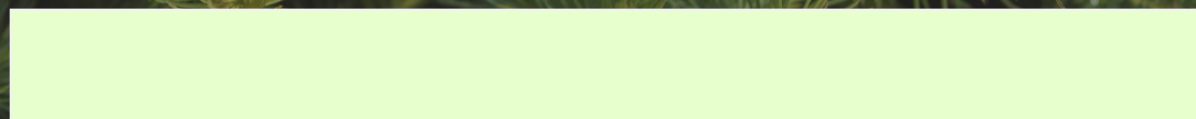




TTF Due Diligence Toolkit

A free interactive guide for understanding, conducting and reporting
Due Diligence under the EU/UK Timber Regulation.

Contains Due Diligence Summary Sheet for



Timber Trade Federation

growing the use of wood

Version 1

September 2020



About this tool

Our interactive tool helps companies importing and exporting timber and timber products to understand, conduct and report Due Diligence under the EU/UK Timber Regulation.

What's included in this Tool?

- Interactive Due Diligence steps and requirements
- Identification of key risk factors
- Due Diligence summary sheet
- Specific country case studies
- Library on resources and references

How to use this Tool?

1. Follow the flow-chart steps
2. Answer the questions in each step in the space provided
3. Provide explanations where needed and any evidence or supporting documents.
Adobe Pro users can directly attach files into this document
4. Save your work

Please Note

- This tool is a first-step guidance document for conducting Due Diligence. Effective Due Diligence is dependent on the Operators' specific supply chain. Companies should go further where necessary, in line with EU/ UK Timber Regulation guidance.
- The contents provided in this tool are not exhaustive.
- Timber products covered by a valid FLEGT licenses (i.e. currently only available from Indonesia) are exempt from Due Diligence and is not in the scope of this tool.
- This tool is under continuous development. Any questions or suggestions, please email tff@tff.co.uk

Version 1

Ready to start Due Diligence?

You may want to read about:

 About the Timber Regulation

 Roles and Responsibilities

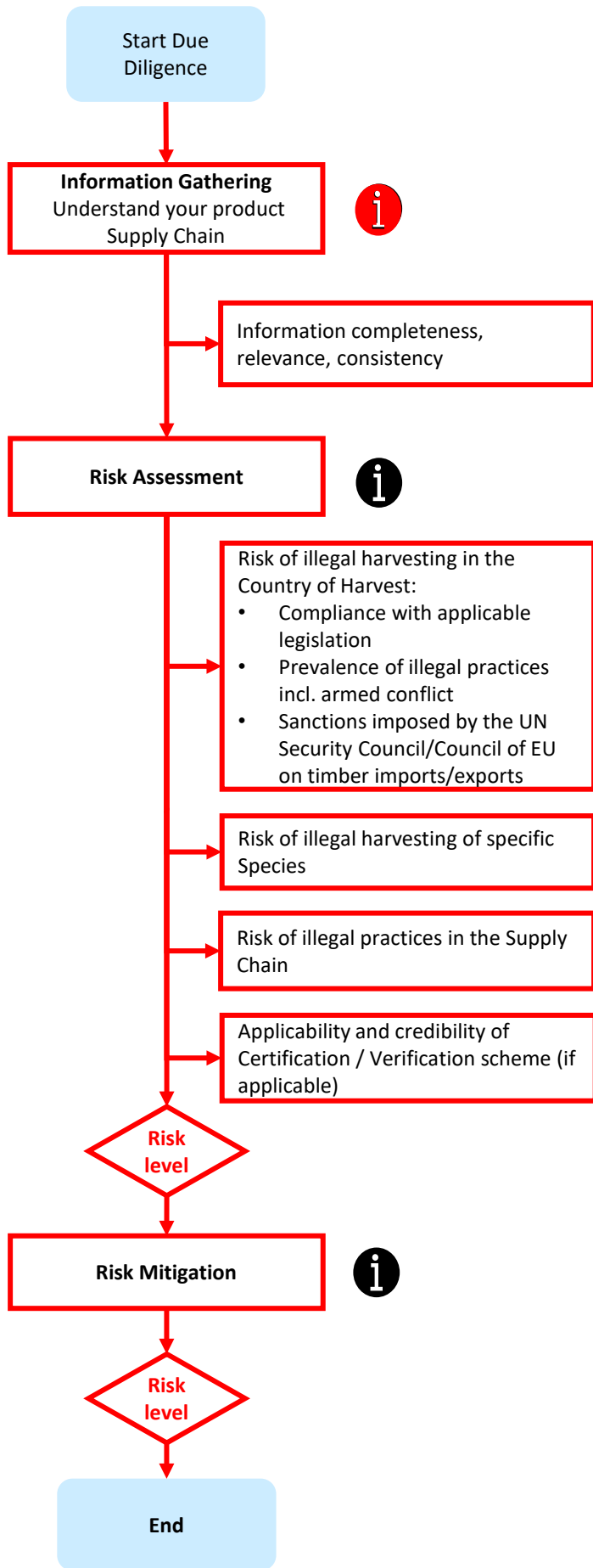
 Case studies and common DD errors – China

* Available soon



▶ Name of your company, contact person and the Product(s) these Due Diligence procedures apply to:
Due Diligence Summary Sheet

Name of company	
Company address and contact details	
Which Product(s) this Due Diligence applies to?	
Person completing the Due Diligence (Name and Position)	
Date of completion	
How often Due Diligence is carried out/reviewed for this Product(s)?	



Step 1 – Information gathering

The EU & UK Regulation requires that Operators have access to and maintain the following information concerning the timber supply.

- Description, including the trade name and type of *product*
- *Common name of tree species and full scientific name*
- *Country of harvest, and where applicable sub-national region and concession of harvest*
- *Quantity (expressed in volume, weight or number of units)*
- *Name and address of the supplier to the operator*
- *Name and address of the trader to whom the timber and timber products have been supplied*
- *Documents or other information indicating compliance of those timber and timber products with the **applicable legislation**.*

Rule of thumb:

- Understanding the product supply chain (supply chain mapping) is always the first step when undertaking Due Diligence.
- The supply chain information you will need to collect will depend on the level of risk. In general, the higher the risk from the country of harvest (for example, stakeholder reports of illegal logging activities), the more evidence and information about the area of harvest needed.
- In addition, understanding the '**applicable legislation**' in country of harvest is also an important exercise, before you know what supporting documentation is needed.

