

EUTR latest news

EUTR News provides updates about the application of the [EU Timber Regulation](#) (EUTR). This includes information on what EU member states are doing to implement and enforce the law, plus what the EU Commission is doing to oversee progress in the member states and ensure proper application of the EUTR. It will also include any other relevant updates, for example, new national laws and enforcement cases. For more background information on the EUTR, [click here](#).

This first issue of EUTR News gives an overview of developments during the second year of the EUTR's application (March 2014 - March 2015). Future issues will be published regularly on the [ClientEarth website](#) and on PDF. If you would like to be sent EUTR latest news via email, please contact Heather - hkingsley@clientearth.org.

What happened during the second year of the EUTR?

1. Implementation of the EUTR across Europe

- More EU member states introduced legislation on penalties for breaching the EUTR
- The EU Commission published a scoreboard of implementation progress in member states
- The EU Commission identified and engaged with member states that have not yet fully implemented the EUTR

2. Enforcement of the EUTR

- UK competent authority enforcement project focused on Chinese plywood
- Seizure in Germany in 2013: appeal procedures against the seizure, initiated by operators, are still ongoing
- Belgian authority temporarily seized timber following information from Greenpeace
- 'Enforcement group' for collaboration among competent authorities was established

3. Monitoring organisations

- A number of new monitoring organisations were recognised

4. Illegal logging laws internationally

- Due diligence requirements now in force in Australia

Looking ahead

- Stakeholder consultation about the functioning of the EUTR

1. Implementation of the EUTR across Europe

More EU member states have introduced legislation on penalties for breaching the EUTR

The requirements that the EUTR imposes on the timber industry have applied since March 2013. All EU member states must take steps to implement the EUTR. This includes having a penalty in place for breaches of the EUTR and designating a 'competent authority' to carry out checks and enforce the law. However, by March 2013, many member states had not taken all necessary steps.

During 2014, a number of member states introduced laws implementing the EUTR:

- Finland - January
- Bulgaria - March
- Belgium - June
- Slovakia - July
- Ireland - July
- Sweden - August
- Romania - October
- France - October
- Italy - December

The following member states had laws in place in 2013: Austria, Croatia, Cyprus, Czech Republic, Denmark, Germany, Luxembourg, the Netherlands, Portugal, Slovenia and the United Kingdom.

EU Commission published a scoreboard of progress in EU member states

In August 2014, the EU Commission published a scoreboard presenting the progress of the 28 member states in implementing the EUTR. This shows that the Commission is monitoring more closely, whether member states have fulfilled their responsibilities. This scoreboard has since been updated regularly to show whether member states:

1. Have designated a competent authority;
2. Have legislation on penalties for breaching the EUTR;
3. Have started checks on industry that has to comply with the EUTR.

The scoreboard is useful in showing the gradual progress being made in member states. It also shows that not all member states have yet implemented the law. In compiling the scoreboard, the Commission relied upon information from member states rather than carrying out its own assessment. For example, it did not assess whether penalties in member states are 'effective, proportionate and dissuasive', as required by the EUTR, or if they can be applied to breaches of all requirements under the EUTR.

The EU Commission identified and engaged with EU member states that have not yet fully implemented the EUTR

The EU Commission started to identify and engage with member states that have not yet fully implemented the EUTR, because not to have done so is an infringement of EU law. This has included formal communications with some member states based on doubts that those member states have taken adequate steps at national level to ensure correct application of the EUTR.

2. Enforcement of the EUTR

Over the past year, there has been increasing activity related to the enforcement of the EUTR, although, for many reasons much of this has not been publicised. The following are some examples that are in the public domain:

UK competent authority enforcement project focused on Chinese plywood

The UK competent authority checked a number of companies trading in Chinese plywood. Out of 16 the companies, 14 had insufficient due diligence systems. Analysis of the plywood showed that in the majority of cases, the species in the plywood did not match the species declared by the company.

Based on their investigations, the UK competent authority has sanctioned ten companies by issuing official notices requiring them to comply within a specified timeframe, and sent warning letters to a further four companies. Many of these companies have now taken steps to ensure compliance. This includes closer inspection of supply chains and paperwork from suppliers, implementing random tests, improving internal policies and working with third parties to build more robust due diligence systems.

Seizure in Germany in 2013: Appeal procedures against the seizure, initiated by operators, are still ongoing

In 2013, the German competent authority seized two shipments of timber (Wengé wood) from the Democratic Republic of Congo (DRC). Similar to the case in Belgium (below), information from Greenpeace and the independent forest observer Resource Extraction Monitoring in the DRC led to the enforcement actions in Germany. The German competent authority found that the timber had been shipped to the EU using falsified official documents. Both operators have appealed against the timber seizure and legal proceedings have not yet concluded. The timber is still seized.

Belgian authority temporarily seized timber following information from Greenpeace

In October 2014, the Belgian competent authority seized six containers of timber coming from Brazil after receiving information from Greenpeace indicating that illegal timber had been

laundered in Brazil. This timber had been shipped via Rotterdam and was destined for the Belgian market. The Belgian authorities teamed up with Brazilian and other EU member state authorities to investigate the matter. Following this, Brazilian authorities sanctioned a sawmill in Brazil from which timber has been exported to the EU.

In January 2015, the timber was released, as the Belgian competent authority considered that the timber in those specific shipments was legal following information provided by Brazilian authorities. However, following the seizure in Belgium and the widely reported information by Greenpeace indicating risks of illegal timber from Brazil's state of Pará, companies in several EU member states stopped buying timber from the owner of the sanctioned sawmill.

'Enforcement group' for collaboration among competent authorities was established

An informal 'enforcement group' for collaboration among competent authorities has been established, which has led to greater communication and coherence among member states in relation to enforcement of the EUTR. This group has met to discuss cooperation and to develop and share best practices for enforcement. This has included discussing how to use information that NGOs and other third parties submit ('substantiated concerns'), to inform enforcement actions.

3. Monitoring organisations

New monitoring organisations recognised

'Monitoring organisations' offer due diligence systems to operators, in particular small and medium enterprises, who can then apply these systems to their own supply chains. This helps operators comply with the EUTR. The EU Commission must officially recognise monitoring organisations.

During 2014-15, the EU Commission recognised seven new monitoring organisations:

2014

- Control Union Certifications B.V.
- Bureau Veritas Certification Holding SAS

2015

- GD Holz Service GmbH
- ICILA S.R.L.
- Le Commerce du Bois
- SGS United Kingdom Ltd.
- Soil Association Woodmark

For the full list of recognised monitoring organisations and their contact details, [click here](#).

4. Illegal logging laws internationally

Due diligence requirements now in force in Australia

In 2012 Australia introduced a law similar to the EUTR, the Illegal Logging Prohibition Act. This law prohibits the import of illegally logged timber and the domestic processing of logs that have been harvested illegally. Since November 2014 it has also required importers of certain timber/products and processors of raw logs to conduct due diligence.

For more information, see ClientEarth's overview of the similarities and differences between international illegal logging laws; the EUTR, the Australian Illegal Logging Prohibition Act and the Lacey Act in the USA.

Looking ahead

Stakeholder consultation about the functioning of the EUTR

The EU Commission will conduct a first review of the EUTR by the end of 2015. The review will focus on the functioning of the EUTR and its effectiveness in excluding illegal timber from the EU market. For this review, the Commission will seek input from a variety of stakeholders. The Commission is expected to launch a stakeholder consultation using an electronic platform in the spring of 2015, which will enable stakeholders to share their experience and opinions on the functioning of the EUTR.