

The EU Timber Regulation and its implications to the SEE region

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Lessons from EFI's FLEGT and REDD Unit

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Overview

- **Illegal logging a problem for Europe?**
- **The EU Timber Regulation**
- **EFI Experiences**

Illegal logging a problem for Europe?

Illegal = Hidden = Difficult to measure

Illegal logging

- No common definition of illegal logging
- No harmonized assessment of size (quantity and value) and (social, environmental and economic) impacts
- No repeated assessment = No Monitoring

Trade in illegal produce

- intra-EU trade recording thresholds



Illegal logging a problem for Europe?

- Low **investment**, high **profit** and low **risk** of getting caught
- **Need** - Poverty-driven for subsistence and wood fuel
- **Greed** - Criminal gangs aided by corruption and weak institutions (forestry, police, judiciary)
- Ranged from **few %** in most Balkan countries **to around 10 %** in e.g. Albania and Ukraine (REC, 2010)
- Past problems in Russia, Baltic States... Current state?

EU Timber Regulation

- Implementation -

November 2010

Regulation entered into force

- Prohibition
- "due diligence"

June/November 2012

EU Implementing Regulation: more detailed rules on the "due diligence system"

3 March 2013

EU Timber Regulation applicable / operational

EU Timber Regulation:

**Aim to eliminate trade in illegal
timber in the EU**

EU Timber Regulation

- Main obligations -

1 It prohibits the placing on the EU market of illegally harvested timber and products derived from such timber

2 It requires EU traders who place timber products on the EU market for the first time to exercise 'due diligence'

3 Other traders must keep records of their suppliers and customers.

EU Timber Regulation

What is "Due Diligence"…?

1. INFORMATION

Operator must have information describing the timber and timber products, country of harvest, quantity, details of the supplier and information on compliance with national legislation.

2. RISK ASSESSMENT

Operator must assess the risk of illegal timber in his supply chain, based on the information identified above and taking into account criteria set out in the regulation.

3. RISK MITIGATION

When there is a risk of illegal timber in the supply chain, the operator must mitigate that risk by requiring additional information and verification from the supplier.

EU Timber Regulation

What is legal...?

Legality is defined on the basis of the applicable legislation of the country of harvest, covering:

- **Rights to harvest** within legally gazetted boundaries;
- **Payments for harvest rights and timber**, incl. duties related to timber harvesting;
- **Timber harvesting**, incl. environmental and forest legislation;
- **Third parties' legal rights concerning use and tenure** affected by timber harvesting;
- Forest sector-related **trade and customs legislation**.

EU Timber Regulation - which products...?

- Almost all timber products covered, including solid wood products, flooring, plywood, pulp and paper.
- Not included: recycled products, rattan, bamboo, printed papers such as books, magazines and newspapers.
- The product scope can be amended.
- The Regulation applies to both imported and domestically produced timber and timber products.

EFI Experiences

- ✓ Address IL through comprehensive governance approach
 - Legal reform needs to separate need and greed driven IL
 - Research needs
- ✓ Work through stakeholder engagement, involving civil society and industry with government
 - Capacity development and leadership
- ✓ Reliable information, communication and awareness raising is needed
- ✓ Don't focus on exports only – address domestic market too
- ✓ There are no easy solutions – implementation is hard work

For further information on EFI's EU FLEGT Facility



European Forest Institute

www.efi.int

EU FLEGT Facility

www.euflegt.efi.int

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