

A quick guide to EUTR

What products are involved?

All timber and paper products (based on EU Customs codes), but excluding waste products, packaging (when actually being used as packaging), printed materials and some bamboo products.

Who is affected?

If you buy timber from within the EU you are a “Trader”

If you import timber into the EU (or are felling trees and selling logs in the EU) you are an “Operator”.

The exact definition of Operator (as far as imports are concerned) still seems unclear. At a recent meeting I attended one speaker said the operator is the company that clears customs, while the man from NMO (the government body enforcing the scheme in the UK) said that it is the company that “causes the timber to be placed on the EU market”: ie if you order it from outside the EU you are the operator, while if you import it and then look for buyers you are again the operator.

What do traders have to do?

- be able to identify the buyers and sellers of all their products (except for sales to the general public)
- keep the information for at least 5 years
- be able to provide information to the UK's “competent authority” (ie the National Measurement Office, the NMO)

What do operators have to do?

- They must not place on the market any illegally produced timber or timber products
- They must exercise due diligence through systems and procedures
- They must maintain and regularly evaluate their due diligence system

What is Due Diligence?

- You need a documented procedures system that describes what you are doing to avoid placing illegal timber products on the market, ie the following:
- You need to collect the information you need to make a risk assessment of all your products
- You must do the risk assessment on all your products
- You must take steps to mitigate the risk if it is “non negligible”
- You can get a “Monitoring Organisation” (licensed by the European Commission) to do your due diligence for you

The information you need:

- make a table of all your purchases, showing species, supplier, volume & origin of the wood
- depending on the origin of the wood and the perceived risk, you may need to collect details of the concession/forest/region(s) that it came from, and collect documents indicating the legality of its production, processing and transport

Your risk assessment

- Should be based on the species, origin and supply chain of your timber products
- Risk factors include the prevalence of weak government, corruption, and illegal logging/trading in the country of origin or any countries that the timber passes through. Certain species may be particularly vulnerable to illegal practices
- If the timber is certified this is obviously a relevant factor
- The complexity of the supply chain may be relevant
- Is the documentation reliable and/or verifiable ?

Results

- Your risk assessment must rate your products as being of either “Negligible” or “Non-negligible” risk”
- You must be able to justify your decision
- If the risk is “Non negligible” you must take action which may involve:
 - collecting more information about the timber and its supply chain
 - auditing the supplier and/or the forest manager
 - ceasing to buy from certain suppliers
 - requiring your supplies to be certified, although certification cannot be taken as an infallible proof of legality

Sources of information and guidance

EU Guidance document, available from several sites, see for example:
http://www.ttf.co.uk/Environment/EU_Legislation_.aspx

WWF guide to due diligence
<http://shop.bsigroup.com/Navigate-by/PAS/PAS-2021/>

NMO website
<http://www.bis.gov.uk/nmo/enforcement/EU-Timber-Regulation>