'**Applicable legislation**' is defined as the legislation in force in the country of harvest covering the following matters:

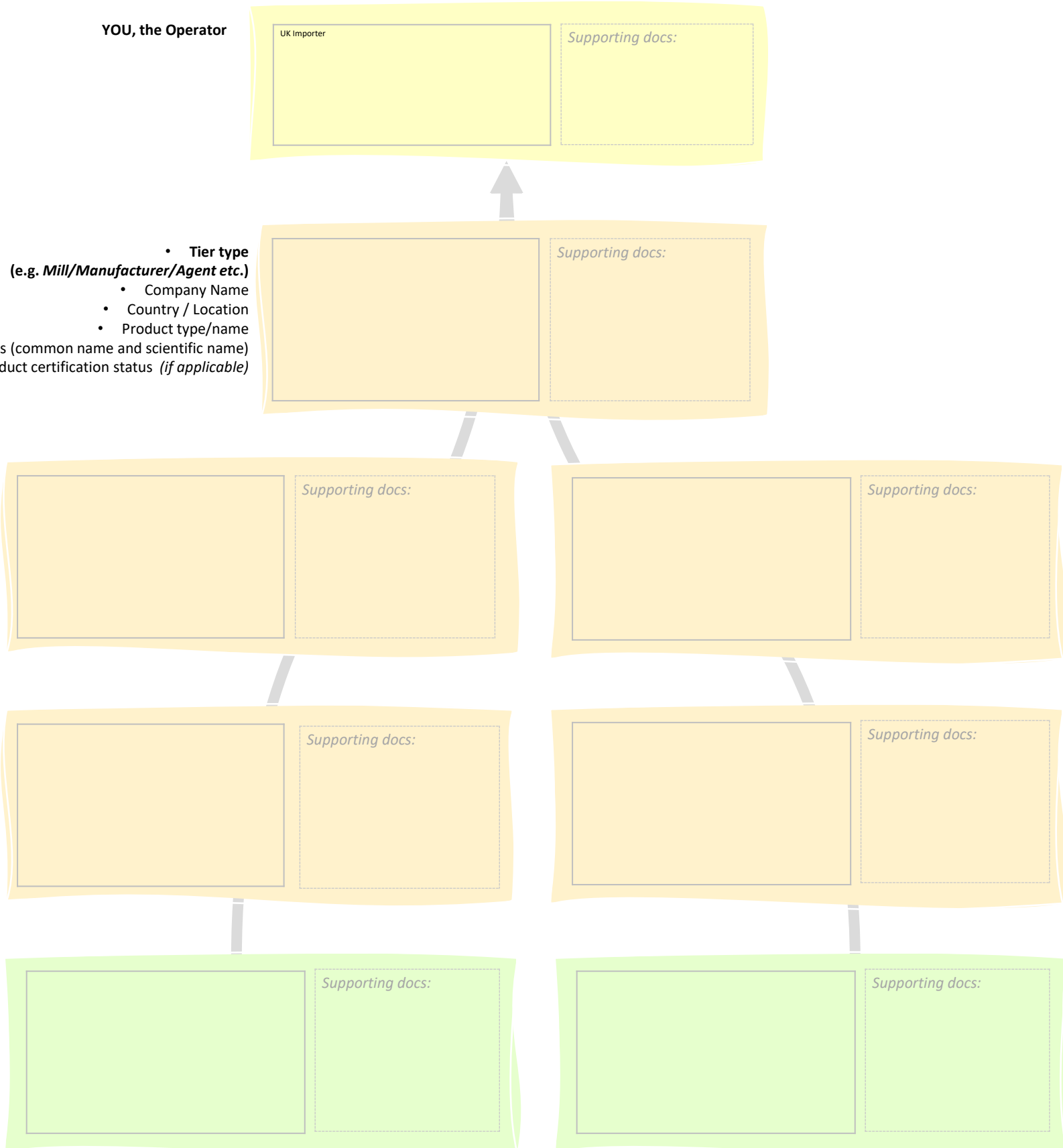
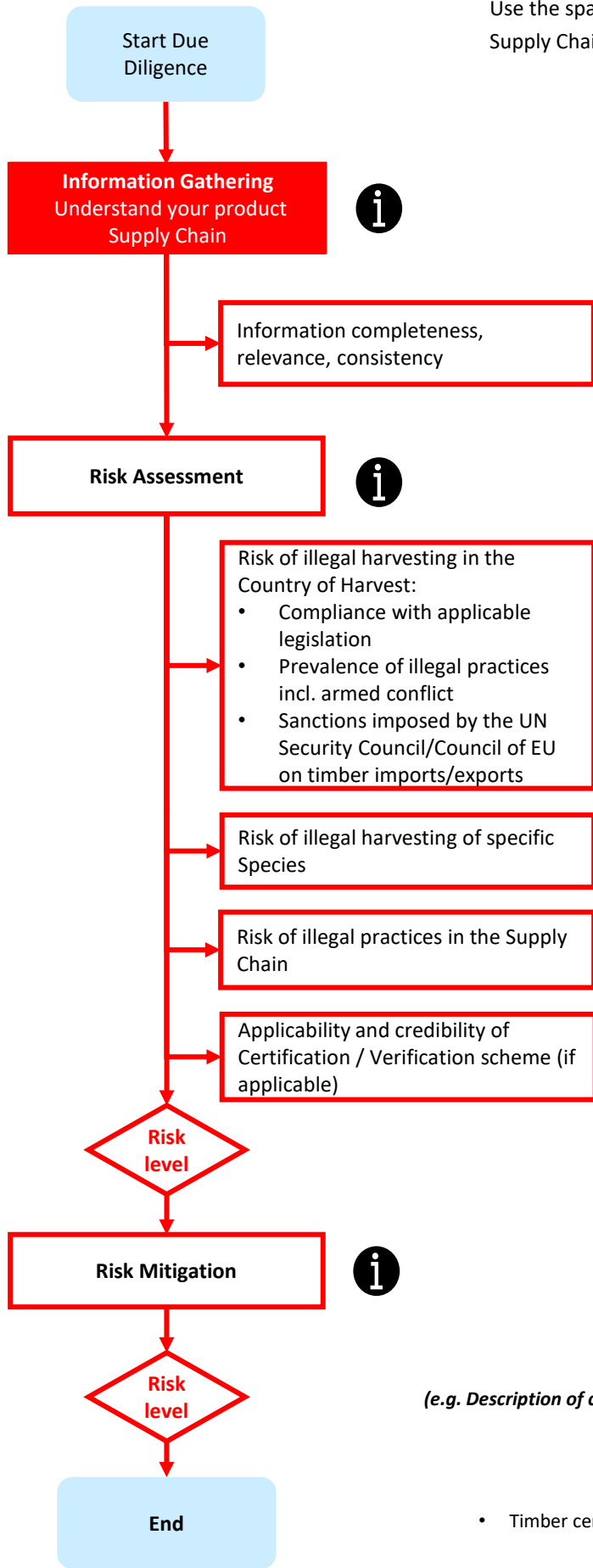
- *Rights to harvest timber within legally defined boundaries*
- *Payments for harvest rights and timber including duties related to timber harvesting*
- *Timber harvesting, including environmental and forest legislation, forest management and biodiversity conservation, where directly related to timber harvesting*
- *Third parties' legal rights concerning use and tenure that are affected by timber harvesting*
- *Trade and customs, in so far as the forest sector is concerned.*

- You need to be certain that any supporting evidence and information used are valid, correct and robust. Operators cannot rely on parties' claim for completion of Due Diligence for compliance with the EU/UK Timber Regulation.

For further info: EUTR and Guidance Documents

Use the space, where applicable, to describe the various tiers in your product supply chain. You can also provide our own Supply Chain Map. **Acrobat Pro users can attach documents directly to this report:**

Attach File





Check if the information is complete (*The list is not exhaustive)	Check if present	Further comments / explanations
Supply chain information is incomplete / insufficient (e.g. the origin of harvest is unknown or is not specified enough in High Risk countries)	<input type="checkbox"/>	
The supply chain is not evidenced by supporting documents (e.g. evidence of timber transactions)	<input type="checkbox"/>	
Supporting documents indicating compliance with <i>applicable legislation</i> in the country of harvest (see ref below) are insufficient, unverifiable, or unreliable without further evaluation.	<input type="checkbox"/>	
Supporting documents do not match with each other, or shows inconsistency with information declared by the supplier	<input type="checkbox"/>	
Others, please specify: <input type="text"/>		

Reference (Note: These resources provide guidance on document requirements in a range of producer countries, you may wish to carry out your own research to ensure the information is up-to date and is applicable to your supply chain. The list is not exhaustive.)

