



# European public procurement policies for timber products and impacts on the market for certified products

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UK Central Point of Expertise on Timber

**Forest Governance & Sustainability Standards**

COMIFAC/GTZ workshop

29 September-1 October 2010, Kinshasa (DRC)



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# The Central Point of Expertise on Timber

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# CPET's role

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- Funded by UK Government
- Operated by Proforest
- Information on the UK Government's timber procurement policy requirements
- Advice on how public sector buyers and their suppliers can meet the policy
- Support UK Government



# Purpose and drivers of procurement policies

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1. International commitments
2. Concerns about illegal logging and unsustainable forest practices
3. National strategies for sustainable consumption
4. Climate change mitigation



# Strongest direct driver: NGO pressure

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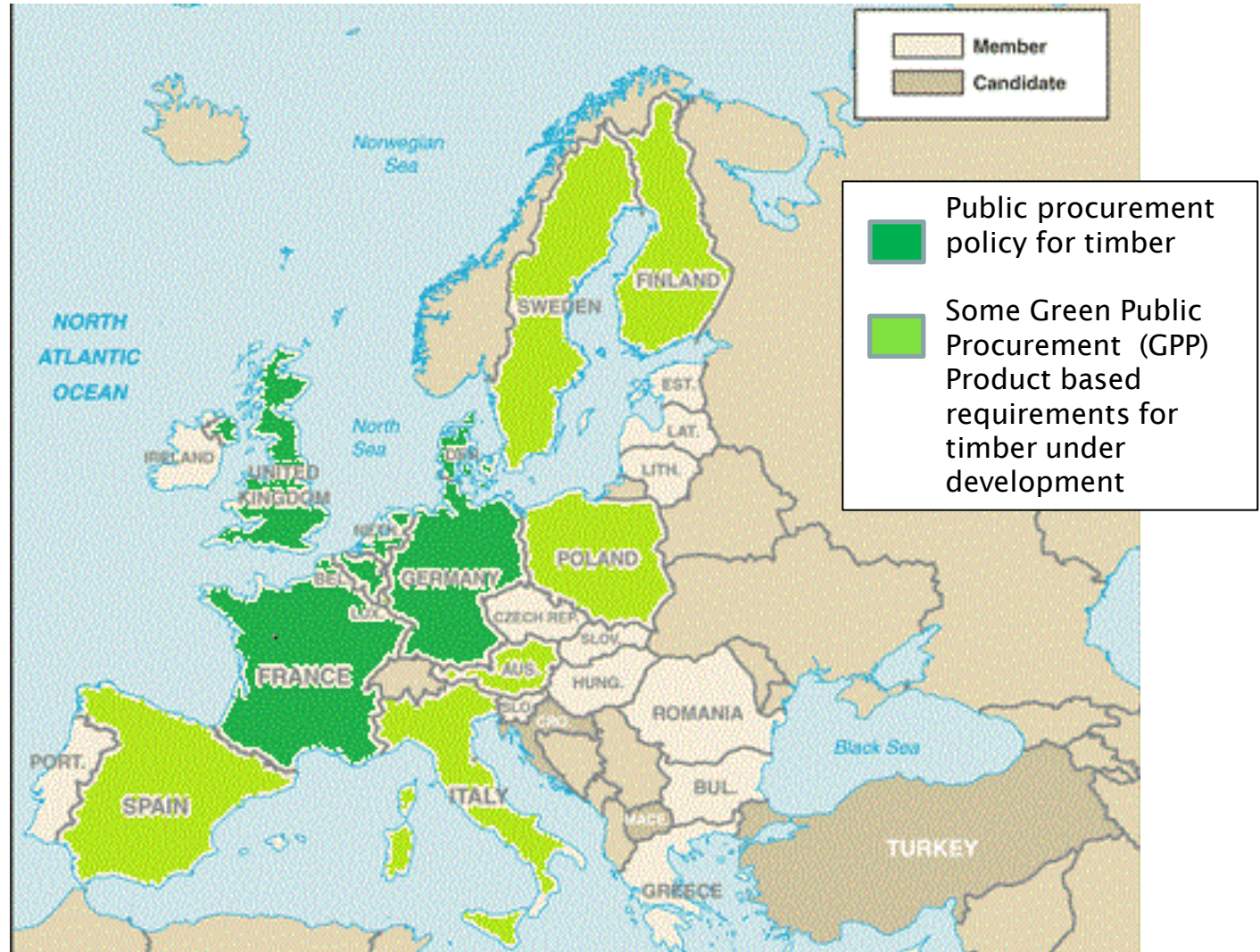


