

117TH CONGRESS  
1ST SESSION

# H. R. 5508

To combat illegal deforestation by prohibiting the importation of products made wholly or in part of certain commodities produced on land undergoing illegal deforestation, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 8, 2021

Mr. BLUMENAUER (for himself, Mr. FITZPATRICK, Ms. BARRAGÁN, Mr. CLEAVER, Mr. COHEN, Mr. GRIJALVA, and Mr. LOWENTHAL) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Foreign Affairs, Financial Services, Oversight and Reform, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To combat illegal deforestation by prohibiting the importation of products made wholly or in part of certain commodities produced on land undergoing illegal deforestation, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Fostering Overseas  
3 Rule of law and Environmentally Sound Trade Act of  
4 2021” or the “FOREST Act of 2021”.

5 **SEC. 2. FINDINGS; SENSE OF CONGRESS.**

6 (a) FINDINGS.—Congress makes the following find-  
7 ings:

8 (1) According to the Food and Agriculture Or-  
9 ganization of the United Nations, 31 percent of land  
10 on earth is covered in forests, but that area is rap-  
11 idly decreasing. An estimated 1,600,000 square  
12 miles of forest has been converted to other land uses  
13 since 1990, with 42,500 square miles converted an-  
14 nually since 2010. Since the early 2000s,  $\frac{2}{3}$  of glob-  
15 al forest cover loss has occurred in the tropics and  
16 subtropics.

17 (2) The expansion of commercial agriculture  
18 into tropical forests is the largest driver of forest  
19 conversion, led by cattle ranching and the cultivation  
20 of soy and palm oil. An estimated 69 percent of such  
21 conversion between 2013 and 2019 was carried out  
22 in contravention of the laws of the country in which  
23 the conversion occurred.

24 (3) Such illegal deforestation results in the  
25 emission of more than 2.7 gigatons of carbon dioxide

1 equivalent per year, more than the entire annual fos-  
2 sil fuel emissions of India in 2018.

3 (4) Limiting global temperatures below 1.5 de-  
4 grees Celsius above preindustrialized levels requires  
5 rapid and significant reductions in deforestation  
6 globally. Cost-effective greenhouse gas emission miti-  
7 gation from forests and land use can provide roughly  
8  $\frac{1}{3}$  of the mitigation required by 2030 to stay below  
9 2 degrees Celsius.

10 (5) Forests contain most of the world's terres-  
11 trial biodiversity, providing habitats for 80 percent  
12 of amphibian species, 75 percent of bird species, 68  
13 percent of mammal species, and 60,000 different  
14 species of trees.

15 (6) Forests are also an important source of live-  
16 lihoods, food, and fuel, with more than  
17 1,600,000,000 people depending directly on forests  
18 for their livelihoods.

19 (7) The Intergovernmental Science-Policy Plat-  
20 form on Biodiversity and Ecosystem Services found  
21 in 2019 that the rate of global species extinction is  
22 accelerating and is now tens to hundreds of times  
23 higher than the average rate over the last  
24 10,000,000 years, threatening the loss of 1,000,000

1 species, and land-use change is the direct driver with  
2 the largest relative impact on terrestrial ecosystems.

3 (8) Deforestation in many countries is closely  
4 associated with violations of the rights of indigenous  
5 peoples and local communities and with the exploi-  
6 tation of workers, including through the use forced  
7 labor and child labor, and in many cases is enabled  
8 by corruption, criminality, and violence against indi-  
9 viduals defending their land rights and environment.

10 (9) According to the United Nations High Com-  
11 missioner for Human Rights, individuals defending  
12 the rights of communities and indigenous peoples to  
13 their traditional lands and environment are particu-  
14 larly vulnerable to threats and violence and ac-  
15 counted for roughly half of the killings of human  
16 rights defenders documented in 2019.

17 (10) Congress has taken a number of steps to  
18 address the trade in illegal timber to protect legiti-  
19 mate forestry businesses and reduce illegal logging  
20 globally, such as, in section 8204 of the Food, Con-  
21 servation, and Energy Act of 2008 (Public Law  
22 110–246; 122 Stat. 2052), amending the Lacey Act  
23 Amendments of 1981 (16 U.S.C. 3371 et seq.) to  
24 prohibit the importation of illegal plant products, in-

1 including such products made from illegally logged  
2 wood.

3 (11) As with illegal timber, agricultural com-  
4 modities produced on illegally deforested land enter  
5 international markets, including the United States,  
6 and compete with commodities produced legally.