Country resources and document guide:

- Independent monitor(s) of Forest Law Enforcement and Governance in the **Congo Basin**: <https://rem.org.uk/>
- Open Timber Portal, <https://www.opentimberportal.org/>
- ETTF Timber Trade Portal, <http://www.timbertradeportal.com>
- NepCon Sourcing Hub, <https://www.nepcon.org/sourcinghub>
- Australia’s illegal logging laws and guidance: <http://www.agriculture.gov.au/forestry/policies/illegal-logging/importers/due-diligence>
- EUTR Overviews of timber source countries, https://ec.europa.eu/environment/forests/timber_regulation.htm#products

Others references used:



Step 2 – Risk Assessment

- The risk assessment stage is the process of evaluating the risk of illegally harvested timber being present in your product and supply chain, before you place it on the EU/UK market.
- The EU/UK Timber Regulation sets out guidance on the type of risk parameters that should be considered.

The Operator should consider the following criteria in their risk assessment:

- Assurance of compliance with applicable legislation or certification or other third party verified schemes which cover compliance with applicable legislation
- Prevalence of illegal harvesting of specific tree species
- Prevalence of illegal harvesting or practices in the country of harvest and/or sub-national region, where the timber was harvested, including consideration of the prevalence of armed conflict
- Sanctions imposed by the UN Security Council or the Council of EU on timber imports or exports
- Complexity of the supply chain of timber and timber products

The level of risk can be identified in various ways. Evidence of prevalence of illegal logging could originate from the following (non-exhaustive list):

- reports by international organizations and Secretariats (e.g. CITES, INTERPOL, UNODC, FAO, UNEP, etc.);
- government sources;
- scientific and technical reports from academia, research institutions, civil society and/or private sector (e.g. NGOs, Monitoring Organizations, etc.)

*In addition, information on corruption (e.g. **low CPI - Corruption Perception Index**) or on the quality of governance (e.g. World Bank Worldwide Governance Indicators) can be used as an indicator for the level of risk. In cases where the available information for the estimation of the level of risk is assessed as not sufficient, the Operator has to conclude that the risk of illegal logging is not negligible*



For further info: EUTR and Guidance Documents

Rule of thumb:

- Information integrity and robustness of supporting document are an inherent part of the assessment, e.g. the relevance, accuracy and validity of information.
- Ensure a narrative (justification) is given against each risk criteria as to what has been assessed and how, the risk factor identified, and any evidence or any references used (as shown on the next pages).
- For timber products originated from countries with higher risk of poor governance and corruption (i.e. low [Corruption Perceptions Index](#) (CPI)). It is crucial to evaluate the evidence you have obtained and interrogate whether any corruption risks in the country could undermine the validity of the information. Documents alone cannot be considered as sufficient proof of legality and additional mitigation measures will need to be put in place.

Please note: The list of common non-negligible risk factors provided in the next pages is not exhaustive but is intended as a guide. Users should carry out their own research about the Country/Supplier. Use the space provided to add any additional risk factors that apply to the product/supply chain and provide evidence/justification where necessary.



Risk factors (non-negligible) (*The list is not exhaustive)	Check if present	Comments / Explanations
The CPI score of the source country is below 50 , or, the quality of governance in the country is low (see ref below)	<input type="checkbox"/>	
NGOs, media or other reliable sources report illegality in the country of harvest or processing in relation to logging, sourcing, transportation or the processing of timber (see ref below)	<input type="checkbox"/>	
EU common enforcement positions show high risk or violations of EUTR when sourcing from this specific country (see ref below)	<input type="checkbox"/>	
There are sanctions imposed on the country of harvest(s) by UN Security Council or the Council of EU on timber imports or exports (see ref below)	<input type="checkbox"/>	
Others, please specify		

Reference (The reference list is not exhaustive)

- CPI and level of governance**
- CPI, <https://www.transparency.org>
 - World Bank Worldwide Governance Indicators, <http://info.worldbank.org/governance/WGI/#home>

- General updates on cases of illegal logging (by NGOs and other third parties)**
- Client Earth newsletter, <https://www.clientearth.org/eutr/>, contains regular updates on illegal logging related concerns/allegations raised by NGOs and media reports
 - UNEP-WCMC EUTR Briefing Notes for Competent Authorities on implementation of the EU Timber Regulation, <https://www.unep-wcmc.org/featured-projects/eu-timber-regulations-and-flegt>

- EU common enforcement positions**
- Conclusion on **Myanmar**: <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeetingDoc&docid=34247>
 - Conclusion on **Brazil**: <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeeting&meetingId=17072>

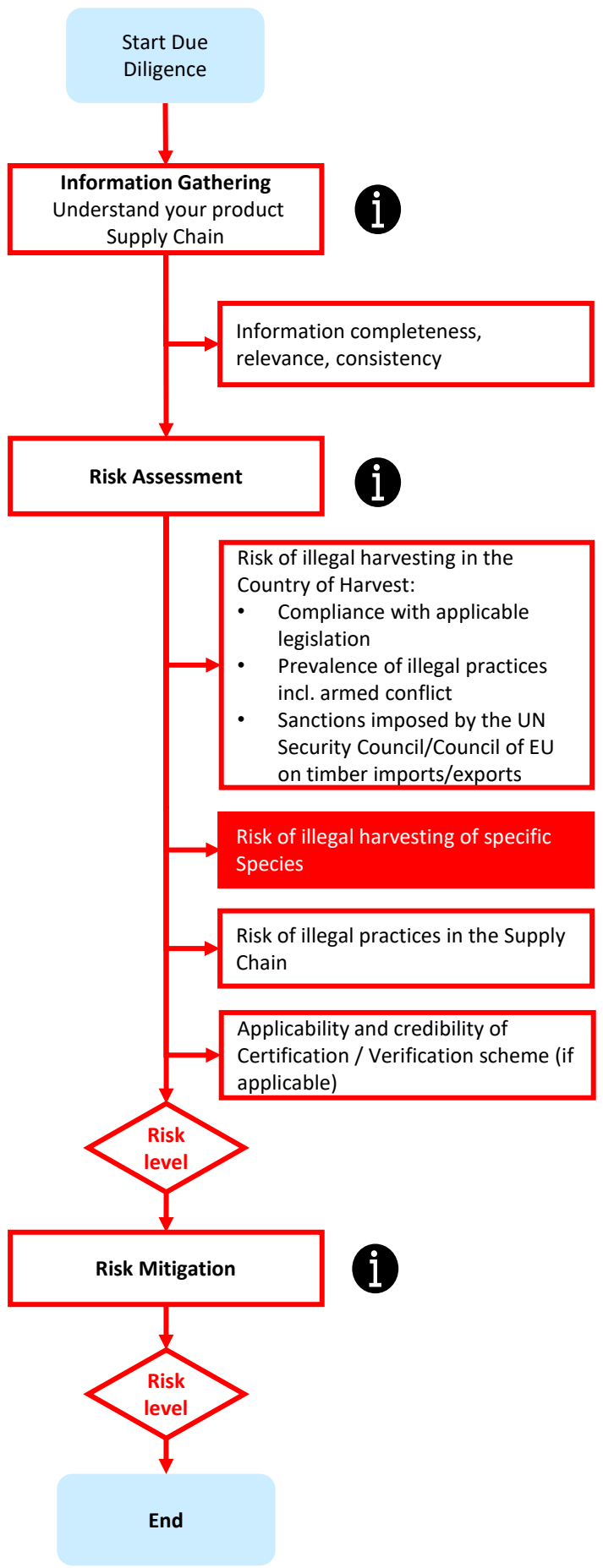
- UN/EU sanction list:**
- UN: <https://www.un.org/sc/suborg/en/samctions/un-sc-consolidated-list>
 - EU: https://eeas.europa.eu/topics/sanctions-policy/8442/consolidated-list-of-sanctions_en

