

ANNEX to the Joint Statement of the Forest-based Industries

Proposals for amendments to the Commission Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010

1) Amendments on Art. 2 - Definitions

Commission proposal	Proposal for an amendment
<i>Article 2 paragraph (6)</i>	<i>Article 2 paragraph (6)</i>
(6) 'forest degradation' means harvesting operations that are not sustainable and cause a reduction or loss of the biological or economic productivity and complexity of forest ecosystems, resulting in the long-term reduction of the overall supply of benefits from forest, which includes wood, biodiversity and other products or services;	Delete
Commission proposal	Proposal for an amendment
<i>Article 2 paragraph (7)</i>	<i>Article 2 paragraph (7)</i>
(7) 'sustainable harvesting operations' means harvesting that is carried out considering maintenance of soil quality and biodiversity with the aim of minimising negative impacts, in a way that avoids harvesting of stumps and roots, degradation of primary forests or their conversion into plantation forests, and harvesting on vulnerable soils; minimises large clear-cuts and ensures locally appropriate thresholds for deadwood extraction and requirements to use logging systems that minimise impacts on soil quality, including soil compaction, and on biodiversity features and habitats;	Delete
Commission proposal	Proposal for an amendment
<i>Article 2 paragraph (8)</i>	<i>Article 2 paragraph (8)</i>
'deforestation-free' means (a) that the relevant commodities and products, including those used for or contained in relevant products, were produced on land that has not been subject to deforestation after December 31, 2020, and (b) that the wood has been harvested from the forest without inducing forest degradation after December 31, 2020;	'deforestation-free' means (a) that the relevant commodities and products, including those used for or contained in relevant products, have neither caused nor contributed towards deforestation after the date of entry into force of this Regulation;

Justification

The Regulation should focus all the efforts on halting deforestation and not divert away from this problem and its root causes, namely agricultural expansion on former forest land. The proposed Regulation is not the right tool to introduce criteria for sustainable forest management at a global level, and forest degradation should not be included in the definition of “deforestation-free” commodities and products. The issue should be rather tackled at pan-European and international level.

The proposed definition of “sustainable harvesting operations” unduly overstep the competence of Member States on forest management and ignores the need for silvicultural practices adapted to different local conditions, forest types, structures and habitats.

At the same time the definition is very much open to interpretation and would place a disproportionate burden on the EU forest sector and place EU operators, who already abide by national legislation on Sustainable Forest Management, under great uncertainty.

Finally, the definition of “deforestation-free” should make clear that the production of relevant commodities is not causing nor contributing to deforestation. For example, if forest clearing is triggered by agricultural expansion, logging of wood may occur but would not be the cause itself of deforestation. Retroactive legislation should also be avoided.

2) Amendments on Art. 9 – Information requirements

Commission proposal	Proposal for an amendment
<i>Article 9 paragraph (1) point a</i>	<i>Article 9 paragraph (1) point a</i>
(a) description, including the trade name and type of relevant commodities and products as well as, where applicable, the common name of the species and its full scientific name;	(a) description, including the trade name and type of relevant commodities and products as well as, where applicable, the common name of the species and its full scientific name except for composite and recycled, reused and/or reclaimed materials;

Justification

Recycled materials are derived from highly processed waste material. Composite materials made of small fibers of more than one kind of plant that are bonded together chemically and include: Medium Density Fiberboard (MDF), High Density Fiberboard (HDF), Oriented Strand Board (OSB), Particle Board, Paper, Paperboard, and Cardboard. It is almost impossible to provide information on the whole range of potential tree species in such complex materials.

Plot-of land traceability: Option A (preferred)

Commission proposal	Proposal for an amendment
<i>Article 9 paragraph (1) point c and d</i>	<i>Article 9 paragraph (1) point c and d</i>

(c) identification of the country of production;	(c) identification of the country of production, <i>and, where applicable :</i> <i>(i) Sub-national region where the timber was harvested</i> <i>(ii) Concession of harvest</i>
(d) geo-localisation coordinates, latitude and longitude of all plots of land where the relevant commodities and products were produced, as well as date or time range of production;	<i>delete</i>

Justification

The identification of "geo-location coordinates" of plot of harvest is not feasible for finished wood-based products. It is possible to follow the raw material from the felling site to industry, but after that the parts of the decomposed log can no longer be connected to a specific felling area. Legislation must therefore focus on a scale other than "plots of land". It is suggested to align the requirement with the EU Timber Regulation, which prescribes to gather information to the sub-national region and concession of harvest when applicable. This is feasible for the industry and would reduce the additional administrative burden.