7 (12) The United States is a significant market  
8 for products made wholly or in part of commodities  
9 such as palm oil, cattle, cocoa, and rubber at risk of  
10 being produced on illegally deforested land. For ex-  
11 ample, in 2020, the United States imported—

12 (A) processed cowhides and beef products  
13 valued at more than \$500,000,000 from Brazil,  
14 where cattle ranching is the largest driver of  
15 deforestation in the Amazon forest and other  
16 biomes, and an estimated 95 percent of all de-  
17 forestation was not in full compliance with ap-  
18 plicable laws; and

19 (B) crude palm oil and palm kernel oil val-  
20 ued at more than \$880,000,000 and oleochemi-  
21 cals commonly derived from palm oils valued at  
22 more than \$390,000,000, from Indonesia,  
23 where the expansion of palm oil plantations is  
24 the largest driver of deforestation, and govern-  
25 ment audits of the sector in recent years have

1 indicated widespread noncompliance with appli-  
2 cable laws.

3 (13) The lack of traceability in the supply  
4 chains for such commodities and the absence of im-  
5 porter due diligence requirements increases the risk  
6 that United States trade is associated with illegal  
7 deforestation and human rights abuses, preventing  
8 United States consumers from knowing where or  
9 how the goods they purchase were produced and  
10 putting companies that ensure legal sourcing at a  
11 competitive disadvantage.

12 (b) SENSE OF CONGRESS.—It is the sense of Con-  
13 gress that the United States must do more to address ille-  
14 gal deforestation from agricultural commodities, includ-  
15 ing—

16 (1) avoiding trade that incentivizes foreign gov-  
17 ernments to allow illegal deforestation;

18 (2) assisting foreign governments in eliminating  
19 illegal deforestation and limiting all deforestation to  
20 the extent practicable;

21 (3) requiring that goods entering the United  
22 States market be subject to requirements, including  
23 the necessary supply chain traceability, to reduce the  
24 risk of association with illegal deforestation;

1           (4) preventing the United States financial sys-  
 2           tem from being used to launder proceeds from illegal  
 3           deforestation; and

4           (5) providing incentives to suppliers of the Fed-  
 5           eral Government to adopt and implement policies to  
 6           eliminate goods produced on or from deforested land  
 7           from their supply chains.

8   **SEC. 3. PROHIBITION ON IMPORTATION OF COMMODITIES**  
 9                   **PRODUCED ON ILLEGALLY DEFORESTED**  
 10                   **LAND AND PRODUCTS MADE FROM SUCH**  
 11                   **COMMODITIES.**

12       (a) IN GENERAL.—The Tariff Act of 1930 is amend-  
 13       ed by inserting after section 527 (19 U.S.C. 1527) the  
 14       following:

15   **“SEC. 527A. PROHIBITION ON IMPORTATION OF PRODUCTS**  
 16                   **MADE WHOLLY OR IN PART OF COMMODITIES**  
 17                   **PRODUCED ON ILLEGALLY DEFORESTED**  
 18                   **LAND.**

19       “(a) IN GENERAL.—It shall be unlawful for any per-  
 20       son to import any product made wholly or in part of a  
 21       covered commodity produced from land that undergoes il-  
 22       legal deforestation on or after the date of the enactment  
 23       of the FOREST Act of 2021.

24       “(b) IMPORT DECLARATIONS.—

1           “(1) IN GENERAL.—On and after the date that  
2           is one year after the date of the enactment of the  
3           FOREST Act of 2021, and subject to paragraph  
4           (2), a person may not import a covered product un-  
5           less the person files upon entry a declaration stating  
6           that the person has exercised reasonable care to as-  
7           sess and mitigate the risks that any covered com-  
8           modity used to make the covered product was pro-  
9           duced from land subject to illegal deforestation on or  
10          after such date of enactment.

11          “(2) COVERED COMMODITIES FROM COUNTRIES  
12          UNDER AN ACTION PLAN.—On and after the date  
13          that is one year after an action plan applicable to a  
14          foreign country is finalized under subsection (d)(2),  
15          a person may not import a covered product con-  
16          taining any covered commodity produced in the  
17          country and identified in the action plan unless the  
18          person files upon entry a declaration that includes  
19          sufficient information to show—

20                 “(A)(i) the supply chain and the point of  
21                 origin of the covered commodity; and

22                 “(ii) steps taken to assess and mitigate the  
23                 risks that the point of origin was subject to ille-  
24                 gal deforestation on or after the date of the en-  
25                 actment of the FOREST Act of 2021; or



1           “(B)(i) all possible points of origin that  
2           could have contributed to the supply chain of  
3           the covered commodity, if mixing or points of  
4           aggregation exist within the supply chain; and

5           “(ii) steps taken to assess and mitigate the  
6           risks that any possible points of origin were  
7           subject to illegal deforestation on or after such  
8           date of enactment.

9           “(3) TREATMENT OF PRODUCTS SUBJECT TO  
10          MULTIPLE IMPORT DECLARATION REQUIREMENTS.—  
11          In the case of a product for which an import dec-  
12          laration is required by this subsection and section  
13          3(f) of the Lacey Act Amendments of 1981 (16  
14          U.S.C. 3372(f)), U.S. Customs and Border Protec-  
15          tion and the Animal and Plant Health Inspection  
16          Service shall coordinate to limit the administrative  
17          burden, to the extent practicable, for importers.