- Country resources and document guide:**
- Independent monitor(s) of Forest Law Enforcement and Governance in the **Congo Basin**: <https://rem.org.uk/>
 - Open Timber Portal, <https://www.opentimberportal.org/>
 - ETTF Timber Trade Portal, <http://www.timbertradeportal.com>
 - NepCon Sourcing Hub, <https://www.nepcon.org/sourcinghub>
 - Australia's illegal logging laws and guidance: <http://www.agriculture.gov.au/forestry/policies/illegal-logging/importers/due-diligence>

- Other useful tools:**
- Global Forest Watch (GFW) monitors global forest use and destruction in real time: <http://www.globalforestwatch.org/>
 - Timber Legality Forum (LinkedIn): <https://www.linkedin.com/groups/13606296>

Others references used:

EU Guidance on consideration of armed conflict and sanctions



Risk factors (non-negligible) (*The list is not exhaustive)	Check if present	Comments / Explanations
The product consists of more than one tree species, AND not all possible species have been identified	<input type="checkbox"/>	
The claims about the species is inconsistent with information declared by the supplier or in the supporting document(s)	<input type="checkbox"/>	
NGOs, media, or other reliable sources report the species is at risk of being substituted or mixed with materials from different origins due to scarcity, price, or the presence of illegal logging.	<input type="checkbox"/>	
The species is listed on CITES Appendix, but the relevant and correct CITES permit is not accompanying the product	<input type="checkbox"/>	
Others, please specify: <input type="text"/>		

Reference (The reference list is not exhaustive)

- CITES species list, <https://speciesplus.net/>
- US Forestry Dept, <http://www.woodid.info/> for comparing common names of timber and identifying potential issues with species
- A practical guide by NepCon on CITES and examples of fake CITES permits, <https://www.nepcon.org/newsroom/practical-guide-cites-eu-timber-traders>
- Arbor Harbor, a reference system linking information on trees and their global trade, <http://www.woodid.info/>

Others references used:

i A note on scientific testing



Risk factors (non-negligible) (*The list is not exhaustive)	Check if present	Comments / Explanations
NGOs, media or other reliable sources have expressed concern that the supplier(s) in this supply chain may have violated local laws. Examples could be the illegal sourcing and processing of timber.	<input type="checkbox"/>	
The input material in the product is at risk of being substituted by similar material inputs which have a different species or origin	<input type="checkbox"/>	
The supplier (factory) processes material from other unchecked sources (e.g. timber purchased from open market), or sources with high risk of illegal logging	<input type="checkbox"/>	
The supply chain contains many tiers, or spans over multiple countries, resulting in more chances for unknown / unchecked / illegally harvested timber to enter the supply chain	<input type="checkbox"/>	
Others, please specify		

Reference (The reference list is not exhaustive)

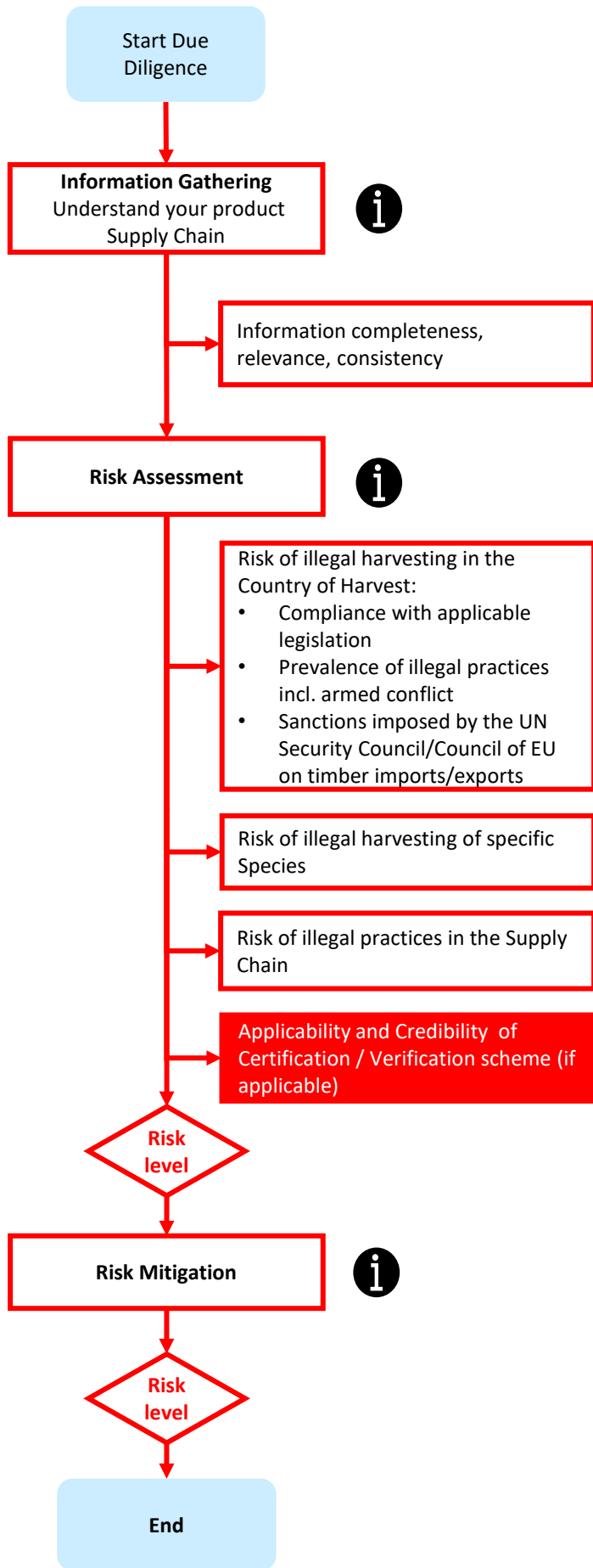
General updates on cases of illegal logging (by NGOs and other third parties)

- Client Earth newsletter, <https://www.clientearth.org/eutr/>, contains regular updates on illegal logging related concerns/allegations raised by NGOs and media reports
- UNEP-WCMC EUTR Briefing Notes for Competent Authorities on implementation of the EU Timber Regulation, <https://www.unep-wcmc.org/featured-projects/eu-timber-regulations-and-flegt>

EU common enforcement positions

- Conclusion on **Myanmar**: <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeetingDoc&docid=34247>
- Conclusion on **Brazil**: <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeeting&meetingId=17072>

Others references used:



Risk factors (non-negligible) (*The list is not exhaustive)	Check if present	Comments / Explanations
The company is certified but the product is not, (e.g. the certification code & claim of the product is NOT clearly identified on invoices / transaction documents)	<input type="checkbox"/>	
The species, product type or processing type is not covered in the scope of certification / verification	<input type="checkbox"/>	
The certification of the supplier is not valid or is inactive	<input type="checkbox"/>	
NGOs, media, or other reliable sources report concerns about the credibility of the certification scheme or its implementation, particularly in the country of harvest	<input type="checkbox"/>	
Others, please specify		

Reference (The reference list is not exhaustive)

Certification / Verification scheme (the list is not exhausted):

- FSC certificate search, <https://info.fsc.org/certificate.php>
- PEFC certificate search, <https://pefc.org/find-certified/certified-certificates>
- BV Origine et Légalité des Bois (OLB) online record, <https://www.bureauveritas.fr/besoin/certification-olb>

EU guidance on the role of 3rd party certification scheme

- Cautions against using certification for due diligence: <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeetingDoc&docid=39135>
- Guidance on the role of 3rd party certification schemes in risk assessment and mitigation : <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupMeetingDoc&docid=13316>

Others references used:



Risk conclusion - after assessment

Are there any **Non-Negligible** risk factors identified?
(Mitigation needed)

Any additional information

Ensure info provided here match with your risk findings in the previous section



Step 3 – Risk Mitigation

- If, after your risk assessment, any **Non-Negligible** risk is identified, that risk must be mitigated to **Negligible** prior to placing on the market.
- You must ensure a **Negligible** risk (of illegally harvested timber being present in your product) is reached before placing the timber product on the market.
- There is no universally recognised procedure. Instead your actions must be proportionate to the risk identified. It is a series of measures that you, as an organisation, are implementing to ensure you can demonstrate the risk posed can be reduced to negligible.
- Mitigation actions should first seek to improve practices throughout the supply chain, and where possible, to provide support to suppliers to address weaknesses identified. Where improvements do not sufficiently reduce the risks, a change of purchasing and investment decisions should be considered.
- If you are taking mitigation actions, you are more likely to be asked for evidence of your action by the Competent Authority, so it is important to have this fully documented and available.
- If, following mitigating action, the risk cannot be mitigated to **Negligible**, the product should not be placed onto the market. To do so would be a breach of the law.
- Use of certified / verified material is a useful mitigation approach, especially when the product is originated from a country with relatively poorer governance in the forest sector or a higher corruption perception (i.e. CPI < 50). **However**, the validity and applicability of the certification / verification claim for the specific product or species, and the credibility of the scheme, particularly in the country of harvest, need to be assessed separately before the mitigation can be deemed successful.
- For further information, please check the EU Guidance on Risk Mitigation



Guidance on Risk Mitigation

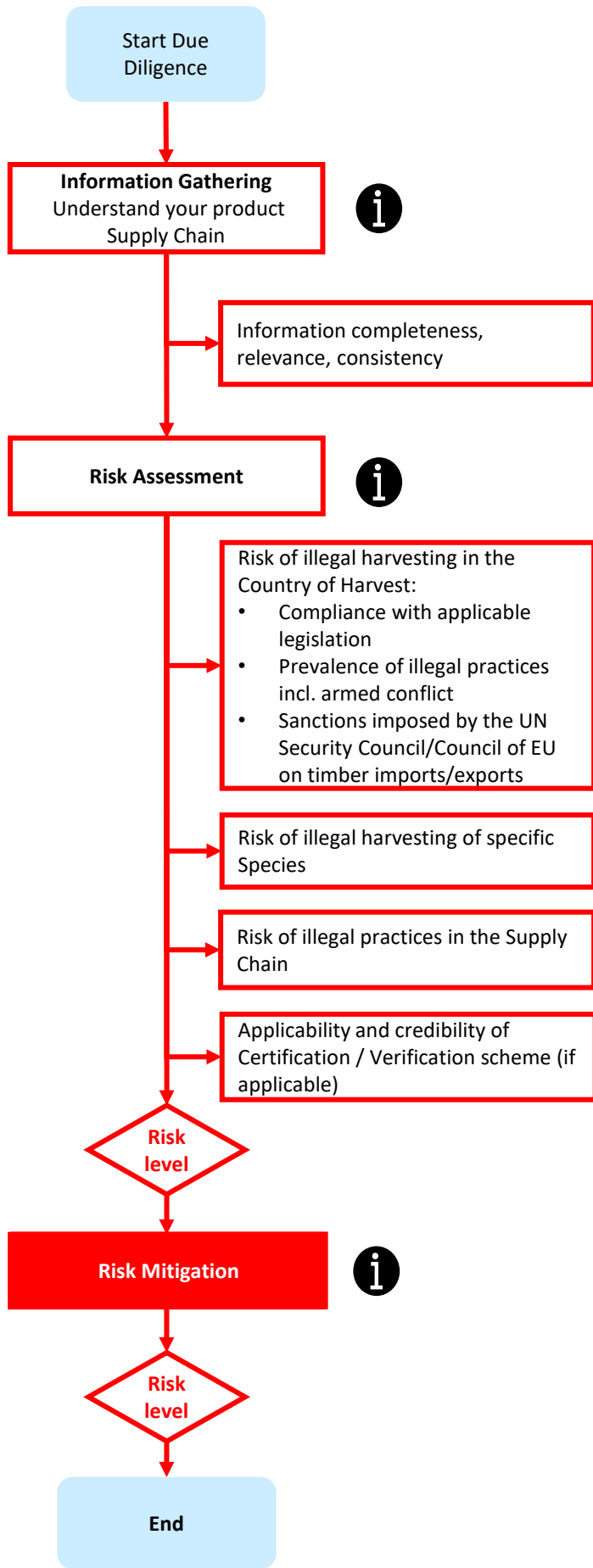


For further info: EUTR and Guidance Documents

Please note: The list of Mitigation Measures in this section is not exhaustive but is intended as a guide. Use the space provided to add your own justification, where applicable, or provide any other mitigation actions (in page 4) that have been carried out to address the risks identified in your product/supply chain.



Please note: The list of Mitigation Measures in this section is not exhaustive but is intended as a guide. Use the space provided to add your own justification where applicable or provide any other mitigation actions (in page 4) that have been carried out to address the risks identified in your product/supply chain.



- 1
- 2
- 3
- 4

Improve your understanding and confidence about your supply chain

What is it?

1. Collect evidence to verify the flow of timber (both physically and financially) across the supply chain, and,
2. Identify and gather evidence to confirm the legal harvesting, processing, transportation and sale of the product in each of the sourcing countries, and
3. Evaluate the legitimacy of the documents.

Additional comments:

Evidence/Reference checked:

Secondary research

What is it?

Conduct research using the internet and publicly available resources about:

- the supplier,
- applicable legislations,
- documentation requirements,
- presence of NGO/media reports,
- credibility of a certification/verification claim

Or, use satellite images (if applicable) to confirm the forest area.

Additional comments:

Evidence/Reference checked:

Evaluation of documents

What is it?

1. Cross check all the evidence and documents match and correspond, in relation to:
 - Material descriptions
 - Volume, e.g. allocated vs declared, input vs output
 - List of species
 - Date, location, and ownership
 - Issuing authority, and,
2. Take steps to verify documentation reliability and authenticity, e.g.:
 - Check documents is approved and signed/sealed by applicable issuing authority,
 - Consult with local stakeholders, and
3. Translation of key information (if necessary)

Note: In countries with high risk of corruption, documents may be falsified. Proof of legality will need to go beyond the paperwork. Other mitigation measures may be required.

