innovation Agency, Republic of Indonesia), <b>Kristen Finch</b> (University of Washington), and <b>Scot McQueen</b> (World Forest ID)</li> <li>• Audience Q/A.</li> <li>• Panel Discussion</li> </ul>
<b>17:00-17:30</b>	<b><u>Session V, Day 1 – Discussion Review and Closing</u></b>
	<p>Moderators: <b>John Simeone</b> (Simeone Consulting) and <b>Meaghan Parker-Forney</b> (Meaghan Parker Consulting)</p> <ul style="list-style-type: none"> <li>• Discussion</li> <li>• Day 2 Preview</li> <li>• Closing Remarks</li> </ul>

**Day 2: Friday, 4 August (Morning)**

<b>08:00 – 08:30</b>	<b>Arrival and Registration</b>
<b>08:30–9:00</b>	<b><u>Day 2 Opening Session</u></b>
	<p>Moderators: <b>John Simeone</b> (Simeone Consulting) and <b>Meaghan Parker-Forney</b> (Meaghan Parker Consulting)</p> <ul style="list-style-type: none"> <li>• Recap of Day 1</li> <li>• Review Day 2 Agenda</li> </ul>
<b>09:00-10:30</b>	<b><u>Session VI – Capacity Building with Experts on Tools and Tech</u></b>

The moderators will briefly open the session after which participants will be free to interact with experts who will be presenting and/or demonstrating their tools and technologies. The below groups will have assigned tables located along the perimeter of the conference room:

***Chemical Analyses for Origin Identification***

- Source Certain International: Chemical SIRA and Trace Elements
- CITEmadera: Wood Identification with DART

***Computer Vision Wood Identification for Species Screening***

- Center for Wood Anatomy Research, Forest Products Laboratory, USDA Forest Service and University of Wisconsin-Madison: XyloTron and XyloPhone
- Indonesia's Ministry of Environment and Forestry: AIKO
- Agritix: Xylorix
- CITEmadera: Wood Identification with Univ. of Washington's XyloTron

***Data-based tools for Supply Chain Transparency***

- World Resources Institute: Global Forest Watch
- ForesTrust by Chainparency: Blockchain

**10:30- 11:00**

**Coffee Break**

**11:00 – 12:30**

**Session VII, Part I – Case Studies: How Governments have Integrated Tools into Chain of Custody and Due Diligence Systems**

Moderator: **Cathy Karr-Colque** (U.S. Department of State)

- Expert Speakers: **Paula Vásquez** and **Richard Martinez** (National Forestry Corporation) and **Jean-Francois Dubois** (Environment and Climate Change Canada)
- Presentations by **Andy Lowe** (University of Adelaide), **Chia-Chen Wu** (Taiwan Forestry Research Institute), **Jose Ugarte Oliva** and **Wendy Paola Janampa Arroyo** (CITEmadera)
- Panel Discussion and Q/A

**Day 2: Friday, 4 August (Afternoon)**

<b>12:30-14:00</b>	<b>Lunch</b>
<b>14:00-15:30</b>	<b><u>Session VII, Part II – Case Studies: How Industry and the Private Sector have Integrated Tools throughout the Supply Chain</u></b>
	Moderator: <b>Jean-Francois Dubois</b> (Environment and Climate Change Canada) <ul style="list-style-type: none"><li>• Expert Speakers: <b>Song Fong Chua</b> (Timber Exporters' Association of Malaysia) and <b>Wei Shen</b> (China Timber and Wood Products Distribution Association)</li><li>• Presentations by <b>Tetra Yanuariadi</b> (International Tropical Timber Organization) and <b>Katie Cava</b> (Weyerhaeuser)</li><li>• Panel Discussion and Q/A</li></ul>
<b>15:30-16:00</b>	<b>Coffee Break</b>
<b>16:00-17:20</b>	<b><u>Session VIII – Discussion: Challenges, Opportunities, Ways Forward and Next Steps</u></b>
	Facilitated by <b>John Simeone</b> (Simeone Consulting) and <b>Meaghan Parker-Forney</b> (Meaghan Parker Consulting) <ul style="list-style-type: none"><li>• Group Exercise #1: By tables, participants brainstorm current challenges. Each table reports back to all workshop participants with facilitators putting ideas real-time on screen.</li><li>• Group Exercise #2: By tables, participants brainstorm ways that APEC can facilitate opportunities and ways forward. Each table reports back to all workshop participants.</li><li>• Panel Discussion with EGILAT delegates</li></ul>
<b>17:20-17:30</b>	<b><u>Closing Session</u></b>
	Workshop Completion Survey <ul style="list-style-type: none"><li>• Remarks from Project overseers, <b>Kate Macken</b> (U.S. Department of State) and <b>Eric Rosenfield</b> (USDA Forest Service)</li></ul>



Annex 2: Agenda for Workshop #2 – Stocktaking for Navigating Legal Timber  
(virtual, intercessional, 13-14 December 2023)