Photos: Greenpeace and [www.ruralstar.com](http://www.ruralstar.com)



# Requirements from public sector in EU

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Source: *EU Market conditions for 'verified legal' and...*, Oliver (2009)

# EU Timber regulation

-The 'Due Diligence regulation'

**'The placing on the market of illegally harvested timber or timber products shall be prohibited'**

- Due diligence on import and production in EU
- Traceability of timber through the EU supply chains

The legislation will be implemented end 2012 and enforced via checks at national level, penalties and monitoring organisations.

Equivalent to the US Lacey Act 'prohibition'



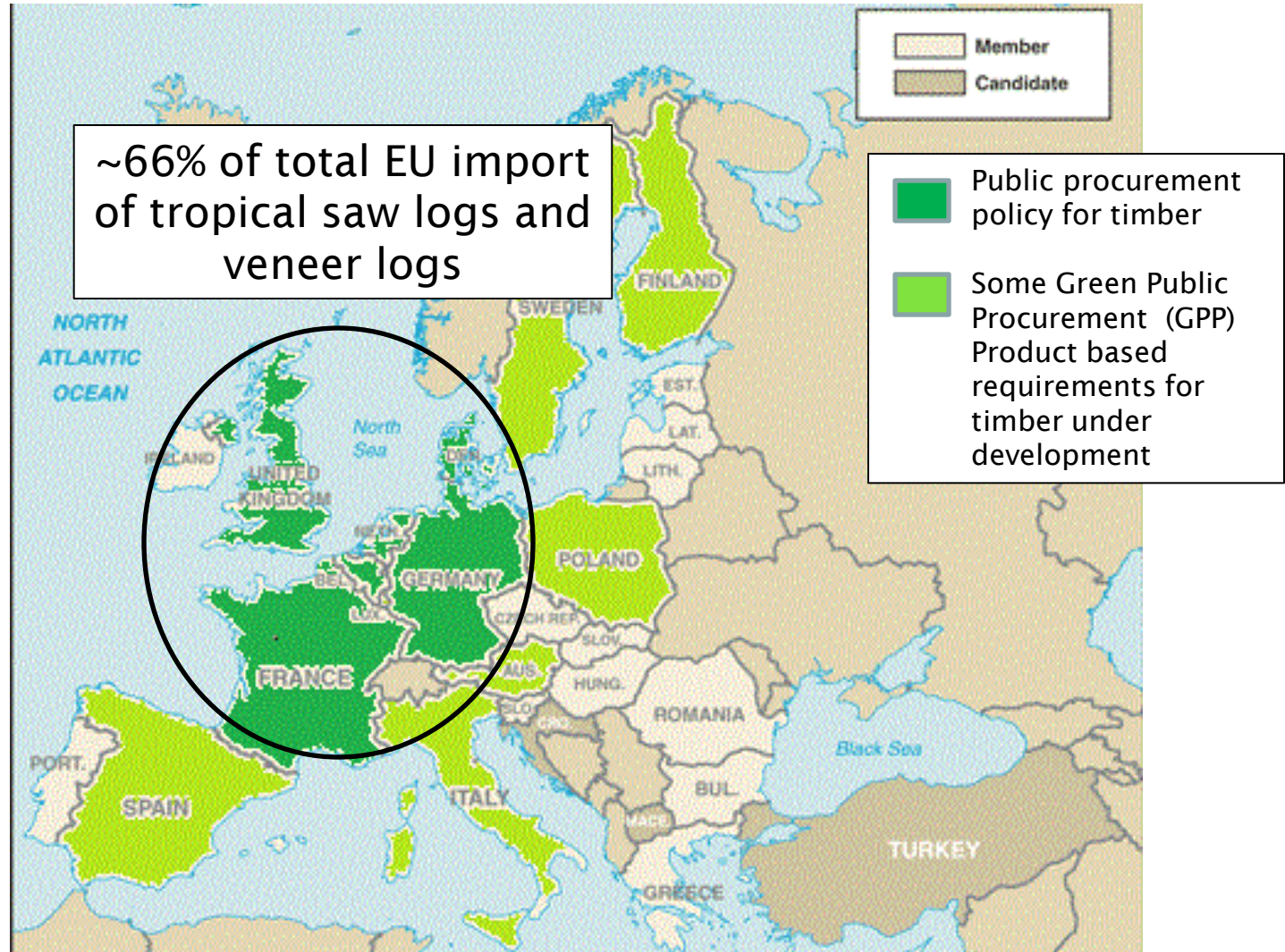
# EU Timber market

- EU is the largest consumer of timber products in the world
- 14% of imports from tropical zones ~26% by volume
- 53% of Africa's total export value to EU
- UK is 4<sup>th</sup> biggest net importer of wood products after US, China and Japan



# Public procurement policies







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Source: *EU Market conditions for 'verified legal' and...*, Oliver (2009)

# The effect of the public policies

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	France 	Germany 	Belgium 	DK 	UK 	NL 
<b>Federal/central government</b>	Mandatory	Mandatory	Mandatory	Voluntary <sup>1</sup>	Mandatory	Mandatory
<b>Local Authorities</b>	Guidance and active promotion	Guidance and active promotion	Guidance	Guidance and active promotion	Guidance and active promotion	Guidance and active promotion
<b>Coverage of public sector<sup>2</sup></b>	Up to 25%	Fed. 5% states more significant	5-10 %	15-25% of tropical timber	8%-15%	N/A

- Significant spill-over effect on private sector with alignment of requirements
- Indirect implementation of policy by private sector

1. Mandatory for furniture and paper via central government framework contracts.

