



Updated Information on Market Access (2021)

ITTO Secretariat

ITTC-58th
7-11 Nov 2022, Yokohama

Updates of Four major legislative instruments:

- [EU Timber Regulation](#)
- [EU Regulation on Deforestation](#)
- [Lacey Act Amendments](#)
- [Australia Illegal Logging Prohibition Act](#)
- [Japan Clean Wood Act](#)

Attention on developments:

- Korea
- China
- Viet Nam
- CITES
- CITES



EUTR



- **EC holds 5th meeting** of its Multi-Stakeholder Platform, with a focus on implementation of the EUTR and FLEGT Regulation.
 - held virtually on 24 June 2021, updates on FLEGT VPA in Ghana, Viet Nam, Indonesia, and sanctions on Myanmar.
- **The EUTR/FLEGT Overviews for 2020**
 - published in July 2021, for implementation/enforcement of the EUTR and FLEGT.
- **Study on Certification and Verification Schemes in the Forest Sector and for Wood Based Products**
 - published in Sept 2021, examines five voluntary forest certification schemes with the requirements of the EUTR (including FSC and PEFC).
- **EC holds 6th meeting** of its Multi-stakeholder platform with a focus on Deforestation and Forest Degradation in Nov 2021.
- **EC holds 7th meeting** of its Multi-Stakeholder Platform with a focus on implementation of the EUTR and FLEGT Regulation (November 2021)
- For more detailed info on EUTR, please refer to following presentation of IMM Progress Report.

EU Regulation on Deforestation & Forest Degradation



- On 17 November 2021, **EC adopted a Proposal for a Regulation** to curb EU-driven **deforestation and forest degradation**.
- Aims to guarantee that **products in EU market** do not contribute to deforestation and forest degradation within the EU and globally.
- The **main driver** is the expansion of agricultural land, the proposed Regulation will apply to imported and domestic commodities.
- Address any deforestation and forest degradation by agricultural expansion - **not just illegal**.
- **Timber** is regarded as a key commodity for deforestation and forest degradation.
- It will require **mandatory due diligence** for all operators and all related products must be covered by a due diligence statement.
- The proposal includes an Open Public Consultation, Multi-Stakeholder Platform discussions, **European Parliament and Council Resolutions**, EUTR and FLEGT Regulation Fitness Check.
- Discussions and negotiations **are still ongoing**, including FLEGT licenses as proof of legality for timber products, and additional due diligence to prove no link to deforestation/degradation.

Lacey Act

Phase 6 Implementation



- **USDA-APHIS** (Animal and Plant Health Inspection Service) worked for the **implementation of Phase 6** of the Lacey Act enforcement schedule.
- APHIS **announced in July 2021** that the implementation of Phase 6 of the Lacey Act enforcement schedule would begin on **1 October 2021**.
- **Phase Six** will require a **plant import declaration** for additional products such as imported essential oils and wooden pallets.
- **Declaration** must contain plant scientific name, value of importation, quantity of the plant, and name of the country from which the plant was taken.

US Draft Legislation Introduced **FOREST Act**



- The **draft legislation** introduced in Senate in October 2021: Fostering Overseas Rule of Law and Environmentally Sound Trade (**FOREST**) Act.
- It addresses deforestation in global supply chains by prohibiting commodities imports from land that has undergone **illegal deforestation**.
- The **products initially listed** for inclusion are palm oil, soybeans, cocoa, cattle, rubber and wood pulp, with additional listings for derived products.
- A **form of due diligence** is incorporated into the legislation, with an import declaration required.
- Requires **additional action plans** and **additional due diligence** requirements for high-risk areas and products.
- Makes a **distinction between legal and illegal** deforestation and providing for procurement preferences for deforestation-free products.
- No minimum thresholds and applies to **all importers**.
- Currently undertaking a **wide-ranging consultation** on the proposed Forest Act covering all aspects to be included.



Australian Act

- **Australia Illegal Logging Prohibition Act 2012** came into force in 2013.
- **Australian Department of Agriculture, Water and the Environment** conducted in 2021 a Sunsetting Review of the Illegal Logging Prohibition Regulation 2012.
- Potential **reforms and changes** to strengthen both the Regulation and the overarching Act are being considered.
- **Reforms** aim to ensure effective protecting market from illegally logged timber, and efficient in minimizing business burdens.
- The **Department** updated **Country Specific Guideline (CSG)** including a new Thailand CSG in 2021. Some **State Specific Guidelines (SSGs)** and **Quick Reference Guide (QRG)** were updated domestically.

Japan Clean Wood Act



- **Japan Clean Wood Act (CWA)** came into force in May 2017, which is based on a **voluntary-third party** registering system.
- CWA promotes the use of legally-harvested wood products by creating provisions for entities may **apply to a registration body**.
- Registered operators are required to **report annually** on the implementation of measures to ensure legality.
- As of March 2022, **581 entities** has been registered.
- The scope of the CWA is expected to be **reviewed and revised**.

Korean Revised Sustainable Use of Timber Act



- The **Korean Revised Sustainable Use of Timber Act** entered into force in Sept 2017
- The **official implementation** of the revised Act started from 1 October 2019.
- Under the Act, importers are required to file an import **declaration** stating the products are legally sourced.
- The government developed around **50** Country Specific Guidelines (**CSGs**) providing information of exporting countries.

Chinese Forest Law Amendment



- China Congress adopted **3rd Amendment of Chinese Forest Law** on 28 December 2019.
- The amendment **came into force** on 1 July 2020.
- **Article 65** bans the buying, processing or transporting of illegally sourced timber.
- **NFGA** launched a revision of the "Regulations on the Implementation of the Forest Law", with a public consultations, which is now still in progress.

Vietnam VPA Agreement with EU



- The Vietnam-EU **VPA agreement** came into force on 1 June 2019. Implementation will take several years.
- Vietnam Due Diligence System (DDS) launched in July 2021.
- Discussions continued on full implementation of the Timber Legality Assurance System (**VNTLAS**), effective from Oct 2020.
- An **e-training** course launched in Sept 2021 with **GIZ** on DDS for timber imports into Vietnam and Vietnam-EU VPA as well.
- **Agreement** with US announced in October 2021, including commitments to improve its VNTLAS.

International Legal Instrument

CITES CoP18 Follow-ups



Convention on International Trade in Endangered Species of Wild Fauna and Flora

- The **73rd** meeting of the **CITES Standing Committee** was virtually held in May 2021.
- The **25th** meeting of the **CITES Plants Committee** was held virtually in June 2021.
- **Online workshop** on physical inspection of timber shipments in the Lower Mekong Region (**LMR**) was organized by CITES Secretariat, in partnership with the FAO.
- “**Thunder 2021**”, a worldwide enforcement operation against wildlife and timber crime coordinated by the WCO and INTERPOL conducted in Oct 2021 in 118 countries, targeted illegally traded CITES-listed specimens including timbers.
- **CITES CoP 19** announced to be held on 14 to 25 Nov 2022 in Panama, followed by the 75th and 76th meeting of the CITES Standing Committee.
- We will hear some stuff in Council agenda item about COP which will be right after this session.



Thank You!

