

EU Timber Regulation – key elements and enforcement

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EU Timber Regulation - background

- First considered by FLEGT Action Plan 2003 – but not guaranteed
- Strong lobbying by EU CSOs and Industry
- Context:
 - Recognition of the devastating social, economic and environmental impact of illegal logging
 - Recognition that EU had the opportunity and responsibility to take action to address illegal logging
- EUTR became effective in March 2013

EUTR – Key requirements

Main obligations apply to ‘operators’ = the companies that import/first sell the timber in the EU

- Operators are **prohibited** from placing illegally harvested timber on the EU market
- Operators must **actively assess the risk** that timber is harvested illegally (due diligence)
- Operators must **keep records** of how they conduct due diligence systems and who they sell timber to

Due diligence / Assessing Risk

Information

- Species
- Country / region of harvest
- Quantity
- Supplier
- Buyer
- Documents/information indicating compliance with laws

Risk Assessment

- Assurance of compliance with legislation
- Prevalence of illegal harvest of species
- Prevalence of illegal harvest in country
- Sanctions by UN/EU on timber
- Complexity of supply chain

Risk Mitigation

- IF risk is greater than 'negligible', take steps to reduce risk e.g.
 - Require additional information
 - Third party verification

What is 'legal'?

Laws in country of harvest that are in the following categories:

- Right to harvest timber
- Payments for harvest rights
- Relevant environmental and forest legislation – including management plans and biodiversity conservation
- Third parties legal rights concerning use and tenure
- Trade and customs laws

Other key details

- The requirements apply equally to timber harvested in EU and internationally
- Focus is always legality in country of harvest – even where timber arrives in EU via a processing country
- Regulated products: EUTR applies to a list of products
- Timber with valid FLEGT/CITES permits is recognised as legal
- Civil society has the potential to present ‘substantiated concerns’

Third party certification

- Not required by EUTR and not considered automatic evidence of legality for EUTR
- Can be used as a 'tool' to:
 - Gain access to information and/or
 - Increase credibility of information
- If using voluntary certificates operators:
 - Must assess the relevance/credibility of the certificate
 - Will remain legally liable for compliance

Operation in practice

- In the EU, operators need to:
 - Have credible information about the timber in their supply chains and
 - Take account of credible information that indicates timber is illegal
- Outside the EU, timber suppliers:
 - Are not directly regulated by EUTR
 - Can take the opportunity to educate their buyers about relevant legal requirements

Implementation and enforcement

- EUTR is enforced by each of the 28 Member States
- Initially, implementation was slow
- Implementation and enforcement are now stronger – especially in last 6 months
- Member States are working together to build more consistent enforcement across the EU



Relevance

- Aim of EUTR is to support compliance with of national laws
- EUTR applies to timber imported:
 - directly from country of harvest
 - to EU via third countries – e.g. China
- In all cases – operators need to consider legality in country of harvest
- Similarity of laws in US, EU and Australia = a new norm
 - information about origin and legality of timber is needed
 - information suggesting timber is illegal cannot be ignored

Looking ahead

- Building stronger and more coherent enforcement across the EU
- Incorporating information from different sources into compliance and enforcement actions – e.g. online map data, civil society information, independent monitors/reporting
- Building understanding of what credible information/indicators of legal/illegal timber are for different countries

Muchas gracias

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