2. Source: EU market conditions for “verified legal” and “verified legal and sustainable” wood products, FFI, 2009





# The UK Government's Timber Procurement Policy

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2000-2009:

The UK Government will actively seek to procure only legal timber, and preferably sustainable timber



2009 (1 April) ~ 2015:

All timber and wood-derived products must be from independently verifiable **Legal and Sustainable** sources or **FLEGT-licensed** timber



~ 2015- : Sustainable timber only



# The requirements of the public policies

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	France 	Germany 	Belgium 	DK 	UK 	NL 
Current requirement	Legal, sustainable preferred	Sustainable only	Sustainable only	Legal, sustainable preferred	Sustainable or FLEGT licensed	Sustainable
Govt. criteria to evaluate schemes/evidence	No	No not published <sup>1</sup>	Yes	Yes	Yes	Yes







1. The German policy is currently under review.

# Sustainability requirements (in broad outline)

		Belgium (Draft)	Denmark (Draft)	UK	Nether-lands
Legality		✓ <b>Identical</b>			
Sustainability	Forest health and vitality	✓	✓ <b>Identical</b>		✓
	Production functions of forest resources	✓	✓ <b>Identical</b>		✓
	Protection functions of forest resources	✓	✓ <b>Identical</b>		✓
	Biological diversity	✓	✓ <b>Identical</b>		✓
	Extent of forest resources (conversion)	✓	✓	✓	✓
	Social requirements	✓	✓	✓	✓

# Evidence accepted

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	FR 	Germany 	BE 	NL 	UK 	DK 
Current requirement	<b>Sustainability</b>					Legal, Sust. Pref.
Forest certification schemes accepted as ensuring sustainability	FSC +PEFC	FSC +PEFC	FSC +PEFC	FSC+ PEFC <sup>1</sup>	FSC +PEFC (+FLEGT)	FSC +PEFC
Alternative evidence/the 'or equivalent' to meeting the requirements	Limited guidance	No guidance	No guidance	Detailed guidance	Detailed guidance	Some guidance

