117TH CONGRESS  
1ST SESSION

S. ______

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.

—

IN THE SENATE OF THE UNITED STATES

Mr. SCHATZ introduced the following bill; which was read twice and referred to the Committee on ____________________

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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 Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

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

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SEC. 2. FINDINGS; SENSE OF CONGRESS.

(a) FINDINGS.—Congress makes the following findings:

(1) According to the Food and Agriculture Organization of the United Nations, 31 percent of land on earth is covered in forests, but that area is rapidly decreasing. An estimated 1,600,000 square miles of forest has been converted to other land uses since 1990, with 42,500 square miles converted annually since 2010. Since the early 2000s, 2/3 of global forest cover loss has occurred in the tropics and subtropics.

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

(3) Such illegal deforestation results in the emission of more than 2.7 gigatons of carbon dioxide equivalent per year, more than the entire annual fossil fuel emissions of India in 2018.

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

(5) Forests contain most of the world’s terrestrial biodiversity, providing habitats for 80 percent of amphibian species, 75 percent of bird species, 68 percent of mammal species, and 60,000 different species of trees.

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

(7) The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services found in 2019 that the rate of global species extinction is accelerating and is now tens to hundreds of times higher than the average rate over the last 10,000,000 years, threatening the loss of 1,000,000 species, and land-use change is the direct driver with the largest relative impact on terrestrial ecosystems.

(8) Deforestation in many countries is closely associated with violations of the rights of indigenous peoples and local communities and with the exploitation of workers, including through the use forced
labor and child labor, and in many cases is enabled by corruption, criminality, and violence against individuals defending their land rights and environment.

(9) According to the United Nations High Commissioner for Human Rights, individuals defending the rights of communities and indigenous peoples to their traditional lands and environment are particularly vulnerable to threats and violence and accounted for roughly half of the killings of human rights defenders documented in 2019.

(10) Congress has taken a number of steps to address the trade in illegal timber to protect legitimate forestry businesses and reduce illegal logging globally, such as, in section 8204 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2052), amending the Lacey Act Amendments of 1981 (16 U.S.C. 3371 et seq.) to prohibit the importation of illegal plant products, including such products made from illegally logged wood.

(11) As with illegal timber, agricultural commodities produced on illegally deforested land enter international markets, including the United States, and compete with commodities produced legally.
(12) The United States is a significant market for products made wholly or in part of commodities such as palm oil, cattle, cocoa, and rubber at risk of being produced on illegally deforested land. For example, in 2020, the United States imported—

(A) processed cowhides and beef products valued at more than $500,000,000 from Brazil, where cattle ranching is the largest driver of deforestation in the Amazon forest and other biomes, and an estimated 95 percent of all deforestation was not in full compliance with applicable laws; and

(B) crude palm oil and palm kernel oil valued at more than $880,000,000 and oleochemicals commonly derived from palm oils valued at more than $390,000,000, from Indonesia, where the expansion of palm oil plantations is the largest driver of deforestation, and government audits of the sector in recent years have indicated widespread noncompliance with applicable laws.

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

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States must do more to address illegal deforestation from agricultural commodities, including—

1. avoiding trade that incentivizes foreign governments to allow illegal deforestation;
2. assisting foreign governments in eliminating illegal deforestation and limiting all deforestation to the extent practicable;
3. requiring that goods entering the United States market be subject to requirements, including the necessary supply chain traceability, to reduce the risk of association with illegal deforestation;
4. preventing the United States financial system from being used to launder proceeds from illegal deforestation; and
5. providing incentives to suppliers of the Federal Government to adopt and implement policies to eliminate goods produced on or from deforested land from their supply chains.
SEC. 3. PROHIBITION ON IMPORTATION OF COMMODITIES

PRODUCED ON ILLEGALLY DEFORESTED LAND AND PRODUCTS MADE FROM SUCH COMMODITIES.

(a) In General.—The Tariff Act of 1930 is amended by inserting after section 527 (19 U.S.C. 1527) the following:

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

“(a) In General.—It shall be unlawful for any person to import any product made wholly or in part of a covered commodity produced from land that undergoes illegal deforestation on or after the date of the enactment of the FOREST Act of 2021.

“(b) Import Declarations.—

“(1) In General.—On and after the date that is one year after the date of the enactment of the FOREST Act of 2021, and subject to paragraph (2), a person may not import a covered product unless the person files upon entry a declaration stating that the person has exercised reasonable care to assess and mitigate the risks that any covered commodity used to make the covered product was pro-
duced from land subject to illegal deforestation on or
after such date of enactment.

