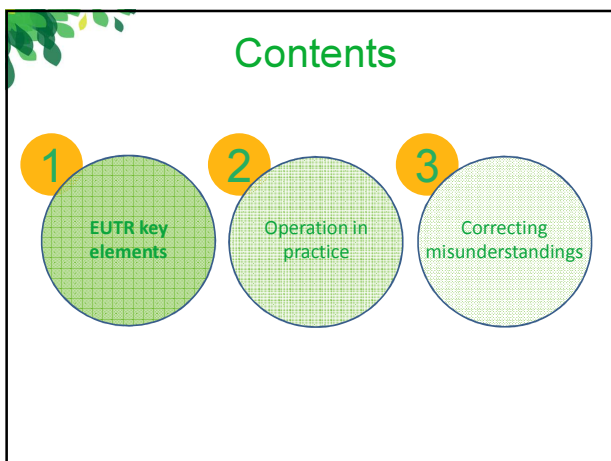


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Crash course on **FLEGT** Part 3/3

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EU Timber Regulation



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	<ul style="list-style-type: none"> • Species • Country / region of harvest • Quantity • Supplier • Buyer • Documents/information indicating compliance with laws
Risk Assessment	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • If risk is greater than ‘negligible’, take steps to reduce risk e.g. <ul style="list-style-type: none"> • Require additional information • Third party verification

What is ‘legal’?

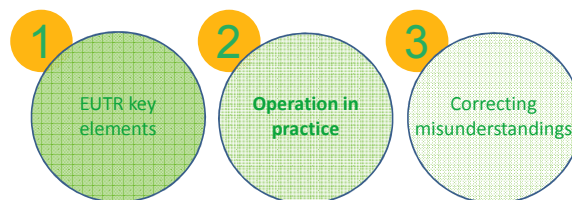
Laws in country of harvest that are in the following categories:

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

Other key details

- Focus is always legality/risk of illegality in country of harvest
- Regulated products: EUTR applies to a list of products
- Timber with valid FLEGT/CITES permits = legal
- Civil society may present 'substantiated concerns'

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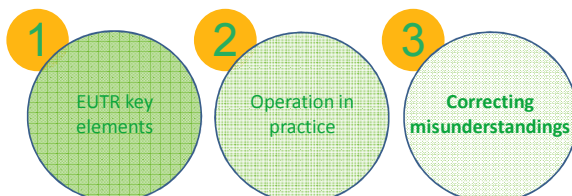
Operation in practice

- 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 provide their buyers with relevant information

Enforcement

- A competent authority in each EU Member State enforces the EUTR
- Member States must put national laws in place
- Competent authorities carry out checks on operators
 - Checks can result from a substantiated concern
- EU collaboration with US and Australian enforcement agencies

Contents



Correcting misunderstandings

- EUTR applies to EU **and** internationally sourced timber
- Only *operators* must do due diligence
- 'EUTR compliant' certificate does not exist
- Contractual requirements for 'EUTR compliant' timber ≠ compliance
- Voluntary legality/sustainability certificate ≠ automatic compliance

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Questions?

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Thank you!

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