18          “(4) GUIDANCE.—Not later than 90 days after  
19          the date of the FOREST Act of 2021, and as appro-  
20          priate thereafter, the Commissioner of U.S. Customs  
21          and Border Protection (in this section referred to as  
22          the ‘Commissioner’)—

23                 “(A) shall publish guidance on what con-  
24                 stitutes reasonable care under paragraph (1)  
25                 and sufficient information under paragraph (2),

which may include guidance with respect to specific commodities, as appropriate; and

“(B) may, as appropriate, issue guidance about the potential role of third-party certifications assisting importers with meeting the requirements of this section.

“(c) **LISTS OF COVERED COMMODITIES AND COVERED PRODUCTS.—**

“(1) **INITIAL LISTS.**—Not later than 30 days after the date of the enactment of the FOREST Act of 2021, the United States Trade Representative (in this section referred to as the ‘Trade Representative’) shall publish the following:

“(A) An initial list made up of the following commodities (in this section referred to as ‘covered commodities’):

“(i) Palm oil.

“(ii) Soybeans.

“(iii) Cocoa.

“(iv) Cattle.

“(v) Rubber.

“(vi) Wood pulp.

“(B) An initial list of made up of the following products made wholly or in part of a

1 covered commodity (in this section referred to  
2 as ‘covered products’):

3 “(i) Palm oil or palm oil products  
4 classifiable under any of the following  
5 headings or subheadings of the HTS:

“1511 .....	2905.17.00 .....	3823.11.00
1513.21.00 .....	2905.45.00 .....	3823.12.00
1513.29.00 .....	2915.70.01 .....	3823.19
2306.60.00 .....	2915.90 .....	3823.70.

6 “(ii) Soybeans or soybean products  
7 classifiable under heading 1201 or 1507 or  
8 subheading 2304.00.00 of the HTS.

9 “(iii) Cocoa or cocoa products classifi-  
10 able under heading 1803 or 1806 or sub-  
11 heading 1801.00.00, 1802.00.00,  
12 1804.00.00, or 1805.00.00 of the HTS.

13 “(iv) Cattle or cattle products classifi-  
14 able under any of the following headings or  
15 subheadings of the HTS:

“0201 .....	0206.21.00 .....	1602.50
0202 .....	0206.22.00 .....	4104
0206.10.00 .....	0206.29.00 .....	4107.

16 “(v) Rubber or rubber products classi-  
17 fiable under heading 4001 or 4011 of the  
18 HTS.

19 “(vi) Pulp or pulp products classifi-  
20 able under any of the following headings or  
21 subheadings of the HTS:

“4703 .....	4804 .....	4818
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4801.00.01 .....	4805 .....	4819
4802 .....	4810 .....	4820
4803.00 .....	4811 .....	4823.

1           “(2) REVIEWS AND UPDATES.—

2                   “(A) IN GENERAL.—Not less frequently  
3           than annually, the Trade Representative shall—

4                           “(i) review the list of covered com-  
5                           modities published under subparagraph  
6                           (A) of paragraph (1) and the list of cov-  
7                           ered products published under subpara-  
8                           graph (B) of that paragraph to assess  
9                           whether covered commodities or covered  
10                          products, as the case may be, should be  
11                          added to or removed from the lists to en-  
12                          sure that the scope of the lists is sufficient  
13                          to increasingly deter illegal deforestation  
14                          and to ensure that no material amount of  
15                          a commodity produced from illegally  
16                          deforested land enters the United States;  
17                          and

18                           “(ii) publish updated lists based on  
19                          that review.

20                          “(B) EFFECT ON IMPORT DECLARA-  
21                          TIONS.—Any addition under subparagraph (A)  
22                          to the list of covered products under paragraph  
23                          (1)(B) shall be subject to the declaration re-  
24                          quirement under subsection (b) on and after the

1 date that is one year after the updated list in-  
2 cluding the addition is published.

3 “(3) SOLICITATION OF INPUT.—In updating the  
4 lists under paragraph (1) as required by paragraph  
5 (2), the Trade Representative shall—

6 “(A) consult with the Secretary of State  
7 and the Administrator of the United States  
8 Agency for International Development; and

9 “(B) coordinate and solicit relevant infor-  
10 mation from—

11 “(i) the interagency working group es-  
12 tablished under subsection (f);

13 “(ii) the advisory committee estab-  
14 lished under subsection (g);

15 “(iii) other Federal, State, and local  
16 agencies in the United States; and

17 “(iv) the public.