1. National schemes relevant for NL market assessed.



# FLEGT licensed timber

- UK policy accepts FLEGT licensed timber as equivalent to ‘sustainable timber’
- The UK policy recognises that FLEGT VPA process potentially delivers ‘sustainability’ nationally and across all forests in a country
- Other member states are still to clarify position on FLEGT



# Certification schemes

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-Category A evidence UK

Assessed against the sustainability criteria

+ criteria for the standard-setting process, certification, accreditation and chain of custody

Bi-annual review of accepted schemes and of other relevant schemes



Forest Stewardship Council (FSC)



Programme for Endorsement of  
Forest Certification Schemes (PEFC)  
28 endorsed national schemes

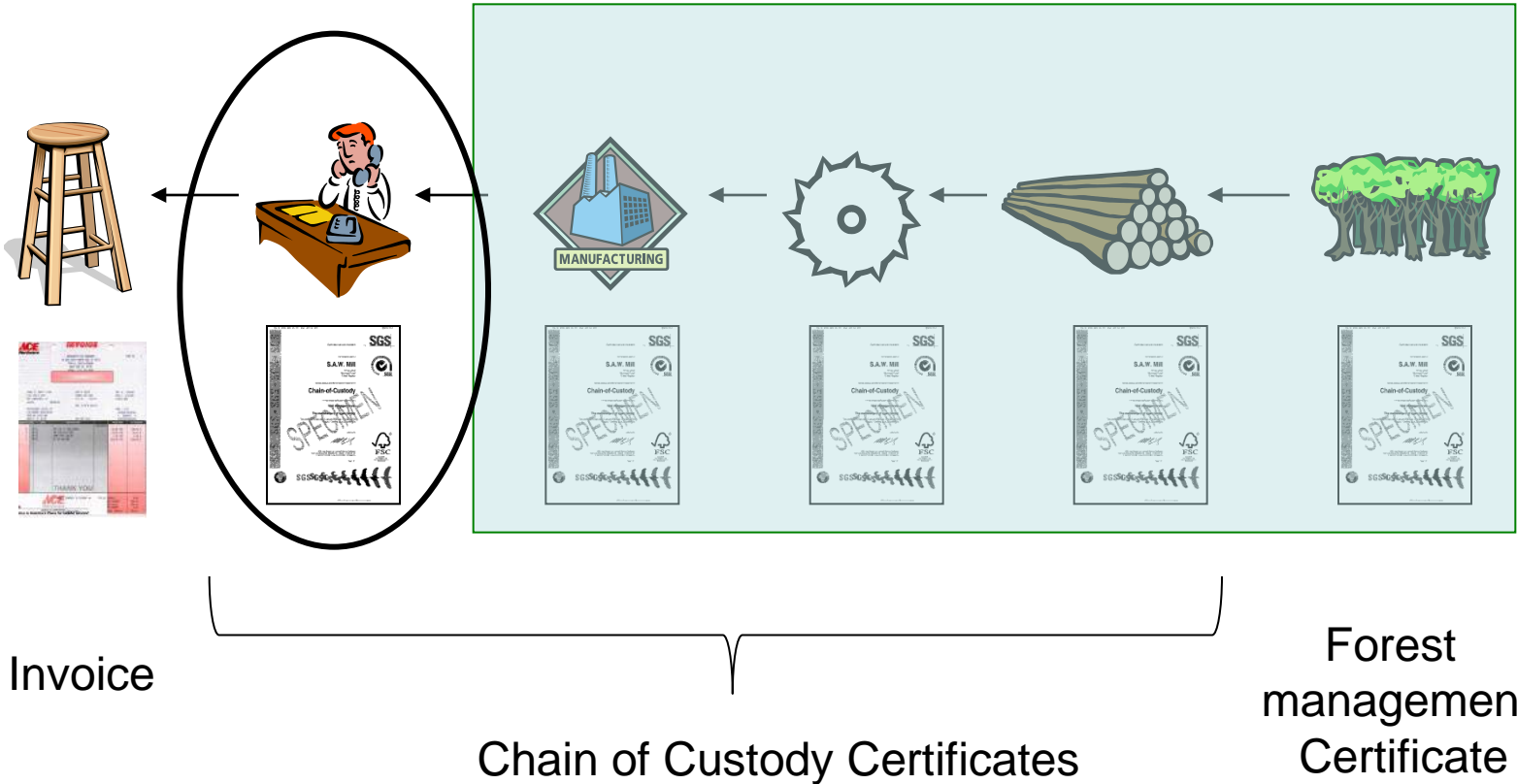


UK assessment results, 2008

# Certification schemes



-Category A evidence UK





# Availability of certified timber

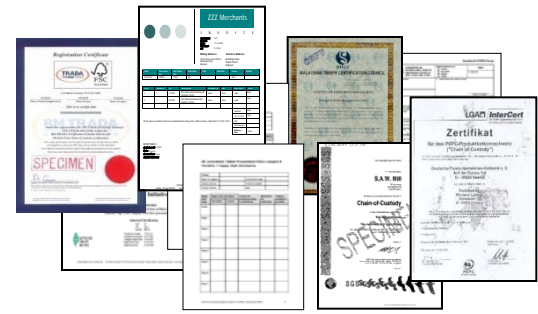
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- 25% of import to EU is likely to have derived from a certified source
- Certified wood in the UK supply chain grew from 65% in 2006 to an estimated 85% in 2010
- Tropical timber: estimated 20% certified in UK

