

Welcome to the 17th Edition of the TTAP Newsletter!

Whether you are a Timber Trade Federation member, TTAP partner or interested stakeholder, we hope TTAP News will be a useful resource for you. Please feel free to share this newsletter with your colleagues.

The TTAP Team

TTAP is an EC funded project, managed by The Forest Trust (TFT) and co-funded by European Timber Trade Federations and their members.

The project aims to assist wood suppliers in TTAP focus countries produce third party legally verified timber. We currently advise and provide technical support to timber companies based in Asia, Africa, and South America.

We are also engaged in FLEGT discussions in Europe and TTAP focus countries.

Partner TTFs

Consumers

- > [UK TFF](#)
- > [FBCIB](#)
- > [VVNH](#)
- > [LCB](#)
- > [AIMMP](#)
- > [ETTF](#)
- > [FEBO](#)

Producers

- > [MTC](#)
- > [IFIA](#)
- > [CNFA](#)
- > [CTWPA](#)

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International Timber Trade Federation Day, October 6-8

TFT welcomes all participants to the 3rd ITTFD in Geneva!

« Maintaining the Momentum – Marketing legal and sustainable timber »

Find out more about ITTFD here <http://www.tft-forests.org/ttap/page.asp?p=6232>

Summary Agenda

- Wednesday 6 October: Legislation updates (Ramada Park Hotel, Salon Zurich, from 13.30)
For producer country representatives only

- Update on the EU Due Diligence regulation
- Update on Lacey Act
- The UK public procurement policy and general trends in Europe

- Thursday 7 October: International TTF Day (Ramada Park Hotel, Salon International, from 09.00)

- Green Building Rating Systems: How does wood fit?
- The Greener Building Materials Initiative - Raising the bar for all materials used in green building
- Sustainable Timber and the role of Environmental Product Declarations in the German Sustainable Building Council rating system
- Hardwoods in green construction
- Choice editing versus consumer demand - navigating in the certification jungle
- Lessons from the Wood Window Alliance Campaign
- The Consumer Market for Sustainable Wood
- Raising awareness about forest certification among French architects
- Promoting FLEGT timber
- Tropical timber in Europe

- Friday 8 October: Discussions (Ramada Park Hotel, Salons Zurich and Londres, from 10.00)

- REDD
- EU Timber Regulation

TFT wins TTJ awards



The award for Achievement in Sustainability, sponsored by Ecobuild, went to The Forest Trust and Premier Forest Products for bringing the first Chinese plywood legally verified under Smartwood VLO to the UK.

<http://www.ttjonline.com/story.asp?storycode=64111>

At the annual Timber Trade Journal Award Ceremony in September, TTJ acknowledged the work of TFT and Premier Forest Product in assisting their supplier, Jiangsu Saincy Bancom, a Chinese plywood producer to achieve the first ever Verified Legal Origin (VLO) product from China. The award highlighted this landmark success in bringing together timber from multiple countries and forest sources into a single legally verified product, demonstrating that it is possible to ensure the legality of even composite wood products like plywood using a robust and transparent supply chain.

This accomplishment was made possible through a partnership between TFT and Pre-



Photo credit : TTJ

mier in the UK, in collaboration with Jiangsu Saincy Bancom a group of poplar farmers in China and Sabah Forest Industries (SFI) in Malaysia.

TFT, through the EU funded Timber Trade Action Plan (TTAP) provided technical assistance throughout the entire supply chain, helping to improve management, implement traceability and document systems in order to achieve the requirements of Rainforest Alliances' Smartwood Verified Legal Origin (VLO) standard.

Brazil News

Rondobel - first VLO supply chain out of Brazil



On the 20th September 2010, Rondobel assisted by TFT through the TTAP project became the first company to produce sawn timber whose origin has been independently verified legal under the Rainforest Alliance's VLO (Verification of Legal Origin) standard.

Rondobel's forest area of 16,000 hectares in the West of Para State and sawmill located in Santarem were assessed by Imaflora in March 2010 and the VLO statement were issued in September. Through this process Imaflora verified that the sawn timber Rondobel produces originates from a source that has a documented legal right to harvest and that Rondobel follows and maintains transparent chain-of-custody system throughout the extraction and production phases from the tree stump to sawmill.