Plot of land traceability: Option B

Commission proposal	Proposal for an amendment
<i>Article 12, paragraph (1)</i>	<i>Article 12 paragraph (1)</i>
When placing relevant commodities or products on the Union market or exporting them from it, operators are not required to fulfil the obligations under Article 10 where they can ascertain that all relevant commodities and products have been produced in countries or parts thereof that were identified as low risk in accordance with Article 27.	When placing relevant commodities or products on the Union market or exporting them from it, operators are not required to fulfil the obligations under Article 9, paragraph 1, point d, and Article 10 where they can ascertain that all relevant commodities and products have been produced in countries or parts thereof that were identified as low risk in accordance with Article 27.

Justification

The identification of "geo-location coordinates" of plot of harvest is not feasible for finished wood-based products. It is possible to follow the raw material from the felling site to industry, but after that the parts of the decomposed log can no longer be connected to a specific felling area, but rather to a very large number of harvesting plots. It is disproportionate to impose such obligation to operators who source the raw material in countries that are already classified of low-risk.

3) Amendments on Art 10 – Risk assessment and risk mitigation procedures

Commission proposal	Proposal for an amendment
Article 10 paragraph (2), point i and j	Article 10 paragraph (2), point i and j
i) substantiated concerns submitted under Article 29.4	Delete
j) complementary information on compliance with this Regulation, which may include information supplied by certification or other third-party-verified schemes , including voluntary schemes recognised by the Commission under Article 30(5) of Directive (EU) 2018/2001, provided that the information meets the requirements set out in Article 9;	j) assurance of compliance with this Regulation, which may include certification or other third-party verified schemes , including voluntary schemes recognised by the Commission under Article 30(5) of Directive (EU) 2018/2001

Justification

Alignment with EU Timber Regulation (Reg.(EU)995/2010) on the role of certification for the purpose of risk assessment and mitigation.

4) Amendment on Art. 13 – Competent authority

Commission proposal	Proposal for an amendment
Article 13 paragraph (5) and (6)	Article 13 paragraph (5) and (6)
5. Without prejudice to the operators' obligation to exercise due diligence as set out in Article 8, Member States may provide technical and other assistance and guidance to operators, taking into account the situation of SMEs, in order to facilitate compliance with the requirements of this Regulation.	5. Without prejudice to the operators' obligation to exercise due diligence as set out in Article 8, Member States should provide technical and other assistance and guidance to operators, taking into account the situation of SMEs, in order to facilitate compliance with the requirements of this Regulation.
6. Member States, may facilitate the exchange and dissemination of relevant information, in particular with a view to assisting operators in assessing risk as set out in Article 9, and on best practices regarding the implementation of this Regulation.	6. Member States, should facilitate the exchange and dissemination of relevant information, in particular with a view to assisting operators in assessing risk as set out in Article 9, especially regarding all legally required documents for each country of harvest so that materials can be operated without certification and on best practices regarding the implementation of this Regulation.

Justification

There is a need for harmonised guidance and clear instruction for operators to implement the new regulation requirements.

5) Product scope

Commission proposal	Proposal for an amendment
<i>ANNEX I</i>	<i>ANNEX I</i>
Pulp and paper of Chapters 47 and 48 of the Combined Nomenclature, with the exception of bamboo-based and recovered (waste and scrap) products	Pulp and paper of Chapters 47 and 48 of the Combined Nomenclature, with the exception of bamboo-based and recovered (waste and scrap) products <i>New: Chapter 49 of the Combined Nomenclature: Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans</i>

Justification

The non-inclusion of printed products can lead to circumvention and uneven level playing field. There is a risk that finished products based on wood that is not deforestation-free, instead of being traded to the EU in the form of wood, pulp or paper, are traded to countries with less stringent rules on deforestation before being imported in the EU in the form of printed products. Due to this risk of circumvention, the problem the regulation is trying to address may remain in the countries of origin, while manufacturing jobs are delocalised from the EU to countries with less stringent rules on deforestation.