18 “(d) ACTION PLANS FOR COUNTRIES WITHOUT ADE-  
19 QUATE AND EFFECTIVE PROTECTION AGAINST ILLEGAL  
20 DEFORESTATION.—

21 “(1) IDENTIFICATION OF COUNTRIES.—

22 “(A) IN GENERAL.—Not later than 180  
23 days after the date of the enactment of the  
24 FOREST Act of 2021, the Trade Representa-  
25 tive shall—

1 “(i) identify foreign countries without  
2 adequate and effective protection against  
3 illegal deforestation caused by the produc-  
4 tion of commodities likely to enter the  
5 United States; and

6 “(ii) make available to the public—

7 “(I) a list of the countries identi-  
8 fied under clause (i); and

9 “(II) data and analysis related to  
10 the considerations described in sub-  
11 paragraph (B).

12 “(B) CONSIDERATIONS.—In identifying a  
13 foreign country under subparagraph (A), the  
14 Trade Representative shall consider—

15 “(i) trends of deforestation and illegal  
16 deforestation in that country;

17 “(ii) policies and practices of the gov-  
18 ernment of the country that deny adequate  
19 and effective enforcement against illegal  
20 deforestation;

21 “(iii) trends in the capacity and effec-  
22 tiveness of enforcement against illegal de-  
23 forestation by the country; and

24 “(iv) the incidence of violence against,  
25 and other violations of the rights of, indig-

1           enous peoples, local residents, and environ-  
2           mental and human rights defenders in the  
3           country in connection with illegal deforest-  
4           ation.

5           “(C) REASSESSMENT.—Not less frequently  
6           than every 2 years, the Trade Representative  
7           shall assess whether additional foreign countries  
8           should be identified under subparagraph (A).

9           “(2) ACTION PLANS.—

10           “(A) IN GENERAL.—Not later than 3 years  
11           after the date of the enactment of the FOREST  
12           Act of 2021, the Trade Representative shall fi-  
13           nalize an action plan with respect to each for-  
14           eign country identified under paragraph (1).

15           “(B) FINALITY.—An action plan developed  
16           under subparagraph (A) shall be considered  
17           final for the purposes of subsection (b)(2) on  
18           the date on which the action plan is posted on  
19           a publicly accessible internet website of the Of-  
20           fice of the United States Trade Representative.

21           “(C) INVOLVEMENT OF FOREIGN COUNTRY  
22           AND PUBLIC.—The Trade Representative  
23           shall—

24           “(i) seek to involve each foreign coun-  
25           try for which the Trade Representative de-

1                   velops an action plan under subparagraph  
2                   (A) in the development of the action plan  
3                   for that foreign country; and

4                   “(ii) release a draft of each action  
5                   plan for public review and comment before  
6                   finalizing the action plan.

7                   “(D) GOALS OF ACTION PLANS.—The  
8                   Trade Representative shall design an action  
9                   plan developed under subparagraph (A) with re-  
10                  spect to a foreign country to achieve—

11                  “(i) new laws, rules, enforcement pro-  
12                  cedures, or agreements to ensure that ille-  
13                  gal deforestation is no longer occurring in  
14                  the country;

15                  “(ii) sufficient capacity to enforce rel-  
16                  evant laws;

17                  “(iii) processes to remedy or adju-  
18                  dicate previous illegal deforestation activi-  
19                  ties;

20                  “(iv) comprehensive monitoring and  
21                  data sharing related to deforestation and  
22                  potential impacts to other ecosystems;

23                  “(v) transparency and accessibility of  
24                  information with respect to land tenure  
25                  and land-use decisions;



1 “(vi) traceability, transparency, and  
2 data sharing for commodity supply chains;  
3 and

4 “(vii) in the case of a country that is  
5 a party to the decision of the 21st Con-  
6 ference of Parties of the United Nations  
7 Framework Convention on Climate Change  
8 adopted in Paris December 12, 2015 (com-  
9 monly known as the ‘Paris Agreement’),  
10 the incorporation of—

11 “(I) forest protection into the  
12 country’s nationally determined con-  
13 tribution under the Paris Agreement;  
14 and

15 “(II) deforestation into the coun-  
16 try’s greenhouse gas reporting as re-  
17 quired by the Paris Agreement.

18 “(E) BENCHMARKS.—

19 “(i) IN GENERAL.—The Trade Rep-  
20 resentative shall include in each action  
21 plan developed under subparagraph (A) in-  
22 termediate and final benchmarks described  
23 in clause (ii) and a timeline for achieving  
24 those benchmarks.

1                   “(ii) BENCHMARKS DESCRIBED.—

2                   Benchmarks described in this clause may  
3                   be such legislative, institutional, enforce-  
4                   ment, or other actions as the Trade Rep-  
5                   resentative determines to be necessary to  
6                   demonstrate that the foreign country has  
7                   achieved the goals described in subpara-  
8                   graph (D).

