



Timber Legality Verification Schemes

A research programme of the Chinese Academy of Forestry in collaboration with ProForest

Update No. 2, January 2010

In this issue, we provide an update on:

Activity 1 Market requirements for legal timber and timber products, in particular the requirements of the EU Market

Output: *Report on analysis on market requirements for legal timber and timber products in English and Chinese*

Activity 2 Inventory of legality verification schemes

Output: *Report on comparative study on timber legality verification schemes in English and Chinese*

What has been done so far?

1. Official launch of the project in Beijing in December 2009. More than 30 participants from government departments, NGOs and trade association attended the kick-off meeting. Please also see enclosed news coverage from China Daily about the kick-off meeting
2. Developed a framework for activity 2 to review legality verification schemes
3. Produced first draft report on activity 1 market requirements for legal timber and timber products

What's next?

4. Finalise report on market requirements for legal timber and timber products. To be completed by early February 2010.
5. Translation of report to Chinese. To be completed by early February 2010
6. Carry out review on legality verification schemes (activity 2). To be completed by the end of February 2010.
7. Examine practical experiences from selected countries on implementation of legality verification schemes. To be completed by the end of February 2010



Background

The Research Institute of Forestry Policy and Information (RIFPI) of the Chinese Academy of Forestry (CAF) is leading on a 'Timber Legality Verification Schemes' project in collaboration with ProForest. The objective of this project is to provide detailed proposals to the Chinese Government on the establishment of a practical timber legality verification scheme which suits the forest products trade in China, and thereby promoting the utilisation of legally produced timber products in international trade. Financial support is being provided by the UK Departments for Environment, Food and Rural Affairs (Defra) and International Development (DFID) together with the State Forestry Administration of China. This project started in October 2009 and aims to finish by July 2011. During these two years, RIFPI and ProForest will carry out 6 activities including desk study and interviews on market requirements in the EU, an inventory of legality verification schemes, workshops, pilot testing and policy recommendations.

If you have any comments or questions please contact

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Extract from [China Daily](#), dated 10th December 2009

System to ensure sustainability, legality of logging

The pilot project is being tested with a group of companies and is working back through their supply chains to find out where the timber is harvested.

"China is determined to strengthen its domestic logging and to enhance the legality and sustainability of the wood trade," said Zhang Yanhong with the State Administration of Forestry.

Admitting that the process is very lengthy, Zhang said the new system, once established, will verify imports from China's major timber importing countries that include Russia, countries in Africa and Southeast Asia, as well as those in South America.

One-third of the timber is used to make furniture. Of all wood furniture exported in 2007, 47 percent headed to North America, 20 percent to Europe and 24 percent to other countries in Asia.

By summer 2011 when the project is complete, recommendations will be made to policy makers, said Hugh Speechly with the UK's Department for International Development (DFID).

"Though it is still too early to say when and in what way the system will be established, we have every expectation that the project will result in a good system," Speechly said.

The new legislation will require all businesses that sell any product in the European Union to minimize the risk that it has been produced from illegal logging, said Adrian Davis, head of DFID North East Asia.

"This will change the nature of European markets for timber products," Davis said. "Buyers will want evidence that the products they buy are legal," he said.

"Recent US legislation places similar demands on imported wood products."

"These changes will clearly create new challenges for China's timber trade," Davis said.

In China, the world's largest timber product exporter and manufacturer, it is hard to determine where more than half of the timber comes from, which makes any claim to its legality impossible, Davis said.

Zhu Guangqian, director of the China Timber and Timber Products Association, said it is very difficult to put a system into practice, given the complexity of China's role in the supply chain for timber, and that "one system for all countries is almost impossible".

He said it is a misunderstanding to blame the traders and manufacturers for the damage to forests since deforestation has been the main factor destroying the world's tropical forests.

"Restriction will only make developing countries poorer," he said.

"Industrial countries should work on solutions to help finance developing ones to eliminate deforestation."