A recent report by Imazon, a Brazilian research institute, estimated that 73%

of the timber harvested in Para between 2008 and 2009 came from illegal origins. Given this scenario, third-party legality verification, as Rondobel has now achieved, provides clients with the confidence that its products originate from a source compliant with Brazilian laws and local regulations and the company is committed to operating responsibly. This is now more important than ever for tropical producers to meet the USA's Lacey Act requirements and the EU's "Illegal Timber Regulation" that requires importers and traders to demonstrate due diligence throughout their supply chains.

As a next step, Rondobel is now committed to achieve FSC certification for its forestry operations, again with technical assistance provided by TFT.

Rio Grande do Sul, Brazil adopts state public procurement for legality

The state government of Rio Grande do Sul in Brazil has recently approved a bill to establish a public procurement procedure verifying the legality of timber and non-timber products from natural forests. The rules and procedures apply state-wide to public administration including public enterprises, joint stock companies and other companies or foundations under the state administration. The measure aims at improving control and monitoring of legal logging and trade in forest products.

The National Institute of Environment and Natural Resources (IBAMA), the State Secretariat of Environment and the General Attorney of the State (PGE) will be in charge of enforcing the law.

The law, named **Madeira Legal** (Legal Wood), involves procedures ranging from authorised timber transport to verification of the origin, as well as permits and approvals given by environmental agencies which are members of the National Environment System (Sisnama).

http://www.illegal-logging.info/item_single.php?it_id=4696&it=news

The implications for this development are that regardless of whether producers in Brazil orient their markets for export or the internal market, requirements for legality are now becoming a reality for all companies in the timber sector.

Achievements such as Rondobel's recently issued VLO statement will mean that companies that can demonstrate that they are operating within the law will be the preferred trading partners over those that cannot.



China News: Forests, Markets, Policy & Practice conference in China



Over 400 participants attended the event in Beijing on 7 and 8 September to explore the policies and practices helping to bring legal and certified forest products to market. It provides companies with examples of those companies doing so in light of changing policies and consumer trends that favour certified and/or legal forestry practices.

The conference attracted significant attention from the international forestry world, consisting of governmental de-

partments, NGOs as well as the private sector. By the end of the event, participants were made fully aware of the USA's and EU's policies on excluding illegal timber products and that, as the world's largest importer and processor of timber, China's businesses can and must play a strong role in fighting illegal trade to maintain trade with the USA and EU, two of China's high value markets.

Whilst a daunting introduction for many, examples were given of how companies such as IKEA and Kingfisher amongst others have been implementing internal policies to eradicate illegal timber from their supply chains often with help from NGO's. TFT presented their model of how to deliver Responsible Product to market, providing technical assistance throughout the supply chain. As an ex-

ample, TFT presented the partnership work with Sainty Bancom to achieve the first ever Verified Legal Origin (VLO) plywood from China.

More details please see:

<http://www.cfc.cn/cmc3.asp>



More photos from the event here:

<http://woodtoday-cn.woodlab.org/thread.cfm?Category=981&Thread=15692&InFrame=0#ThreadTop>

and here <http://www.caf.ac.cn/news/xwzx/201009/2010-09-08-15-27.html>

Photo credits: IWCS' International Wood Culture Society

New legality standard by verification company SCS

As demand for third party-verified wood increases with the EU ban on illegal timber sales and expansion of US Lacey Act, **SCS New LegalHarvest™ Verification Standard** identifies legal production and transport methods for the 90% of the world's forests not already certified by another responsible forest management programme.

The SCS LegalHarvest Verification (LHV) provides independent, third-party assessments of forests and forest product supply chains that reduce your risk of obtaining illegally harvested wood. The verification process confirms the veracity of licenses, permits and tracking documents from the forest of origin through the supply chain.

For more information on the standard, visit SCS website:

<http://www.scscertified.com/nrc/legalharvest.php>

Find the press release from Scientific Certification Systems (SCS) on their website: <http://www.scscertified.com/>

China News: Special Committee to assist timber importers to China



The China Timber and Wood Products Distribution Association (CTWPDA) recently applied to establish a Special Committee for Timber Imports. The initiative came from China's timber and wood product importing companies which have been facing challenges since becoming the world's leading timber importer and processor.

The four main challenges that CTWPDA's initiative aims to address are:

1. Coping with new environmental protection requirements for combating illegal timber logging and trade in illegal timber to meet international requirements.
2. Lack of adequate statistics or a system for stock evaluation at the national level that would help prevent over or under stocking in the country.