9                   “(F) IDENTIFICATION OF COVERED COM-  
10                  MODITIES.—The Trade Representative shall  
11                  identify in the action plan developed under sub-  
12                  paragraph (A) with respect to a foreign country  
13                  the specific covered commodities at risk of  
14                  being produced on illegally deforested land in  
15                  that country that shall be subject to the dec-  
16                  laration requirement under subsection (b)(2).

17                  “(3) PRESIDENTIAL ACTION AUTHORIZED.—On  
18                  and after the date on which an action plan released  
19                  to the public under paragraph (2)(A) with respect to  
20                  a foreign country has been in place for one year, if  
21                  the President determines that the country has not  
22                  substantially complied with the benchmarks in the  
23                  action plan, the President may take appropriate ac-  
24                  tion with respect to the country.

1           “(4) PETITIONS FOR DETERMINATION OF COM-  
2       PLIANCE.—

3           “(A) IN GENERAL.—A foreign country to  
4       which an action plan developed under para-  
5       graph (2)(A) applies may petition the Trade  
6       Representative to determine that the country  
7       has achieved all benchmarks in the action plan.

8           “(B) DETERMINATION OF ADEQUACY AND  
9       EFFECTIVENESS OF PROTECTION.—

10           “(i) IN GENERAL.—If the Trade Rep-  
11       resentative determines under subparagraph  
12       (A) that a foreign country to which an ac-  
13       tion plan developed under paragraph  
14       (2)(A) applies has achieved all benchmarks  
15       in the action plan, the Trade Representa-  
16       tive shall determine whether that country,  
17       after achieving those benchmarks, provides  
18       adequate and effective protection against  
19       illegal deforestation.

20           “(ii) COUNTRIES THAT FAIL TO PRO-  
21       VIDE ADEQUATE AND EFFECTIVE PROTEC-  
22       TION AGAINST ILLEGAL DEFOREST-  
23       ATION.—If the Trade Representative deter-  
24       mines under clause (i) that a foreign coun-  
25       try described in that clause continues to

1 fail to provide adequate and effective pro-  
2 tection against illegal deforestation, the  
3 Trade Representative shall develop a new  
4 action plan under paragraph (2)(A) with  
5 respect to the country.

6 “(iii) COUNTRIES THAT PROVIDE ADE-  
7 QUATE AND EFFECTIVE PROTECTION  
8 AGAINST ILLEGAL DEFORESTATION.—If  
9 the Trade Representative determines under  
10 clause (i) that a foreign country described  
11 in that clause provides adequate and effec-  
12 tive protection against illegal deforestation,  
13 the action plan developed under paragraph  
14 (2)(A) with respect to the country shall  
15 terminate.

16 “(5) CONSULTATIONS.—In identifying foreign  
17 countries under paragraph (1), developing action  
18 plans under paragraph (2), and making determina-  
19 tions under paragraph (4), the Trade Representative  
20 shall—

21 “(A) consult with the Secretary of State  
22 and the Administrator of the United States  
23 Agency for International Development; and

24 “(B) coordinate and solicit relevant infor-  
25 mation from—

1 “(i) the interagency working group es-  
2 tablished under subsection (f);

3 “(ii) the advisory committee estab-  
4 lished under subsection (g);

5 “(iii) relevant committees of Congress;

6 “(iv) other Federal, State, or local  
7 agencies in the United States;

8 “(v) civil society, indigenous peoples,  
9 and local communities in countries that  
10 produce covered commodities and covered  
11 products; and

12 “(vi) the public.

13 “(e) ENFORCEMENT.—

14 “(1) ADMINISTRATION.—

15 “(A) IN GENERAL.—The provisions of this  
16 section and any regulations issued under this  
17 section shall be enforced, as appropriate, by the  
18 Commissioner, the Secretary of Agriculture, the  
19 Secretary of the Interior, and the Attorney  
20 General.

21 “(B) AUDITS.—The Administrator of the  
22 Animal and Plant Health Inspection Service, in  
23 collaboration with the heads of other Federal  
24 agencies, shall conduct random audits of im-  
25 porters filing declarations under subsection

1 (b)(1) to ensure such importers are retaining  
2 the supporting documentation demonstrating  
3 reasonable care was exercised as required by  
4 that subsection.

5 “(C) AGREEMENTS.—An official specified  
6 in subparagraph (A) may enter into an agree-  
7 ment with any other Federal agency or any  
8 State agency or Indian Tribe under which that  
9 official may use, with or without reimburse-  
10 ment, the personnel, services, and facilities of  
11 the agency or Indian Tribe for the enforcement  
12 of this section and regulations issued under this  
13 section.

14 “(D) AVAILABILITY OF INFORMATION.—  
15 Not later than one year after the date of the  
16 enactment of the FOREST Act of 2021, the  
17 Commissioner shall develop a process to make  
18 information filed with a declaration required by  
19 subsection (b)(2) (other than information con-  
20 sidered to be confidential business information)  
21 available to the public.