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

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

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

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

“(ii) steps taken to assess and mitigate the
risks that any possible points of origin were
subject to illegal deforestation on or after such
date of enactment.
“(3) Treatment of products subject to multiple import declaration requirements.—
In the case of a product for which an import declaration is required by this subsection and section 3(f) of the Lacey Act Amendments of 1981 (16 U.S.C. 3372(f)), U.S. Customs and Border Protection and the Animal and Plant Health Inspection Service shall coordinate to limit the administrative burden, to the extent practicable, for importers.

“(4) Guidance.—Not later than 90 days after the date of the Forest Act of 2021, and as appropriate thereafter, the Commissioner of U.S. Customs and Border Protection (in this section referred to as the ‘Commissioner’)—

“(A) shall publish guidance on what constitutes reasonable care under paragraph (1) 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 covered commodity (in this section referred to as ‘covered products’):

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

``
<table>
<thead>
<tr>
<th>Description</th>
<th>HTS Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1511</td>
<td>2905.17.00</td>
</tr>
<tr>
<td>1513.21.00</td>
<td>2905.45.00</td>
</tr>
<tr>
<td>1513.29.00</td>
<td>2915.70.01</td>
</tr>
<tr>
<td>2306.60.00</td>
<td>2915.90</td>
</tr>
</tbody>
</table>
``
“(ii) Soybeans or soybean products classifiable under heading 1201 or 1507 or subheading 2304.00.00 of the HTS.

“(iii) Cocoa or cocoa products classifiable under heading 1803 or 1806 or subheading 1801.00.00, 1802.00.00, 1804.00.00, or 1805.00.00, of the HTS.

“(iv) Cattle or cattle products classifiable under any of the following headings or subheadings of the HTS:

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0201 ............................. 0206.21.00 ..................... 1602.50
0202 ............................... 0206.22.00 ..................... 4104
0206.10.00 ..................... 0206.29.00 ..................... 4107
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“(v) Rubber or rubber products classifiable under heading 4001 or 4011 of the HTS.

“(vi) Pulp or pulp products classifiable under any of the following headings or subheadings of the HTS:

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4703 ............................. 4804 ............................. 4818
4801.00.01 ..................... 4805 ............................. 4819
4802 ............................... 4810 ............................. 4820
4803.00 .......................... 4811 ............................. 4823
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“(2) Reviews and updates.—

“(A) In general.—Not less frequently than annually, the Trade Representative shall—

“(i) review the list of covered commodities published under subparagraph
(A) of paragraph (1) and the list of covered products published under subparagraph (B) of that paragraph to assess whether covered commodities or covered products, as the case may be, should be added to or removed from the lists to ensure that the scope of the lists is sufficient to increasingly deter illegal deforestation and to ensure that no material amount of a commodity produced from illegally deforested land enters the United States; and

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

“(B) Effect on import declarations.—Any addition under subparagraph (A) to the list of covered products under paragraph (1)(B) shall be subject to the declaration requirement under subsection (b) on and after the date that is one year after the updated list including the addition is published.

“(3) Solicitation of input.—In updating the lists under paragraph (1) as required by paragraph (2), the Trade Representative shall—
“(A) consult with the Secretary of State and the Administrator of the United States Agency for International Development; and

“(B) coordinate and solicit relevant information from—

“(i) the interagency working group established under subsection (f);

“(ii) the advisory committee established under subsection (g);

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

“(iv) the public.

“(d) Action Plans for Countries Without Adequate and Effective Protection Against Illegal Deforestation.—

“(1) Identification of Countries.—

“(A) In General.—Not later than 180 days after the date of the enactment of the FOREST Act of 2021, the Trade Representative shall—

“(i) identify foreign countries without adequate and effective protection against illegal deforestation caused by the production of commodities likely to enter the United States; and
“(ii) make available to the public—

“(I) a list of the countries identified under clause (i); and

“(II) data and analysis related to the considerations described in subparagraph (B).

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

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

“(ii) policies and practices of the government of the country that deny adequate and effective enforcement against illegal deforestation;

“(iii) trends in the capacity and effectiveness of enforcement against illegal deforestation by the country; and

“(iv) the incidence of violence against, and other violations of the rights of, indigenous peoples, local residents, and environmental and human rights defenders in the country in connection with illegal deforestation.
“(C) REASSESSMENT.—Not less frequently than every 2 years, the Trade Representative shall assess whether additional foreign countries should be identified under subparagraph (A).

