



February 2010

CEI-Bois briefing note on the **“Proposal for a regulation of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products on the market” and the ongoing discussions within the European Parliament and Council of the European Union.**

General remarks

CEI-Bois and its members condemn illegal logging and support the European Union in its fight against this deplorable activity. Illegal logging damages initiatives to promote legal and sustainable forest practice and hurts the image of wood as an environmentally positive material. It also harms the people whose livelihoods depend upon forests.

The discussion on “illegal logging” has become, over the years, a rather emotional one. CEI-Bois pleads in first instance for rationalism in the debate to ensure that decisions are not taken based on emotions or beliefs, but on reliable facts and figures. Though a certain percentage of imports into the EU are allegedly coming from illegal sources, it should be pointed out that the vast majority of wood used and consumed in the European Union comes from sustainably managed European forests the surface of which is extending from year to year, together with the standing volume.

Position of the European Council of Ministers

CEI-Bois welcomes the position taken by the Council of Ministers as recorded in document 5720/10.

- Scope

CEI-Bois is pleased to see that the Council has decided to follow the proposal from the European Commission stating that only those operators that place timber and timber products on the market for the first time, rather than all operators involved in the distribution chain, are subject to the regulation.

- Applicable legislation

The European woodworking industry furthermore supports the clarifications that the Council brought to the applicable legislation. The concept of ‘applicable legislation’ now means the legislation in force in the country of harvest, covering the following areas of law:

- rights to harvest timber within gazetted boundaries;
- payments for harvest rights and timber including duties related to timber harvesting;
- timber harvesting, including directly related environmental and forest legislation;
- third parties’ legal rights concerning use and tenure that is affected by timber harvesting; and
- trade and customs legislation, in as far as the forest sector is concerned.

- Exemptions

CEI-Bois welcomes the decision of the Council to remove the exception for timber and timber products used for ‘energy purposes’, thereby following the proposal from the European Parliament. In order to avoid misinterpretation, CEI-Bois considers that the wording of article 2, a, second sentence, requires further clarification, but it supports the concept.

- Penalties

The European Council has decided to leave it up to the Member States to lay down the penalties applicable to infringements and to take all measures to ensure implementation.

CEI-Bois believes that these penalties should be harmonised at European level to ensure that penalties are similar in all European countries.

- “Risk assessment”

A good due diligence system will build in the necessary flexibility for operators to be able to make objective judgements on risks involved. Where risk is high, clearly extra evidence will be required to satisfy the operator that the particular product he is buying is legal. The legislation should not be used to determine what this evidence comprises as it will vary from country to country.

The majority of European woodworking companies and European trade associations already have excellent due diligence schemes that requires independent auditing of their suppliers. The European industry has worked hard in recent years to share with others, including NGO’s and the Commission, the competences and expertise gained from presently running, robust due diligence systems.

In summary, CEI-Bois wants to confirm its support to actions fighting illegal logging, provided these are:

- Transparent and comprehensible;
- Practicable and not putting an additional economic burden on the operators involved, jeopardising their competitiveness;
- Not leading to excessive costs or administration.

Note:

The European Confederation of Woodworking Industries, CEI-Bois aisbl, regroups national and European branch organisations of the woodworking and furniture industries, accounting for an annual turnover in EU27 of close to 240 billion euro/annum in 380.000 companies employing around 2.9 million workers.