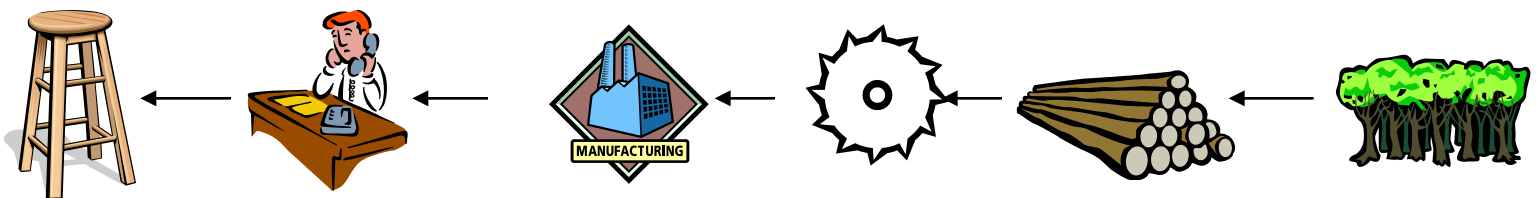
# Other types of credible evidence



## -Category B evidence UK

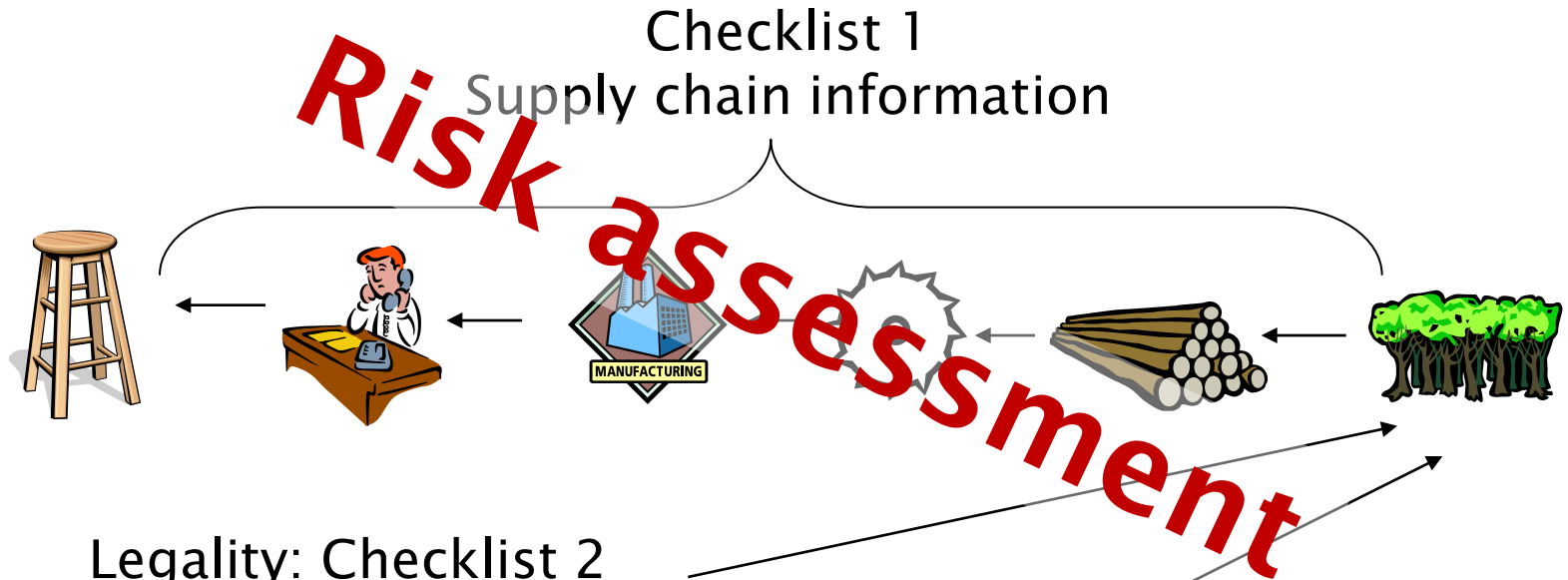


- Evidence that shows
  - Traceability through supply chain (CoC)
  - Compliance with legality and sustainability criteria
- Equivalent to Category A evidence
- Assessed on a case-by-case basis



# Preparing Category B evidence

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Legality: Checklist 2  
(Forest source information on legality)

Sustainability: Checklist 3  
(Forest source information on sustainability)



# Legality in UK

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- Only where no Sustainable or FLEGT-licensed or alternative timber is available, will evidence ensuring legality only be accepted
- Preference will here be given to timber from sources that are demonstrably in an active programme to improve and certify forest management





# Legality verification systems

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There are several verification schemes that may provide adequate assurance of legality for example:

- OLB (Origine et Légalité des Bois)
- SmartWood VLC
- SGS Timber Legality & Traceability Verification (TLTV) VLC

Support programmes:

- Global Forest and Trade Network
- Timber Trade Action Plan TTAP

The systems are evaluated by CPET under the Framework for evaluating Category B evidence

# Concluding comments

- The ultimate aim of procurement policies is to promote sustainable forest management especially in the tropics<sup>1</sup>
- Do not want to discourage the use of tropical timber, but ensure legality and sustainability
- Recognise that there are challenges and a need to work with tropical producers
- The theory: A demand and a market create an incentive for producer countries to ensure legality and sustainability

<sup>1</sup>Identified in: *The pros and cons of procurement*, ITTO Technical series, April 2010



# Concluding comments

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- UK, Denmark, Netherlands and other EU member states see significant merits in further alignments and cooperation on key issues in PPP via the European Commission
- Working to harmonise requirements to create a level playing field for suppliers

# Recommendations

- COMIFAC member states should work towards enforce legislation as a first step with the aim of ensuring sustainability
- Join the FLEGT VPA process
- And encourage FSC (and PEFC) forest certification





A large photograph of a dense, green forest landscape under a cloudy sky. The text 'Thank you' is centered over the upper portion of the image.

**Thank you**

**Comments and Questions**

A vertical strip of images on the left side of the slide. The top part shows a stack of cut logs with small white labels. The bottom part shows a stack of processed wood products, including a stack of light-colored planks and a stack of colorful (green, yellow, blue) panels.

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