



April 11, 2022

Hon. Katherine Tai
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

RE: Docket Number USTR-2022-0002 – Request for Comments on the Proposed Fair and Resilient Trade Pillar of an Indo-Pacific Economic Framework

Dear Ambassador Tai:

The International Wood Products Association (“IWPA”) appreciates the opportunity to provide comments on matters relevant to the Fair and Resilient Trade pillar of President Biden’s proposed Indo-Pacific Framework, as requested in the *Federal Register* on March 10, 2022. IWPA is the leading international trade association for the North American international wood products industry. We bring together every segment of the global supply chain, from producers and service providers to importers, distributors, manufacturers, and retailers. Our mission is to build acceptance and demand in North America for globally sourced wood products from sustainably managed forests.

IWPA is recognized internationally as a key industry voice in ensuring legal, sustainable trade in wood products. IWPA has created its Wood Trade Compliance Training program developed in partnership with the United States Agency for International Development and the World Resources Institute that helps companies and wood trade professionals in developing their compliance programs. IWPA is proud of our leading role to build capacity in our supplier networks, including outreach to foreign governments, overseas trade associations and wood trade professionals worldwide to promote responsible and effective compliance strategies for trade in wood products. This work has included on-the-ground outreach by IWPA in South America, Asia, Europe and Africa.

In addition, IWPA actively participates on as an official observer to the Convention on International Trade in Endangered Species (CITES) Council of the Parties as well the Standing Committee and Plants Committee meetings. Organizations requesting “observer” status must

demonstrate technical qualifications and apply through the U.S. Fish and Wildlife service in order to join and participate in meetings.¹ IWPA is also a long-standing observer to the International Tropical Timber Council and has participated in the APEC Experts Group on Illegal Logging and Associated Trade meetings and workshops.

Free and fair global trade in wood products is critical to our industry. The vast majority of U.S. manufacturers rely on global supply chains for inputs, and U.S. wood producers export to a range of countries. **Globally sourced wood products in particular are critical to ensuring that U.S. manufacturers in the U.S. homebuilding, furniture, cabinet making, marine and recreational vehicle industries have competitive access to the materials preferred by the market, both for performance and visual appeal.**²

IWPA applauds the Biden-Harris Administration for taking a proactive approach to strengthening partnerships in the critical Indo-Pacific region. IWPA and our members have deep ties in the region, which is a key source of legally- and sustainably-sourced wood products. Wood products from Indonesia, Vietnam, and Malaysia are particularly important to U.S. manufacturers and consumers, with these nations ranking as the 6th, 7th, and 13th largest exporters of forest products to the U.S., respectively. We look forward to working with the Administration to strengthen these bonds.

As the Biden-Harris Administration develops negotiating objectives towards an Indo-Pacific Economic Framework, we would ideally benefit from consideration of additional market access, whether broadly or sector-focused. However, the following principles would be environmentally and commercially beneficial to the international wood products industry:

- The U.S. should commit to working with key public and private stakeholders in the Indo-Pacific to promote trade in legally- and sustainably-sourced wood products in an effort to prevent illegal deforestation and reduce carbon emissions.³ Trade in, and use of, legally- and sustainably-sourced wood products is proven to provide benefits for climate change mitigation and carbon sequestration.
- The U.S. should partner with Indo-Pacific nations to build the capacity of wood products industry stakeholders to comply with national legal sourcing requirements. Expanded access to legally- and sustainably-sourced international wood products increases U.S. manufacturing competitiveness.
- The U.S. should work with Indo-Pacific nations to implement trade facilitation measures that enhance trade in legally- and sustainably-sourced wood products for industry stakeholders that have a clear record of commitments to fulfilling legal sourcing

¹ Convention on International Trade in Endangered Species, Article XI, Paragraph 7

² In many cases wood product imports include species that do not and cannot grow commercially in the United States.

³ A study published in *Frontiers in Environmental Science* in 2016 found that reduced-impact logging (RIL) in tropical production forests “could reduce carbon emissions equivalent to 29-50% of net emissions from tropical deforestation and land use change.

requirements such as pre-clearance or reduced inspections. Current legal sourcing requirements rely on criminal and civil penalties to ensure compliance. Trade facilitation such as pre-clearance or clear communication of applicable laws among parties to IPEF would provide a positive incentive for devoting additional compliance resources to ensure legal and sustainable sourcing.

It is IWPA's hope that the United States will continue to pursue every opportunity to promote trade in wood products from legal and sustainable sources.

Thank you for consideration of our comments. Please do not hesitate to contact me if you or your staff have any questions about these priorities.

Respectfully,

A handwritten signature in black ink, appearing to read "B. McKinney". The signature is fluid and cursive, with the first name "B." and the last name "McKinney" clearly distinguishable.

Bradley A. McKinney
Executive Director
International Wood Products Association