22 “(2) COORDINATION OF ENFORCEMENT.—The  
23 Commissioner shall share declarations filed under  
24 subsection (b) and other information received by  
25 U.S. Customs and Border Protection with the Trade

1 Representative, the Secretary of Agriculture, the  
2 Secretary of the Interior, the Attorney General, and  
3 the heads of other Federal agencies as needed to en-  
4 sure effective enforcement of this section.

5 “(3) INFORMATION FROM OUTSIDE SOURCES.—  
6 Not later than 180 days after the date of the enact-  
7 ment of the FOREST Act of 2021, the Commis-  
8 sioner shall establish a process for receiving informa-  
9 tion from persons outside U.S. Customs and Border  
10 Protection indicating that a covered commodity may  
11 be being imported in violation of this section.

12 “(4) REPORT REQUIRED.—Not later than 2  
13 years after the date of the enactment of the FOR-  
14 EST Act of 2021, and annually thereafter, the Com-  
15 missioner, with input from the heads of relevant  
16 Federal agencies, shall submit to Congress a report  
17 on the enforcement of this section that includes, for  
18 the year preceding submission of the report—

19 “(A) the number of audits conducted by  
20 Federal agencies of importers of record to de-  
21 tect potential violations of this section;

22 “(B) the number of instances in which in-  
23 formation was submitted to the Commissioner  
24 under paragraph (3);

1           “(C) the number of investigations initiated  
2           into possible violations of this section;

3           “(D) the number of such investigations ini-  
4           tiated based on information submitted to the  
5           Commissioner under paragraph (3);

6           “(E) the results of cases adjudicated fol-  
7           lowing such an investigation;

8           “(F) the number of such investigations  
9           pending as of the date of the report; and

10          “(G) an explanation of how information  
11          submitted to the Commissioner under para-  
12          graph (3) was used to prioritize audits and  
13          other checks.

14          “(f) INTERAGENCY WORKING GROUP.—

15               “(1) IN GENERAL.—There is established an  
16               interagency working group to provide advice and rec-  
17               ommendations to the Trade Representative, the  
18               Commissioner, and the heads of other relevant Fed-  
19               eral agencies on the implementation of this section.

20               “(2) MEMBERSHIP.—The interagency working  
21               group established under paragraph (1) shall be com-  
22               posed of representatives of—

23                       “(A) the Department of State;

24                       “(B) the Department of Agriculture;

25                       “(C) U.S. Customs and Border Protection;



1                   “(D) the Office of the United States Trade  
2           Representative;

3                   “(E) the United States Agency for Inter-  
4           national Development;

5                   “(F) the Department of the Interior;

6                   “(G) the Department of Justice; and

7                   “(H) such other Federal agencies as the  
8           Trade Representative considers appropriate.

9                   “(3) CHAIRPERSON.—The representative of the  
10          Office of the United States Trade Representative  
11          shall serve as the chairperson of the interagency  
12          working group established under paragraph (1).

13                  “(g) ADVISORY COMMITTEE.—

14                  “(1) IN GENERAL.—The Trade Representative  
15          shall establish an advisory committee to provide ad-  
16          vice and recommendations to the Trade Representa-  
17          tive and the heads of other relevant Federal agencies  
18          on the implementation of this section.

19                  “(2) MEMBERSHIP.—The advisory committee  
20          established under paragraph (1) shall be made up of  
21          12 individuals—

22                         “(A) five of whom shall be representatives  
23                         of institutions of higher education or non-  
24                         governmental organizations with expertise rel-

1           evant to international deforestation, associated  
2           human rights abuses, or trade;

3                 “(B) five of whom shall be representatives  
4           of industry; and

5                 “(C) two of whom shall be representatives  
6           of labor organizations.

7           “(h) DEFINITIONS.—In this section:

8                 “(1) DEFORESTATION.—The term ‘deforest-  
9           ation’ means a loss of natural forest resulting from  
10          the whole or partial conversion of natural forest to—

11                 “(A) agricultural use or another non-forest  
12          land use; or

13                 “(B) a tree plantation.

14                 “(2) HTS.—The term ‘HTS’ means the Har-  
15          monized Tariff Schedule of the United States.

16                 “(3) ILLEGAL DEFORESTATION.—The term ‘il-  
17          legal deforestation’ means deforestation conducted in  
18          violation of the law (or any action that has the force  
19          and effect of law) of the country in which the defor-  
20          estation is occurring, including—

21                 “(A) anti-corruption laws;

22                 “(B) laws relating to land tenure rights;

23          and

1           “(C) laws relating to the free, prior, and  
2           informed consent of indigenous peoples and  
3           local communities.

4           “(4) INDIAN TRIBE.—The term ‘Indian Tribe’  
5           has the meaning given the term ‘Indian tribe’ in sec-  
6           tion 4 of the Indian Self-Determination and Edu-  
7           cation Assistance Act (25 U.S.C. 5304).

