

WWF-UK Registered office The Living Planet Centre Rufford House, Brewery Road Woking, Surrey GU21 4LL

Tel: +44 (0)1483 426444 info@wwf.org.uk wwf.org.uk

## Review of the European Union Timber Regulation

## March 2015

- 1. The European Union Timber Regulation (EUTR) came into effect in March 2013 after a long lead time during which public concern about illegally produced timber rose considerably. It was expected to halt the very significant proportion of timber of unclear and possible illegal origin entering the European market.
- 2. WWF-UK has been working on timber issues in Europe for around twenty years. We have worked with successive UK governments and, alongside our European Office and colleagues in other European States, with the European Commission and Parliament to build support for the EUTR.
- 3. While discussion about the Regulation was taking place there were a number of UK initiatives for legislation brought forward in Parliament. These included Private Members Bills from Barry Gardiner MP, Greg Barker MP and Caroline Lucas MP so cross party interest. The current Government also pledged in the Coalition Agreement *'We will introduce measures to make the import or possession of illegal timber a criminal offence'*.
- 4. It is clear that the EUTR as it stands is not yet able to control the trade in illegal timber. This is in part because not all countries have brought the Regulation into effect but also because there are a number of important wood products which fall outside the scope of the EUTR. Initial trade flow analysis suggests over half of our timber imports by value are not included. Some products were deliberately left out; others excluded by default. Products which currently fall outside the scope of the EUTR include printed materials, musical instruments, seats, hand tools, table ware, and cellulose derivatives. This leaves room for a significant proportion of unregulated timber, which could be from illegal sources, to enter UK markets.
- 5. WWF believes that the Regulation should now cover ALL timber and timber products traded on the EU market in order to increase pressure to halt the illegal timber trade. We will be arguing during the forthcoming review that the EUTR should be amended to this effect. The EC is expected to review the functioning and effectiveness of the EUTR by 3 December 2015, following the submission of reports on the application of the Regulation from EU Member States by 30 April 2015. A stakeholder consultation is expected to commence this month.



President: His Royal Highness, The Prince of Wales KG, KT, GCB, OM Chair: Sir Andrew Cahn KCMG Chief Executive: David Nussbaum WWF-UK a charity registered in England and Wales number 1081247 and in Scotland number SC039593, a company limited by guarantee registered in England number 4016725. VAT number 733 761821 100% recycled paper

- 6. As the world's fifth largest market for wood based forest products, consuming over 4% of the global value of trade in these materials, the UK is highly dependent on the import of wood based forest products, importing around £6 billion by value in 2013, compared to around £8 billion from the EU. Notable sources are China (14.5%), USA (8.3%), Canada (2.2%), Brazil (2.0%), Malaysia (1.6%), Vietnam (1.2%), and Indonesia (1.0%). Many source countries experience corruption in the public sector and well documented evidence of illegal activities and a high level of deforestation (White, 2014).
- 7. New York Declaration: Many governments (including the UK), businesses and NGOs signed up to the New York Declaration on Forests at the UN summit on climate change in September 2014. This declaration set the goal of at least halving global forest loss by 2020 and ending it by 2030. Among other actions it set out the intention to eliminate deforestation from the production of palm oil, soy, paper and beef by 2020. Although signatories to this declaration, WWF advocates an even more ambitious goal of Zero Net Deforestation and Degradation (ZNDD) by 2020. To achieve this WWF-UK argues that we need a market in not only legal timber but also sustainably produced timber and wood products in the UK (see sustainability mechanisms briefing paper).
- 8. **Need for Coordinated Policy**: Timber production is just one driver of deforestation; the conversion of forest to agricultural land through cattle ranching, and for soy and palm oil production, is also key. To meet our ZNDD objective we need a coherent suite of policies addressing all these issues. Additionally, there are significant finance flows to address deforestation through REDD+ (Reducing Emissions from Deforestation and Forest Degradation), with the primary objective of tackling climate change by halting deforestation. An overarching government strategy for forests, to address deforestation, encourage sustainable markets and tackle climate change, is imperative.
- 9. **Public Interest:** There is a growing interest from the European public in buying legal and sustainable timber products; for instance consumers are increasingly demanding Forest Stewardship Council labelled products. The EUTR should give the public an assurance on legality, which the current list of exemptions and out of scope products undermines.
- 10. Action needed: We are calling for the UK Government to provide leadership in the process of the review of the EUTR and to go further by considering unilateral action which ensures that not only legal but sustainable timber is sold in the UK. WWF-UK has worked with a team of experts to put forward suggestions for how the UK market can become 100% sustainable.

Contact	Penny Evans; Hendrikus van Hensbergen
Email/Tel	pevans@wwf.org.uk hvanhensbergen@wwf.org.uk
Date	<u>30 March 2015</u> <del>27 February 2015</del>