3. Corruption in the timber importing trade.

4. Setting up a responsible procurement system for timber imports.

In addition to addressing these four challenges, CTWPDA also aims at promoting and developing the Chinese timber importing and trade requirements to meet international standards. One initiative is to develop a black-list of unreliable timber exporters trading with Chinese importers worldwide as well as supporting importers in sourcing legal timber as demand for legality increases.

While the establishment of the new Committee still needs to be approved by the Ministry of Civil Affairs of the People's Republic of China, CTWPDA is looking to collaborate with TFT to assist members source legal timber.

With time and with a changing context,

TFT, CTWPDA and the China National Furniture Association (CNFA), with whom TFT also holds an MOU, are looking to conduct practical pilot projects together to encourage members from all parties to comply with legal, responsible and sustainable requirements.



http://www.illegal-logging.info/item_single.php?it_id=4744&it=news

http://news.mongabay.com/2010/0902-china_timber_importers.html

Vietnam to start VPA negotiations



The European Union and Vietnam have agreed to start formal negotiations for a bilateral FLEGT Voluntary Partnership Agreement (VPA) following a meeting between H.E. Vice-Minister Hua Duc Nhi of the Ministry of Agriculture and Rural Development (MARD) and H.E. Timo Makela, Director, International Affairs and Environmental Finance, the Directorate General for the Environment, and the European Commission (EC) on 7 May 2010 in Hanoi.

The agreement aims to create conditions for Vietnam's timber producers to improve their position on the EU market and increase their ability to adapt to EU market requirements with respect to legality of timber.

At the first VPA Preparatory Meeting on 16 August 2010, both sides agreed to hold a first round of talks at the end of November 2010 in Hanoi, with the hope of concluding the negotiations with a signed Voluntary Partnership Agreement by the end of 2012.

As part of the preparatory work, the EU and Vietnam also discussed some accompanying and capacity building initiatives to provide technical support to Vietnam. The initiatives include a conference on VPAs among concerned parties on 20-21 November in Jakarta, Indonesia and the ASEAN Timber Legality Assurance System (TLAS) seminar on 19-21 October, 2010 in Hanoi.

Presently, Vietnam is a major supplier of wood furniture worldwide and the EU is the second largest market for Vietnamese timber products.

From http://www.delvnm.ec.europa.eu/news/vn_news/vn_news109.html

Indonesia bans exports of illegally harvested timber



Stepping up its fight against illegal logging, the Indonesian government began the implementation of

a ban on exports of illegally harvested wood and wood products.

The government has now made it mandatory for forestry companies to obtain official certificates to show that timber has been legally sourced without damaging forests.

The policy has been deemed necessary since according to official statistics illegal logging activities have been destroying more than 1 million hectares of forests annually.

"If a source of timber is untraceable, it will be categorized as illegal and by-products will not be eligible for export to markets in the EU," said Hadi Daryanto, the director general of forest product development at the Forestry Ministry.

The Timber Legality Verification System (SVLK) would be applied for industrial forest concessions (HTI), production forest concessions (HPH) and community plantation forests (HTR).

The new requirement was issued after the European Parliament voted in favour of a ban on the sale of illegally harvested timber and timber products on the European market.

The EU regulation on importation of illegal timber is expected to be fully in place by 2013. This is a significant move by Indonesia to comply with this regulation as Indonesia, home to 120 million hectares of forests, exports about 33% of its timber products to the EU market each year.

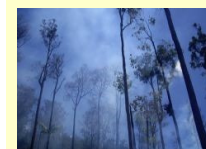
However, this does not account for exports to Malaysia and China that are processed and exported to the EU.

Activists maintain that much of Indonesia's illegal timber is being shipped to other countries before being exported as

sawn timber and finished wood products to international markets in Europe and the United States.

Source www.thejakartapost.com
http://www.illegal-logging.info/item_single.php?it_id=4764&it=news

Chatham House report



The most thorough assessment to date of the global fight against illegal logging finds that a decade of international effort to

tackle the problem is having a dramatic and beneficial effect both on forest dependent communities and on the global climate.