8           “(5) NATURAL FOREST.—The term ‘natural  
9           forest’ means a natural arboreal ecosystem that—

10           “(A) has a species composition a signifi-  
11           cant percentage of which is native species; and

12           “(B) includes—

13           “(i) a native tree canopy cover of  
14           more than 10 percent over an area of not  
15           less 0.5 hectares; or

16           “(ii) other wooded land with a com-  
17           bined cover of shrubs, bushes, and trees of  
18           more than 10 percent over an area of not  
19           less than 0.5 hectares.

20           “(6) POINT OF ORIGIN.—

21           “(A) IN GENERAL.—The term ‘point of or-  
22           igin’, with respect to a covered commodity,  
23           means the geographical location, identified by  
24           the smallest administrative unit of land possible  
25           (such as a concession, farm, ranch, property, or

1 other type of public or private land allocation),  
2 where the covered commodity was produced.

3 “(B) APPLICATION TO LIVESTOCK.—In the  
4 case of livestock, the term ‘point of origin’ in-  
5 cludes all geographic locations where that ani-  
6 mal existed from birth to slaughter.

7 “(7) PRODUCE.—

8 “(A) IN GENERAL.—Except as provided by  
9 subparagraph (B), the term ‘produce’ means  
10 growing, harvesting, rearing, collecting, extract-  
11 ing, or otherwise producing a commodity.

12 “(B) EXCLUSION.—The term ‘produce’  
13 does not include refining or manufacturing.

14 “(8) SUPPLY CHAIN.—The term ‘supply chain’  
15 means the end-to-end process for getting commod-  
16 ities or products to the United States, beginning at  
17 the point of origin and including all points until  
18 entry into the United States, including refiners,  
19 manufacturers, suppliers, distributors, or vendors.

20 “(9) WHOLLY OR IN PART.—

21 “(A) IN GENERAL.—The term ‘wholly or in  
22 part’ shall have the meaning given that term in  
23 regulations.

24 “(B) REGULATIONS.—Regulations pre-  
25 scribed under subsection (b) of the FOREST

1 Act of 2021 shall define the term ‘wholly or in  
2 part’ in a manner designed to limit the admin-  
3 istrative burden on the importer of record while  
4 deterring illegal deforestation.”.

5 (b) REGULATIONS.—Not later than one year after the  
6 date of the enactment of this Act, the Commissioner of  
7 U.S. Customs and Border Protection and the United  
8 States Trade Representative shall publish final regulations  
9 for implementing section 527A of the Tariff Act of 1930,  
10 as added by subsection (a).

11 **SEC. 4. FOREIGN ASSISTANCE FOR COUNTRIES COMMIT-**  
12 **TED TO ELIMINATING DEFORESTATION.**

13 (a) STATEMENT OF POLICY.—It is the policy of the  
14 United States to assist foreign governments in eliminating  
15 illegal deforestation and to limit all deforestation to the  
16 extent practicable.

17 (b) ESTABLISHMENT OF FUND.—

18 (1) IN GENERAL.—There is established in the  
19 Treasury of the United States a fund, consisting of  
20 amounts authorized to be appropriated or appro-  
21 priated under paragraph (2) or (3).

22 (2) DEPOSITS TO THE FUND.—There are au-  
23 thorized to be appropriated, and there are appro-  
24 priated, to the fund established under paragraph (1)  
25 for fiscal year 2022 and each fiscal year thereafter

1 an amount equivalent to the amount of penalties es-  
2 timated by the Secretary of the Treasury to be col-  
3 lected under section 527A(e) of the Tariff Act of  
4 1930, as added by section 3, in that fiscal year.

5 (3) ADDITIONAL AUTHORIZATION OF APPRO-  
6 PRIATIONS.—In addition to amounts authorized to  
7 be appropriated under paragraph (2), there are au-  
8 thorized to be appropriated to the fund established  
9 under paragraph (1) \$30,000,000 to carry out this  
10 section.

11 (4) AVAILABILITY OF FUNDS.—Amounts in the  
12 fund established under paragraph (1) shall be avail-  
13 able as follows:

14 (A) \$20,000,000 shall be available to the  
15 Secretary of State—

16 (i) to provide financial and technical  
17 assistance and other resources to the gov-  
18 ernments of countries and implementing  
19 partners that are working to complete the  
20 benchmarks in action plans developed  
21 under section 527A(d) of the Tariff Act of  
22 1930, as added by section 3;

23 (ii) to provide assistance for inter-  
24 national efforts to combat deforestation;

1 (iii) to provide assistance to civil soci-  
2 ety, indigenous peoples, and local residents  
3 in foreign countries to engage in efforts to  
4 combat deforestation; and

5 (iv) to be transferred, notwithstanding  
6 section 3302 of title 31, United States  
7 Code, to the Administrator of the United  
8 States Agency for International Develop-  
9 ment and the heads of other appropriate  
10 Federal agencies to provide assistance  
11 under clauses (i), (ii), and (iii).