**Day 1: Wednesday, 13 December - Singapore Time (SGT)**

<b>0700-0715</b>	<b>Arrival (Log on and Technical Assistance)</b>
<b>0715-0730</b>	<b>Day 1 Opening Session</b> <ul style="list-style-type: none"> <li>- <i>Welcoming Remarks from Chair</i></li> <li>- <i>Introduction of Workshop Facilitators</i></li> <li>- <i>Review of Agenda</i></li> </ul>
<b>0730-0815</b>	<b>Session 1: Stocktaking for Navigating Legal Timber</b> <ul style="list-style-type: none"> <li>- <i>Presentation on Stocktaking Methodology, Findings, Survey Results by John SIMEONE and Meaghan PARKER-FORNEY</i></li> <li>- <i>Audience Q/A and Discussion</i></li> </ul>
<b>0815-0915</b>	<b>Session 2: Overview and Discussion of Timber Legality Frameworks, Requirements, and Other Measures</b> <ul style="list-style-type: none"> <li>- <i>Moderators: John SIMEONE and Meaghan PARKER-FORNEY</i></li> <li>- <i>Overview Presentation by John Simeone and Meaghan Parker-Forney: Presentation of Elements, Requirements, and Measures associated with Timber Legality Frameworks</i></li> <li>- <i>John SIMEONE and Meaghan PARKER-FORNEY will Moderate Discussion: Participants reflect on the elements presented and brainstorm other elements for consideration.</i></li> </ul>
<b>0915-1030</b>	<b>Session 3: Traceability, Supply Chain Control, Data Interoperability and Validation</b> <ul style="list-style-type: none"> <li>- <i>Moderator: Tobias STÄUBLE, Global Traceability</i></li> <li>- <i>Panelists - Brief Framing Presentations: 8 min each (30 min)</i>  <ul style="list-style-type: none"> <li>-Ruth NOGUERON (World Resources Institute, WRI)</li> <li>-Blake HARRIS (Institute of Food Technologists – Global Food Traceability Center, IFT-GFTC)</li> <li>-Phil GUILLERY (Preferred by Nature, PbN)</li> </ul> </li> <li>- <i>Moderated Panel Discussion, Participant Questions, and Discussion</i></li> </ul>
<b>1030-1040</b>	<b>Day 1 Close</b> <ul style="list-style-type: none"> <li>- <i>Preview Day 2 Agenda</i></li> <li>- <i>Workshop Completion Survey</i></li> </ul>

**Day 2: Thursday, 14 December - Singapore Time (SGT)**

0700-0710	<b>Arrival (Log on and Technical Assistance)</b>
0710-0720	<b>Day 2 Opening Session</b> <ul style="list-style-type: none"> <li>- <i>Recap of Day 1</i></li> <li>- <i>Review Day 2 Agenda</i></li> <li>- <i>Workshop Completion Survey</i></li> </ul>
0720-0830	<b>Session 4: Government Oversight, Authorization, Supply Chain Data Verification, and Enforcement</b> <ul style="list-style-type: none"> <li>- <i>Moderator: Indroneil GANGULY (University of Washington, Center for International Trade in Forest Products, UW CINTRAFOR)</i></li> <li>- <i>Panelists - Framing Presentations: 8 min each (50 min)</i> <ul style="list-style-type: none"> <li>- <i>Cassie PRICE, Senior Policy Officer, Australia, Department of Agriculture, Water and the Environment</i></li> <li>- <i>Diana TORRES, Customs officer – Specialist 2, National Superintendency of Customs and Tax Administration – SUNAT</i></li> <li>- <i>Cody WHEELER, Assistant Director for Investigations (Detailed), US Forest Service, Law Enforcement and Investigations</i></li> <li>- <i>Paul HACKETT, Advisor, UN Office of Drugs and Crime</i></li> </ul> </li> <li>- <i>Moderated Panel Discussion and Audience Questions (20 min)</i></li> </ul>
0830-0930	<b>Session 5: Facilitating Access to Markets</b> <ul style="list-style-type: none"> <li>- <i>Moderator: Ashley AMIDON (IWPA)</i></li> <li>- <i>Panelists - Brief Framing Presentations: 8 min each (30 min)</i> <ul style="list-style-type: none"> <li>- <i>Adam MOHD NAZRI (Malaysian Timber Council, MTC)</i></li> <li>- <i>Ngo Sy HOAI (Vietnam Timber &amp; Forest Products Association, VIFORES)</i></li> <li>- <i>Simon DORRIES (Responsible Wood, New Zealand)</i></li> </ul> </li> <li>- <i>Moderated Panel Discussion and Audience Questions (30 min)</i></li> </ul>
0930-1015	<b>Session 6: EGILAT Compendium of Resources, v 2.0</b> <ul style="list-style-type: none"> <li>- <i>Compendium Updates by John SIMEONE and Meaghan PARKER-FORNEY</i></li> <li>- <i>Discussion and Q&amp;A</i></li> </ul>
1015-1030	<b>Day 2 Close</b>

- *Workshop Facilitators Summarize Workshop Lessons Learned and Next Steps*
- *Closing Remarks from Project Overseers*