“(2) ACTION PLANS.—

“(A) IN GENERAL.—Not later than 3 years after the date of the enactment of the FOREST Act of 2021, the Trade Representative shall finalize an action plan with respect to each foreign country identified under paragraph (1).

“(B) FINALITY.—An action plan developed under subparagraph (A) shall be considered final for the purposes of subsection (b)(2) on the date on which the action plan is posted on a publicly accessible internet website of the Office of the United States Trade Representative.

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

“(i) seek to involve each foreign country for which the Trade Representative develops an action plan under subparagraph (A) in the development of the action plan for that foreign country; and
“(ii) release a draft of each action plan for public review and comment before finalizing the action plan.

“(D) GOALS OF ACTION PLANS.—The Trade Representative shall design an action plan developed under subparagraph (A) with respect to a foreign country to achieve—

“(i) new laws, rules, enforcement procedures, or agreements to ensure that illegal deforestation is no longer occurring in the country;

“(ii) sufficient capacity to enforce relevant laws;

“(iii) processes to remedy or adjudicate previous illegal deforestation activities;

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

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

“(vi) traceability, transparency, and data sharing for commodity supply chains; and
“(vii) in the case of a country that is a party to the decision of the 21st Conference of Parties of the United Nations Framework Convention on Climate Change adopted in Paris December 12, 2015 (commonly known as the ‘Paris Agreement’), the incorporation of—

“(I) forest protection into the country’s nationally determined contribution under the Paris Agreement; and

“(II) deforestation into the country’s greenhouse gas reporting as required by the Paris Agreement.

“(E) BENCHMARKS.—

“(i) IN GENERAL.—The Trade Representative shall include in each action plan developed under subparagraph (A) intermediate and final benchmarks described in clause (ii) and a timeline for achieving those benchmarks.

“(ii) BENCHMARKS DESCRIBED.—Benchmarks described in this clause may be such legislative, institutional, enforcement, or other actions as the Trade Rep-
resentative determines to be necessary to
demonstrate that the foreign country has
achieved the goals described in subpara-
graph (D).

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

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

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

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

“(B) Determination of adequacy and effectiveness of protection.—

“(i) In general.—If the Trade Representative determines under subparagraph (A) that a foreign country to which an action plan developed under paragraph (2)(A) applies has achieved all benchmarks in the action plan, the Trade Representative shall determine whether that country, after achieving those benchmarks, provides adequate and effective protection against illegal deforestation.

“(ii) Countries that fail to provide adequate and effective protection against illegal deforestation.—If the Trade Representative determines under clause (i) that a foreign country described in that clause continues to fail to provide adequate and effective protection against illegal deforestation, the Trade Representative shall develop a new action plan under paragraph (2)(A) with respect to the country.
“(iii) COUNTRIES THAT PROVIDE ADEQUATE AND EFFECTIVE PROTECTION AGAINST ILLEGAL DEFORESTATION.—If the Trade Representative determines under clause (i) that a foreign country described in that clause provides adequate and effective protection against illegal deforestation, the action plan developed under paragraph (2)(A) with respect to the country shall terminate.

“(5) CONSULTATIONS.—In identifying foreign countries under paragraph (1), developing action plans under paragraph (2), and making determinations under paragraph (4), the Trade Representative shall—

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

“(B) coordinate and solicit relevant information from—

“(i) the interagency working group established under subsection (f);

“(ii) the advisory committee established under subsection (g);

“(iii) relevant committees of Congress;
“(iv) other Federal, State, or local agencies in the United States;
“(v) civil society, indigenous peoples, and local communities in countries that produce covered commodities and covered products; and
“(vi) the public.

“(e) ENFORCEMENT.—
“(1) ADMINISTRATION.—
“(A) IN GENERAL.—The provisions of this section and any regulations issued under this section shall be enforced, as appropriate, by the Commissioner, the Secretary of Agriculture, the Secretary of the Interior, and the Attorney General.
“(B) AUDITS.—The Administrator of the Animal and Plant Health Inspection Service, in collaboration with the heads of other Federal agencies, shall conduct random audits of importers filing declarations under subsection (b)(1) to ensure such importers are retaining the supporting documentation demonstrating reasonable care was exercised as required by that subsection.
“(C) AGREEMENTS.—An official specified in subparagraph (A) may enter into an agreement with any other Federal agency or any State agency or Indian Tribe under which that official may use, with or without reimbursement, the personnel, services, and facilities of the agency or Indian Tribe for the enforcement of this section and regulations issued under this section.

