

## **Strengthening Supply Chains: A Policy Framework to Combat Demand-Driven Illegal Deforestation and Promote Sustainable, Deforestation-Free Commodities**

The United States reaffirms its support for the collective goal of halting and reversing global deforestation by 2030, including deforestation driven by commodity production. The United States recognizes that a number of diverse and complementary efforts and initiatives worldwide will be necessary to reach this goal, including demand-side measures.

The United States has prepared a policy framework to guide potential demand-side measures to reduce the importation of deforestation-linked commodities and derived products into the United States, with an initial focus on agricultural commodities. With this policy framework, the United States outlines an approach aimed at maximizing policy effectiveness in achieving our goals.

The policy framework for this initial focus includes the following elements to guide potential U.S. demand-side measures to reduce deforestation linked to agricultural commodity production:

1. The United States is committed to the goal of reducing global deforestation, both legal and illegal. For potential demand-side policy focused on demand-driven commodity-linked deforestation, however, the United States intends to focus its efforts on illegal deforestation, similar to the focus in the landmark U.S. Lacey Act.
2. The United States intends to focus potential initial demand-side efforts on areas and businesses associated with a high risk of agricultural commodity-driven deforestation.
3. The United States seeks to develop an effective and informed policy that would minimize unnecessary compliance costs—for example, costs stemming from excessive traceability and due diligence requirements in low-risk countries—to avoid implementing policy that imposes burdens without clear benefits.
4. The United States seeks to leverage private sector investments in supply chain traceability and due diligence systems to inform policy design and implementation.
5. The United States seeks to leverage Earth-observation data to monitor agricultural commodity-driven deforestation and enhance policy enforcement.
6. The United States seeks to engage with national and regional governments, including as appropriate to identify capacity building needs related to sustainable forest and land management, good forest governance, and enforcement of laws and regulations to reduce deforestation.

The U.S. Government intends to take steps to explore appropriate domestic policy options, trade-related engagements, and international agreements and cooperation, including capacity building programs.

The United States intends to continue its work with other governments, civil society, the private sector, and research institutions to inform the consideration of policies and other measures that could be developed and adopted to halt and reverse global deforestation.