12 (B) \$8,000,000 shall be available to the  
13 Commissioner of U.S. Customs and Border  
14 Protection—

15 (i) to carry out the duties of the Com-  
16 missioner under section 527A of the Tariff  
17 Act of 1930, as added by section 3; and

18 (ii) to be transferred, notwithstanding  
19 section 3302 of title 31, United States  
20 Code, to the Secretary of Agriculture and  
21 the Secretary of the Interior for moni-  
22 toring, audits, enforcement, and other du-  
23 ties assigned under such section 527A.

24 (C) \$3,000,000 shall be available to the  
25 United States Trade Representative to carry

1 out the duties of the Trade Representative  
2 under such section 527A.

3 (c) DEFINITIONS.—In this section, the terms “defor-  
4 estation” and “illegal deforestation” have the meanings  
5 given those terms in section 527A(h) of the Tariff Act  
6 of 1930, as added by section 3.

7 **SEC. 5. INCLUSION OF ILLEGAL DEFORESTATION AS SPECI-**  
8 **FIED UNLAWFUL ACTIVITY.**

9 Section 1956(c)(7)(B) of title 18, United States  
10 Code, is amended—

11 (1) in clause (vi), by striking “; or” and insert-  
12 ing a semicolon;

13 (2) in clause (vii), by striking the semicolon and  
14 inserting “; or”; and

15 (3) by adding at the end the following:

16 “(viii) any act, engaged in knowingly,  
17 to carry out, enable, or encourage illegal  
18 deforestation (as defined in section  
19 527A(h) of the Tariff Act of 1930).”.

20 **SEC. 6. PROCUREMENT PREFERENCE FOR COMMODITIES**  
21 **NOT PRODUCED FROM LAND SUBJECT TO DE-**  
22 **FORESTATION.**

23 (a) IN GENERAL.—Chapter 47 of title 41, United  
24 States Code, is amended by adding at the end the fol-  
25 lowing:



1   **“§ 4715. Procurement preference for commodities not**  
2                   **produced from land subject to deforest-**  
3                   **ation**

4           “(a) IN GENERAL.—In comparing proposals for the  
5 purpose of awarding a contract involving any product  
6 made wholly or in part of a covered commodity (as defined  
7 by section 1527A(c) of the Tariff Act of 1930), the head  
8 of an executive agency shall reduce the bid price by 10  
9 percent if the contractor demonstrates to the satisfaction  
10 of the head of the agency that—

11           “(1) the contractor has a policy described in  
12 subsection (b) in effect; and

13           “(2) the policy and data on monitoring and en-  
14 forcement of that policy are publicly available and  
15 updated not less frequently than annually.

16           “(b) POLICY DESCRIBED.—A policy described in this  
17 subsection is a policy that includes, at a minimum, the  
18 following:

19           “(1) Measures to identify the point-of-origin of  
20 forest-risk commodities and ensure compliance with  
21 the policy when supply chain risks are present.

22           “(2) Data detailing the complete list of direct  
23 and indirect suppliers and supply chain traceability  
24 information, including refineries, processing plants,  
25 farms, and plantations, and their respective owners,  
26 parent entities, and farmers, maps, and geolocations,

1 for each forest-risk commodity found in products  
2 that may be furnished to the Federal Government.

3 “(3) Measures taken to ensure that each such  
4 commodity does not contribute to deforestation.

5 “(4) Measures taken to ensure the process of  
6 obtaining the free, prior, and informed consent of in-  
7 digenous peoples and local communities directly af-  
8 fected by the production of such commodities.

9 “(5) Measures taken to protect biodiversity and  
10 prevent the poaching of wildlife and trade in  
11 bushmeat in all operations and areas adjacent to the  
12 production of such commodities.

13 “(6) Measures taken to ensure compliance with  
14 the laws of countries where forest-risk commodities  
15 in the supply chain of the contractor are produced.

16 “(c) BUY AMERICAN REQUIREMENTS.—Subsection  
17 (a) does not affect the application of the requirements of  
18 chapter 83 of title 41, United States Code.

19 “(d) DEFINITIONS.—In this section:

20 “(1) DEFORESTATION; PRODUCE.—The terms  
21 ‘deforestation’ and ‘produce’ have the meanings  
22 given those terms in section 527A(h) of the Tariff  
23 Act of 1930.

24 “(2) FOREST-RISK COMMODITY.—The term  
25 ‘forest-risk commodity’ means a commodity at risk

1 of being produced from land subject to deforest-  
2 ation.”.

3 (b) CLERICAL AMENDMENT.—The table of sections  
4 for such chapter is amended by inserting after the item  
5 relating to section 4714 the following:

“4715. Procurement preference for commodities not produced from land subject  
to deforestation.”.