“(D) AVAILABILITY OF INFORMATION.—Not later than one year after the date of the enactment of the FOREST Act of 2021, the Commissioner shall develop a process to make information filed with a declaration required by subsection (b)(2) (other than information considered to be confidential business information) available to the public.

“(2) COORDINATION OF ENFORCEMENT.—The Commissioner shall share declarations filed under subsection (b) and other information received by U.S. Customs and Border Protection with the Trade Representative, the Secretary of Agriculture, the Secretary of the Interior, the Attorney General, and the heads of other Federal agencies as needed to ensure effective enforcement of this section.
“(3) INFORMATION FROM OUTSIDE SOURCES.—
Not later than 180 days after the date of the enactment of the FOREST Act of 2021, the Commissioner shall establish a process for receiving information from persons outside U.S. Customs and Border Protection indicating that a covered commodity may be being imported in violation of this section.

“(4) REPORT REQUIRED.—Not later than 2 years after the date of the enactment of the FOREST Act of 2021, and annually thereafter, the Commissioner, with input from the heads of relevant Federal agencies, shall submit to Congress a report on the enforcement of this section that includes, for the year preceding submission of the report—

“(A) the number of audits conducted by Federal agencies of importers of record to detect potential violations of this section;

“(B) the number of instances in which information was submitted to the Commissioner under paragraph (3);

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

“(D) the number of such investigations initiated based on information submitted to the Commissioner under paragraph (3);
“(E) the results of cases adjudicated following such an investigation;

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

“(G) an explanation of how information submitted to the Commissioner under paragraph (3) was used to prioritize audits and other checks.

“(f) INTERAGENCY WORKING GROUP.—

“(1) IN GENERAL.—There is established an interagency working group to provide advice and recommendations to the Trade Representative, the Commissioner, and the heads of other relevant Federal agencies on the implementation of this section.

“(2) MEMBERSHIP.—The interagency working group established under paragraph (1) shall be composed of representatives of—

“(A) the Department of State;

“(B) the Department of Agriculture;

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

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

“(E) the United States Agency for International Development;

“(F) the Department of the Interior;
“(G) the Department of Justice; and

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

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

“(g) ADVISORY COMMITTEE.—

“(1) IN GENERAL.—The Trade Representative shall establish an advisory committee to provide advice and recommendations to the Trade Representative and the heads of other relevant Federal agencies on the implementation of this section.

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

“(A) 5 of whom shall be representatives of institutions of higher education or nongovernmental organizations with expertise relevant to international deforestation, associated human rights abuses, or trade;

“(B) 5 of whom shall be representatives of industry; and

“(C) 2 of whom shall be representatives of labor organizations.
“(h) DEFINITIONS.—In this section:

“(1) DEFORESTATION.—The term ‘deforestation’ means a loss of natural forest resulting from the whole or partial conversion of natural forest to—

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

“(B) a tree plantation.

“(2) HTS.—The term ‘HTS’ means the Harmonized Tariff Schedule of the United States.

“(3) ILLEGAL DEFORESTATION.—The term ‘illegal deforestation’ means deforestation conducted in violation of the law (or any action that has the force and effect of law) of the country in which the deforestation is occurring, including—

“(A) anti-corruption laws;

“(B) laws relating to land tenure rights;

and

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

“(4) INDIAN TRIBE.—The term ‘Indian Tribe’ has the meaning given the term ‘Indian tribe’ in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).
“(5) NATURAL FOREST.—The term ‘natural forest’ means a natural arboreal ecosystem that—

“(A) has a species composition a significant percentage of which is native species; and

“(B) includes—

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

“(ii) other wooded land with a combined cover of shrubs, bushes, and trees of more than 10 percent over an area of not less than 0.5 hectares.

“(6) POINT OF ORIGIN.—

“(A) IN GENERAL.—The term ‘point of origin’, with respect to a covered commodity, means the geographical location, identified by the smallest administrative unit of land possible (such as a concession, farm, ranch, property, or other type of public or private land allocation), where the covered commodity was produced.

“(B) APPLICATION TO LIVESTOCK.—In the case of livestock, the term ‘point of origin’ includes all geographic locations where that animal existed from birth to slaughter.