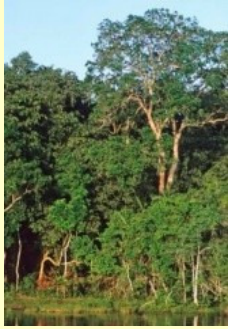
<http://www.tft-forests.org/news/item.asp?n=10204>
<http://www.chathamhouse.org.uk/publications/papers/view/-/id/911/>

Congo Basin Updates

TFT is pleased to follow the progress being made since the signing of the Voluntary Partnership Agreements (VPA) between the EU and the Republic of the Congo and between the EU and Cameroon.

These agreements are promoting legality in the timber sector across the region.

Republic of Congo VPA



The VPA between the Republic of the Congo and the European Union promotes the responsible management of Congolese forests.

The negotiations for the VPA agreement were initiated in June 2008 and concluded on 9 May 2009 in Brazzaville. It was sealed with the official signature on 17 May 2010, in Brussels. Henri Djombo, the Congolese Minister of Sustainable Development, Forest Economy and the Environment, indicated that the VPA was a legal document validating the determination of the Republic of Congo to manage its forest resources sustainably and contributing

as a result to the realisation of development objectives.

The Republic of Congo is the first central African country to sign a VPA with the EU, Ghana being the first African country.

The implementation of the measures in this agreement still need to be ratified by the Congolese and European parliaments.

The delivery of the FLEGT authorisation (Forest Law Enforcement, Governance and Trade) for the first timber export is currently expected for July 2011. With political backing now in place, technical challenges remain to comply with the timeframe stipulated by the agreement and to prepare procedures ensuring its effective execution.

The Republic of Congo will be the first country in the Congo Basin to authorize exports under the FLEGT process. The outcome of the Congolese process will help shape VPAs currently in negotiations throughout the region.



More details about the VPA between Cameroon and the EU

On 6 May 2010, His Excellency, Raul Mateus Paula, the Ambassador representing the European Union in Cameroon and His Excellency Elvis Ngolle Ngolle Minister for Forests and Wildlife representing Cameroon concluded negotiations of the FLEGT VPA on forest products to the EU.

The two parties have agreed on the key elements of a FLEGT licensing scheme.

These include

- (a) a clear description of legal requirements
- (b) systematic verification of legal compliance
- (c) timber tracking through the supply chain
- (d) licensing procedures and
- (e) independent auditing.

With all the steps accomplished so far, the government of the Republic of Cameroon hopes to issue its first FLEGT licensed timber by January 2012.

Australian government gets tough on illegal timber imports



The Australian government has promised to crack down on companies bringing illegally logged timber into the country by creating criminal offences to punish importers caught in the act. The illegal logging policy has been a long-standing promise from the Labor party,

which went to the 2007 election saying it would "seek to ban" illegal timber imports.

It is estimated about 10% of Australia's wood product imports come from illegal logging. During the campaign before their re-election in September this year, the Labor government said it would create criminal and civil offences for illegal timber imports that could carry fines and jail terms.

It would also require suppliers of timber to complete a "trade description" identifying key elements of the wood product being imported. The promise also in-

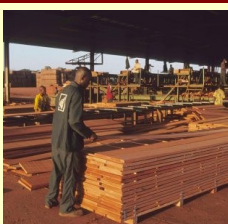
cludes implementing a code of conduct for suppliers, requiring them to carry out proper tests to ensure their imports are from legal sources. The code would apply only to the suppliers who first place timber on the Australian market.

The laws would cover sawn timber, wood panels, furniture, and pulp and paper. It follows timber's inclusion in the US's Lacey Act and the upcoming European Timber Regulation.

The commitment has been welcomed by Greenpeace.

<http://www.ttjonline.com/story.asp?sectioncode=17&storycode=63663&c=2>

New TTAP website !



The TTAP website is now hosted within TFT's website.

Visit at www.tft-forests.org/ttap/

Events

UNECE Timber Committee Market Discussions and Policy Forum

11-15 October, Geneva, Switzerland
<http://timber.unece.org/index.php?id=302>

MTC Global WoodMart

19-20 October 2010, Kuala Lumpur, Malaysia
<http://www.globalwoodmart.my/index.html>

Forum ATIBT

8-9 November 2010, Bologna, Italy
http://www.atibt.com/index.php?option=com_content&task=view&id=49&Itemid=28&lang=en

For more events: see <http://www.illegal-logging.info/>



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