



Importing wood products to the EU?

Gap Analysis helps you prepare for the new timber market

If you are importing products containing timber, paper or wood fibres into the EU, you need to be aware of the new EU Timber Regulation.

Similar to initiatives in the US and Australia, the EU is now applying legal instruments to curb illegal logging which is a key contributor to climate change and can also severely impact local communities.

In effect as of March 2013, the regulation requires businesses to have a system in place that effectively prevents illegal timber products from entering into the EU.

What is required?

The details of the EU Timber Regulation are yet to be defined. However, some key requirements are clear. Your business needs to:

- ✓ Have a 'due diligence' system in place to assess and minimise risk of illegal wood entering your supply chain
- ✓ Have access to adequate information about your suppliers and products
- ✓ Carry out risk assessments to determine the risk of illegal timber entering at any point in your supply chain
- ✓ Take appropriate measures to mitigate identified risk

Why you should act now

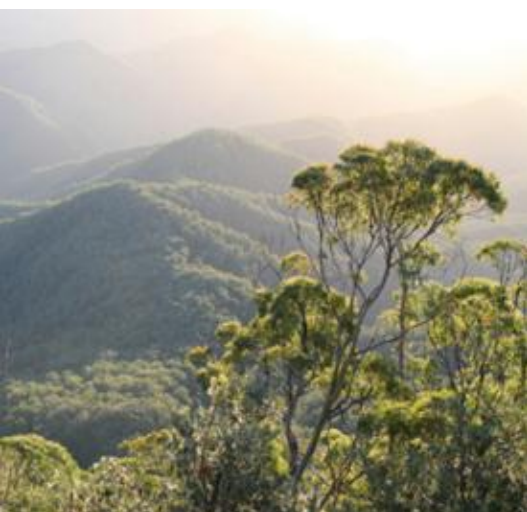
Mapping and addressing risk in your supply chain can be time-consuming, and you may need to work with your suppliers to ensure that they can deliver appropriate documentation by 2013.

In order to stay competitive, you should start your adaptation process as soon as possible. "First movers" will have an advantage on the EU market and also in the global marketplace, which is responding to legislative changes and increased demands for legality assurance by major buyers.

Products covered by the EU Timber Regulation

- Sawn wood
- Wood chips
- Plywood
- Fibreboard and particleboard
- Manufactured wood products
- Packaging
- Carton and paper

This list is not exhaustive. A few product groups are exempted e.g. printed matter and bamboo products.





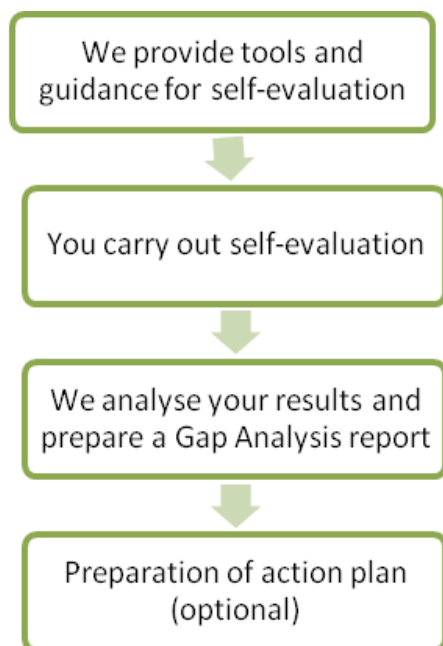
Identify your main gaps

Together with the Rainforest Alliance, we have developed a tool to identify gaps efficiently. Our LegalSource Gap Analysis tool guides you through the key steps, such as supplier mapping and risk assessment, determining the origin of your products and providing an overview of available documentation that can mitigate identified risk.

The gap analysis is an important step to secure a good position on the new timber market while reducing your risk of being in infringement once the EU timber regulation comes into force.

How LegalSource Gap Analysis works

Our EU Timber Regulation Gap Analysis includes an evaluation of your systems and procedures. It consists of a self-evaluation tool that will be appraised by our auditors, resulting in a Gap Analysis Report.



The Gap Analysis tool is built to facilitate a fast and intuitive assessment process where you fill in data yourself. We will subsequently review and verify your supply chain mapping, risk assessment, and suggested risk mitigation measures. We also offer tailored assistance to risk evaluation of your supply chain.

Closing the gaps

Based on the Gap Analysis, you can prioritise your efforts and make sure you address important issues in your supply chain well ahead of the EU Timber Regulation's enforcement date.

We can help you with the next steps through a string of other services tailored to your needs, including:

- ✓ Supplier communication tools
- ✓ Responsible timber product sourcing verification
- ✓ Verification of timber product legality

Timber legality verification

In collaboration with the Rainforest Alliance, we also provide timber legality verification. The Rainforest Alliance's Verification of Legal Compliance (VLC) program offers robust assurance for the verified timber products, on par with the EU requirements. This program is widely recognised* and participants have the option of using the Rainforest Alliance Verified™ mark in product promotion.



Contact

Christian Sloth, Verification Services Manager: email cs@nepcon.net; mobile +45 3158 7981

* The VLC program is formally recognised by the Danish and UK governments and the Dutch Keurhout-legal program.