“(7) PRODUCE.—
“(A) IN GENERAL.—Except as provided by subparagraph (B), the term ‘produce’ means growing, harvesting, rearing, collecting, extracting, or otherwise producing a commodity.

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

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

“(9) WHOLLY OR IN PART.—

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

“(B) REGULATIONS.—Regulations prescribed under subsection (b) of the FOREST Act of 2021 shall define the term ‘wholly or in part’ in a manner designed to limit the administrative burden on the importer of record while deterring illegal deforestation.”.

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

4 **SEC. 4. FOREIGN ASSISTANCE FOR COUNTRIES COMMITTED TO ELIMINATING DEFORESTATION.**

5 *(a) Statement of Policy.*—It is the policy of the
6 United States to assist foreign governments in eliminating
7 illegal deforestation and to limit all deforestation to the
8 extent practicable.

9 *(b) Establishment of Fund.*—

10 *(1) In General.*—There is established in the
11 Treasury of the United States a fund, consisting of
12 amounts authorized to be appropriated or appropri-
13ated under paragraph (2) or (3).

14 *(2) Deposits to the Fund.*—There are au-
15 thorized to be appropriated, and there are appro-
16 priated, to the fund established under paragraph (1)
17 for fiscal year 2022 and each fiscal year thereafter
18 an amount equivalent to the amount of penalties es-
19 timated by the Secretary of the Treasury to be col-
20 lected under section 527A(e) of the Tariff Act of
21 1930, as added by section 3, in that fiscal year.

22 *(3) Additional Authorization of Appropriations.*—In addition to amounts authorized to
23 be appropriated under paragraph (2), there are au-
Thorized to be appropriated to the fund established under paragraph (1) $30,000,000 to carry out this section.

(4) Availability of Funds.—Amounts in the fund established under paragraph (1) shall be available as follows:

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

(i) to provide financial and technical assistance and other resources to the governments of countries and implementing partners that are working to complete the benchmarks in action plans developed under section 527A(d) of the Tariff Act of 1930, as added by section 3;

(ii) to provide assistance for international efforts to combat deforestation;

(iii) to provide assistance to civil society, indigenous peoples, and local residents in foreign countries to engage in efforts to combat deforestation; and

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

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

(i) to carry out the duties of the Commissioner under section 527A of the Tariff Act of 1930, as added by section 3; and

(ii) to be transferred, notwithstanding section 3302 of title 31, United States Code, to the Secretary of Agriculture and the Secretary of the Interior for monitoring, audits, enforcement, and other duties assigned under such section 527A.

(C) $3,000,000 shall be available to the United States Trade Representative to carry out the duties of the Trade Representative under such section 527A.

(e) DEFINITIONS.—In this section, the terms “deforestation” and “illegal deforestation” have the meanings given those terms in section 527A(h) of the Tariff Act of 1930, as added by section 3.
SEC. 5. INCLUSION OF ILLEGAL DEFORESTATION AS SPECIFIED UNLAWFUL ACTIVITY.

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

(1) in clause (vi), by striking “; or” and inserting a semicolon;

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

(3) by adding at the end the following:

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

SEC. 6. PROCUREMENT PREFERENCE FOR COMMODITIES NOT PRODUCED FROM LAND SUBJECT TO DEFORESTATION.

(a) In General.—Chapter 47 of title 41, United States Code, is amended by adding at the end the following:

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

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

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

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

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

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

“(2) Data detailing the complete list of direct
and indirect suppliers and supply chain traceability
information, including refineries, processing plants,
farms, and plantations, and their respective owners,
parent entities, and farmers, maps, and geolocations,
for each forest-risk commodity found in products
that may be furnished to the Federal Government.

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

“(4) Measures taken to ensure the process of
obtaining the free, prior, and informed consent of in-
dig'enous peoples and local communities directly af-
fected by the production of such commodities.

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

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

“(c) Buy American Requirements.—Subsection
(a) does not affect the application of the requirements of
chapter 83 of title 41, United States Code.

“(d) Definitions.—In this section:

“(1) Deforestation; Produce.—The terms
‘deforestation’ and ‘produce’ have the meanings
given those terms in section 527A(h) of the Tariff
Act of 1930.

“(2) Forest-risk Commodity.—The term
‘forest-risk commodity’ means a commodity at risk
of being produced from land subject to deforesta-
tion.”.

(b) Clerical Amendment.—The table of sections
for such chapter is amended by inserting after the item
relating to section 4714 the following:

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