



## What's at Stake? Complying with the EU Timber Regulation

### Overview

As a vital driver of the 'green' economy, the timber sector is one of the most robustly regulated. The EU Timber Regulation came into force on 3 March 2013 and is legally binding in all member states. Complying with these important laws can become challenging for the many businesses that import timber products into the region.

This session will offer a practical workshop to participants with essential knowledge on due diligence, outlining the risks of non-compliance and fully updating them on the current state of EU Timber Regulation.

Moderated by Stephanie Raymond, Senior Environmental Coordinator at the Foreign Trade Association.

### Speakers

Moderator: **Stephanie Raymond**, Senior Environmental Coordinator – Foreign Trade Association

- **Félix Romero Canizares**, Key Account Manager - Market Development- FSC International
- **Oliver Cupit**, Forest Legality Specialist - NEPCon
- **Jade Saunders**, Senior Policy Analyst - Forest Trends

### Session Highlights

- **Félix Romero Canizares** explained the impact of EU consumption on deforestation and the accompanying risk of timber production coming from illegal sources.
- **Oliver Cupit** explained how companies can do their due diligence and how monitoring organisations can help them.
- **Jade Saunders** presented the context of the EU Timber Regulation and how it is currently being enforced. Furthermore, Jade Saunders highlighted the future policy plans of the EU Timber Regulation.

### Quotes

- **Félix Romero Canizares**
  - Deforestation is mostly caused by agricultural development e.g. palm, soy, livestock and cacao.
  - Deforestation is in fact legal in many countries.

- Over 50% of deforestation is internally for the national market. We need to help countries implement better regulations regarding deforestation.
- The EU27 is consuming 10% of the global embodied deforestation consumption.
- We need tools to tackle small and large-scale entities. The focus should not be on only small, or only large entities.
- Illegal logging perpetuates corruption, undermines livelihoods, fuels social conflict, deprives governments of revenue and erodes countries' natural resource bases.
- Many progressive retailers are seeing the benefits of responsible sourcing.
- **Oliver Cupit**
  - Companies need to collect evidence on the products used in their supply chain. They can't stop at their direct supplier. In some cases, you can go down the supply chain to the country where the wood is sourced from, or even the exact forest.
  - There are many tools and resources available to support companies with their due diligence, including the BEPI Platform and due diligence templates on NEPCon's website.
  - NEPCon has conducted National Risk Assessments in over 60 countries. Starting September, this information will be available for free on the NEPCon Sourcing Hub.
- **Jade Saunders**
  - There are other legislations like the EU Timber Regulation e.g. the Lacey Act in the USA and ILPA in Australia.
  - In the future, the focus of the EU Timber Regulation will shift from logs and sawn wood to more complex products and from known illegal hotspots to lesser known trade routes.
  - One key challenge is tackling fraud in certification schemes.
  - Although authorities have not checked a large number of companies yet, the checks are happening and will increase over time.
  - Companies should show that they are in the process of putting a due diligence system in place and are assessing risks in their supply chain.