Additional comments:

Evidence/Reference checked:



- 1
- 2
- 3
- 4

Stakeholder Consultation

(e.g. with local community representative, NGOs, government authority, independent expert, certification body, trade federation)

What is it?
Consult about any further insight about a supplier, document(s) requirement and validation, local legality statues, and any risk to be aware of; Or to follow up about any previous observations (non-conformance) raised.

i Stakeholder contact list * Available soon

Additional comments:

Evidence/Reference checked:

Field-based Audit

(e.g. self-conducted audit/visit, or carried out by a contractor/ consultant)

What is it?
Inspect supplier site(s) and/or the place of harvest to verify practice on site and confirm traceability and legality claims.

Note: The visit/audit needs to be documented to report on any **issues identified, follow up actions and result.**

i Field/Factory visit checklist * Available soon

Additional comments:

Evidence/Reference checked:



Utilise scientific testing to authenticate the Species and Location of Harvest

What is it?
Depending on the type of risks identified, independent laboratory testing may be helpful for verifying product claims on species and the geographic location of harvest. There are three prevalent commercially available methods:

- 1. Wood anatomy analysis** to identify species or groups of species
- 2. DNA analysis** to identify species
- 3. Stable isotope analysis** to determine the geographic origin of timber

Note: Each method has its own application and limitation and should be checked with the laboratory to ensure it can appropriately address the risks present in your supply chain.

A note on Scientific testing

Additional comments:

Evidence/Reference checked:

Use of independent third-party certification (e.g. FSC/PEFC) or verification schemes

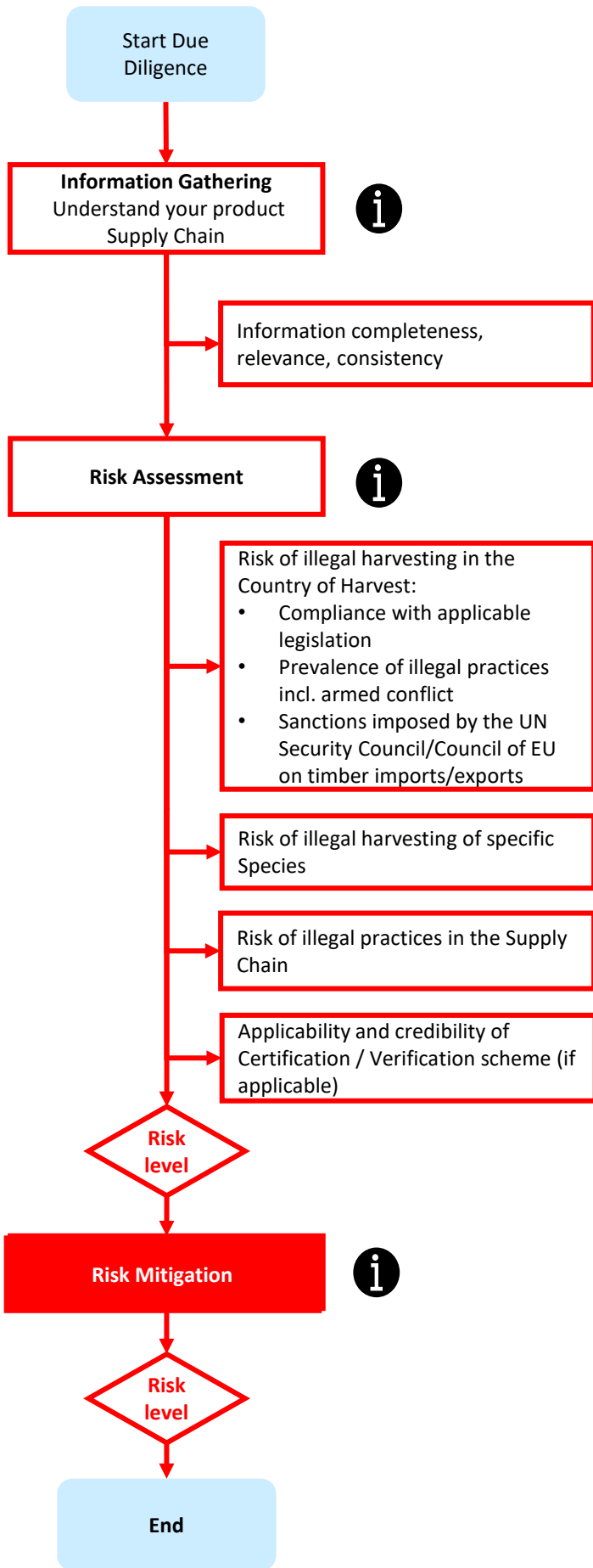
What is it?

1. Source certified or verified materials according to a third-party legality/sustainability scheme, and,
2. Verify the certification/verification claim against online certificate database **and** transaction documents (e.g. invoices), to **ensure the claim is valid, accurate and relevant** to the product/species/supply chain, and,
3. If the country of harvest has low CPI (e.g. CPI<50), OR, there are reported concerns about the scheme in the country of harvest, **obtain further proof of legal harvest and transportation and ensure material of unknown origin is not mixed in.**

Note: Having an FSC/PEFC certificate is not enough in and of itself without additional interrogation of claims and assessment in light of the country corruption level (CPI) and reports on the credibility of the certification scheme from NGO/media/Competent Authority. No certification scheme is a “green lane” to EU/UK TR compliance.

Additional comments:

Evidence/Reference checked:



1

2

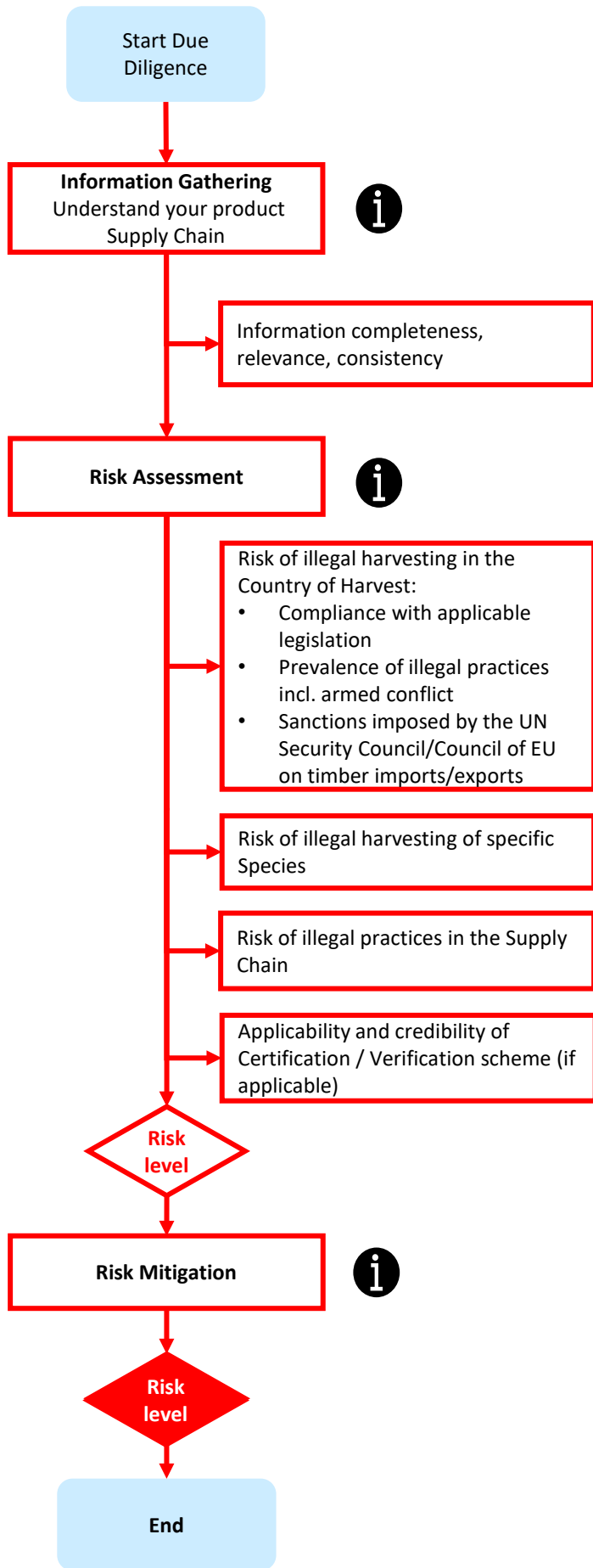
3

4

Other mitigation actions carried out

List your other actions here

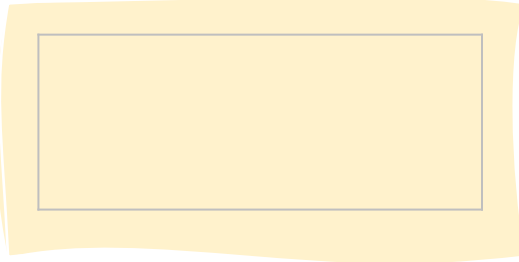
Evidence/Reference checked:



Final Risk Conclusion – after Mitigation

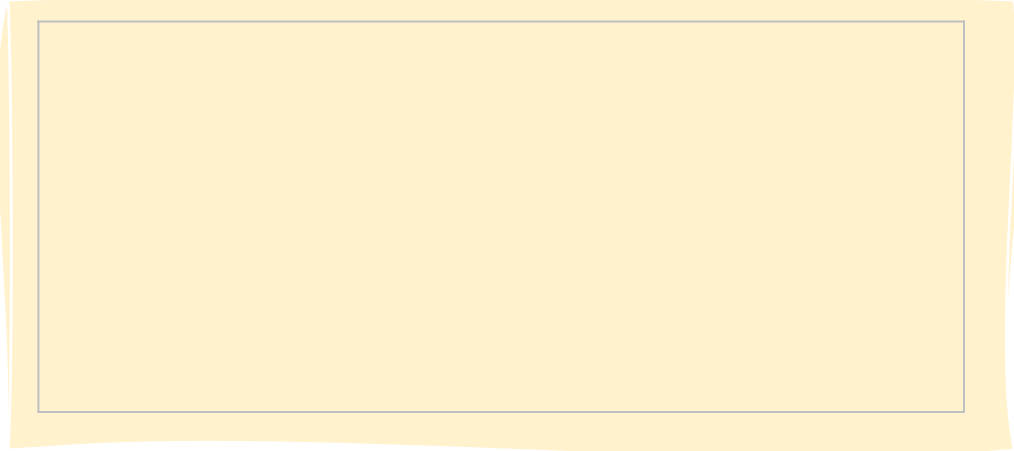
Have all the Non-Negligible risks identified been mitigated successfully?

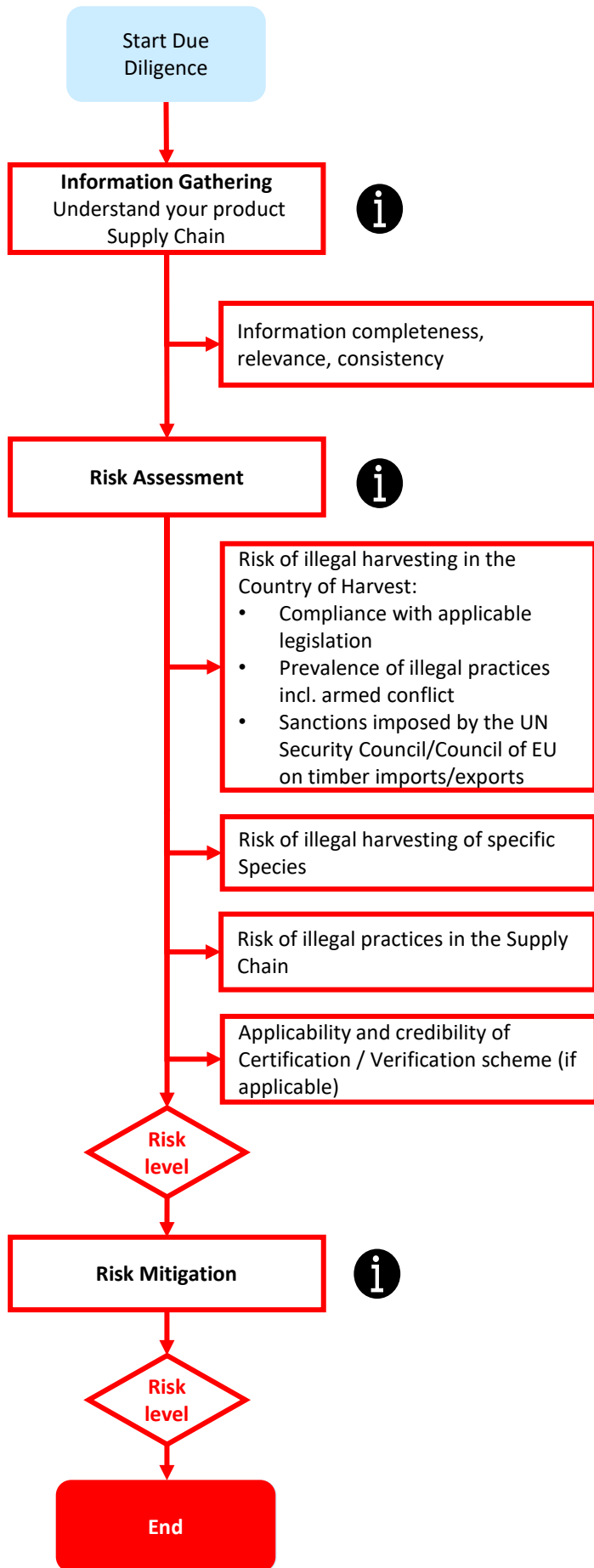
Non-Negligible → Negligible



You must ensure a **Negligible** risk (of illegally harvested timber being present in your product) is reached before placing the timber product on the market.

Justification and any additional information
e.g. Which risk factors have been successfully mitigated?





Have you got everything ready?

Reporting *Self-Assessment*

Information gathering

- The flow of timber through this supply chain is clear and is evidenced by supporting documentation.
- Where a country of harvest has CPI<50 or there are NGO/Media reports which highlight the prevalence of illegal logging in the country/region, the specific forest location is identified. Supply chain map or description is available.

- I can map the supply chain between the place (country/region) of harvest and the Operator.
- I know about the illegal logging status in the country (i.e. region(s) of harvest).
- I know what legality documents are required to prove compliance against local legislations (where applicable).

Risk assessment

- Internet and/or other secondary search is carried out to identify reports raised by NGOs, Competent Authorities, or media about the country/region of harvest and about the supplier(s) for illegal logging and related activities.
- Likelihood of Non-Negligible risk is assessed against each of the risk assessment criteria.
- All supporting documentation are checked to be Relevant to the specific product/supplier/species, Valid and Consistent with each other and information declared by the supplier.

