

# TAG Alerts

These Alerts are produced periodically, by members of ITTO Trade Advisory Group (TAG) for information sharing, with members of ITTO, on current issues in the tropical timber trade and industry. For more information, TAG can be contacted at: [ti@itto.int](mailto:ti@itto.int). These alerts highlight current issues of relevance to the TAG and do not reflect the views or opinions of ITTO or its member countries.

## (1) EU Deforestation Regulation

The European Timber Trade Federation (ETTF) has issued the following information on the EU Deforestation Regulation (EUDR) for suppliers exporting timber and timber products to the EU. This information serves as guidance only and exporters should refer to the full text of the EUDR.

The EU Deforestation Regulation (EUDR) entered into force on 29.06.2023. From 30.12.2024, the EUDR will replace the EU Timber Regulation (EUTR). It obliges all importers of timber or timber products in the EU to apply a due diligence system prior to importing.

The EUDR covers a wide range of timber products, including sawn timber, wood-based materials, paper and furniture. The full text of the regulation is available here (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R1115&qid=1687867231461>).

The scope of the EUDR, including all products covered, can be found in Annex I at the end of the Regulation. Products covered by CITES or FLEGT licenses are also affected by the EUDR. Exporters will need to provide EU importers with the following information and documentation to enable them to comply with the requirements of the EUDR:

### 1. Tree species

The scientific names of all tree species (possibly) contained in the product are required. The genus (e.g. Pinus spp. or Eucalyptus spp.) is not sufficient. Both genus and species must be indicated (e.g. Pinus radiata or Eucalyptus globulus).

### 2. Country of harvest

The name of the country or countries where the wood was harvested is required. If deforestation or legality risks vary within a country, the region must also be indicated.

### 3. Geo-coordinates of all plots of land where the timber was harvested.

Exact geo-coordinates of all plots of land where the wood contained in the product was (possibly) harvested are required. For plots of four hectares or less, one point is sufficient; for plots of more than four hectares, a sufficient number of points is required to describe the perimeter of the plot. Coordinates consist of a latitude and a longitude value, with a minimum of at least six decimal places.

### 4. Date or time range of harvest Information is required on the date or time range of harvest.

## 5. Evidence that the timber was legally harvested

The EUDR requires that the timber has been harvested in accordance with the relevant legislation of the country of production. The following legislation is mentioned in the EUDR: Land use rights; Environmental protection; Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting; Third parties' rights, Labour rights, Human rights protected under international law; The principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples; Tax, anti-corruption, trade and customs regulations.

## 6. Evidence that the timber is deforestation-free

Importers must demonstrate that their imported products have not contributed to deforestation or forest degradation. The importer can use e.g. satellite images for this purpose. If there is other evidence that the product is deforestation-free, this should also be provided to the importer.

**Meanwhile**, a coalition of 17 countries - led by Brazil and Indonesia - sent a joint letter (dated 7 September) to the Presidents of the European Commission, European Council, European Parliament and the Presidency of the Council of the EU.

The letter expressed deep concern regarding the EUDR disregard of local circumstances and capabilities, national legislations and certification mechanisms of developing producer countries, their efforts to fight deforestation, and multilateral commitments, including the principle of common but differentiated responsibilities. The letter also pointed out the EUDR will establish a unilateral benchmarking system that is inherently discriminatory and punitive, which is potentially inconsistent with WTO obligations. The letter also stated that smallholders are especially vulnerable to the EUDR and require special support.

The full text of the letter is available here: <https://files.enflow.nl/c88ab0bd-554b-4192-a54c-eacc6f5598d4/67812a2b-7ad6-4fb1-9d6d-2da2cb095b35/trade-policy/joint-letter-eudr-7-september-2023.pdf>

Note. The letter was signed by the Ambassadors of the following countries: Argentina, Brazil, Bolivia, Colombia, Dominican Republic, Ecuador, Guatemala, Indonesia, Malaysia, Mexico, Nigeria, Paraguay, Peru, Thailand, Ghana, Ivory Coast and Honduras.

## (2) Market Discussion 2023.

At each ITTC Session, the TAG organises a Market Discussion at which trade and industry speakers make presentations on selected topics. This year the Market Discussion will be held in Pattaya, Thailand on Tuesday 14 November 2023. The theme this year is --- *Tropical Timber Industry: Challenges and Opportunities from Changing Priorities.*

Presentations will be on the bio-economy/circular economy and its effects on the timber trade; mass timber in building industry; plantations in small and medium enterprises; and domestic markets for

timber in Africa. A highly anticipated presentation will be on the Thai timber industry after the logging ban in Thailand.