- I can provide the set of legality documents (for each country of harvest) upon request.
- I have investigated the concerns raised by NGOs (if applicable) such as those highlighted by local forest monitors or the and can share the outcome and further information upon request.
- I can provide evidence proving the product's valid certification / verification claim upon request (if applicable).

Risk mitigation

- A clear Risk Level (after risk assessment) and justification is given.
- A clear Final Risk Level (after risk mitigation) and justification is given.
- All mitigation actions carried out are recorded.
- All mentioned supporting documents are available or can be provided upon request.

All done?

Don't forget to save your work!

TTF Members, please go to

2

1

2



TTF Members – RPP Annual Reporting and Audit

Compliance with the Responsible Purchasing Policy (RPP) is a pre-requisite of TTF membership. The RPP obliges all TTF Members to undertake the following actions each year:

1. Submit Annual Purchase Return (details below); For Agent, complete an Agent's declaration form.
2. Undergo third-party auditing process on Due Diligence quality

How does RPP Audit work?

Information required in Annual Purchase Return for:

- Purchases made from **outside of EU/UK**
- Purchases made from **EU**
- Purchases made from **within the UK**

Product Information	<ul style="list-style-type: none"> • Product Description (e.g. sawn, machined, joinery, Glulam, windows, doors) • Product Group • Country of Forest Origin (for each species present) • Country of Import / Production within the EU/UK • List of species
Quantity	<ul style="list-style-type: none"> • Volume or quantity • Units of measurement
Managed Risk Products	<ul style="list-style-type: none"> • Certification (FSC/PEFC) status of the product • Other legality verification schemes status of the product



Download Annual Purchase Return – blank form



Contact the TTF to arrange a training / submit Annual Return

A note on Scientific testing

Use of scientific methods as a means of further assessing the accuracy of product descriptions and the accuracy of the information on which businesses are basing their due diligence checks is becoming a key part of the enforcement procedure.

In June 2019, Forest Trends released a [publication on the use of scientific testing in the enforcement of timber import regulations](#). 57% of the 21 countries surveyed are currently using scientific testing in enforcement of timber trade legislation. This is expected to exceed 95% by 2024.

Case examples:

1. According to the [UK Competent Authority \(OPSS\)](#), during the course of 2018-2019, samples of 23 products with complex or higher risk supply chains were tested for **Species** claims, 9 out of 23 were identified as different species to that claimed.
2. In 2019 the TTF carried out isotopic testing on 16 engineered Oak flooring products manufactured in China, 4 in the 16 samples were found to have inaccurate **Origin** claims of their Oak content.

Knowing if a product claim is different from what is being declared is already enough to raise a red flag for further investigation. Such mismatch of information raises significance questions about the integrity of supply chain information and the quality of due diligence actions and highlight the need for businesses to exercise caution when gathering and assessing information.

Here we identified some possible areas causing weaknesses in Operators' due diligence:

- Failure to identify species-mixing as a possible risk factor
- Failure to assess quality chain of custody practices on site such as segregation control for complex or high-risk products
- Failure to identify changes in supply chain / sources
- Incorrect testing methodology, sampling approach or frequency
- Overreliance on desktop-based document check
- Insufficient monitoring / following-up procedures with suppliers to ensure consistency, especially following a negative test result
- Errors on product declaration in the final report demonstrating due diligence

And the possible areas needing attention from the Manufacturers/Exporters:

- Incomplete information on possible species entering the supply chain
- Poor chain of custody practices on site where material is at risk of being misrepresented or commingled with wood/species from other sources
- Unambiguous fraud such as the replacement of illegal or low-value wood as legal or higher-value wood
- Errors on product declaration

Routine testing and following up exercise with the supplier should also form a part of the mitigation measure to monitor and uphold due diligence consistency. It is also worth noting that having a routine third-party testing scheme in place on product claims also helps to check that you are actually getting what you are paying for.





A quick recap on the Timber Regulation (EU)

The EU Timber Regulation (EUTR) is a trade mechanism imposed by the EU Parliament and Council to prohibit the trade of illegally harvested timber and timber products.

The Regulation entered into force in March 2013. It obliges all EU companies who place timber products on the EU markets for the first time (Operators) to exercise **due diligence** (DD) to ensure the risks of illegally harvested timber enter the product supply chain is negligible. It also requires Traders (businesses trading in timber and timber products already placed on the EU market) to keep records ensuring traceability of the timber products.

i For further info: EUTR and Guidance Documents

Note all products are in the scope of the EU Timber Regulation, for example, products covered by a valid FLEGT licence and products made by post-consumer recycled timber materials are exempted from Due Diligence.

i EUTR Product Scope

i Clarification on Recycled Timber

Timber Regulation in the UK

In the UK, the EUTR is implemented through *The Timber and Timber Products (Placing on the Market) Regulations 2013* and is enforced by the *Office for Product Safety and Standards (OPSS)* on behalf of *Department for Environment, Food & Rural Affairs (DEFRA)*.

From 1 January 2021, businesses importing into the UK from the EU/EEA will also need to carry out Due Diligence confirming that the timber product placed on the UK market has been legally harvested to meet the UK's own Timber Regulations. Businesses exporting to the EU/EEA from the UK may also need to supply documentation about the source and legality of their timber products to meet the EU Timber Regulation.

i UK Government guide: Trading timber: imports and exports from 1 January 2021

i Prepare for BREXIT

Ready to start Due Diligence?

You may want to read about:

i About the Timber Regulation

i Roles and Responsibilities

i Case studies and common DD errors – China

* Available soon



Roles and responsibilities

Businesses currently trading timber/timber products already placed on the EU/EEA/UK market, **including those** placing timber/timber products from **the EU/EEA on the UK market or vice versa**, are required only to keep basic traceability information on supplier and seller and keep these records for at least 5 years.

Businesses placing timber from non-EU/EEA countries and domestic (UK) forests on the UK market, are obliged to exercise Due Diligence (DD) to ensure the risks of illegally harvested timber enter the product supply chain is negligible

Operators:

Businesses importing timber from outside EU/EEA countries to the UK; and businesses placing timber produced within the UK on the UK market for the first time.

Current obligations:

- Implement Due Diligence to assess and mitigate risks of illegality associated with the timber products.
- Subject to compliance enforcement by the Competent Authority in each EU Member State. In the UK, this is the *Office for Product Safety and Standards (OPSS)*.



Businesses are expected to demonstrate the process and evidence behind the conclusion that the timber products placed on the market have a Negligible risk of containing illegal timber. Due Diligence should be updated/reviewed at least annually.

Traders:

Businesses trading timber already placed on the EU/EEA/UK market

Current obligations:

- To keep records of suppliers and customers and keep this information for at least five years and provide it to competent authorities if requested.
- To gather and record basic product information incl. species and country of origin (under TTF RPP)

Regular enforcement update is published by OPSS on the checks/breaches detected during their enforcement, including the name of the Operator, product(s) checked and type of breach(es).

i Latest statutory enforcement actions in the UK

i OPSS Due Diligence checklist and template

Ready to start Due Diligence?

You may want to read about:

i About the Timber Regulation

i Case studies and common DD errors – China

* Available soon





Timber Trade Federation

growing the use of wood

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Foreign, Commonwealth
& Development Office

Questions and suggestions,
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