

Are you ready for the new EU regulation on illegal timber?

13 October 2010

Within the past year, almost 30 companies located in 10 countries have teamed up with the Rainforest Alliance to achieve timber legality verification.



“Legality is becoming a new basic quality factor for timber products on the world’s strongest consumer markets for wood products. The EU has decided to ban illegal timber trade, following the example set by the US Lacey Act”, says Program Manager Christian Sloth. “Companies are now beginning to learn how to play by the new rules in order to stay on the market and avoid severe penalties in future”.

Proactive companies expect market benefits

The Malaysian Yayasan Sabah Group recently upgraded its existing Rainforest Alliance legality verification to the gold standard, Verification of Legal Compliance (VLC). The move was prompted by demands from one of the world’s largest tropical timber traders, DLH. “There is clearly a market for verified legal timber in Europe”, says Peter K. Kristensen, Vice President of CSR and Environment at DLH.



He is especially delighted with the new verification mark recently launched by the Rainforest Alliance: “This visually appealing mark provides clear added value on the marketplace based on the visibility and recognition already built around the Rainforest Alliance frog”.

The Indonesian branch of Scancom - a world leader in outdoor furniture - recently went through Rainforest Alliance legality verification and may now offer garden furniture with assurance for its legal origin. “The demand for legal and sustainably verified products is increasing rapidly. If we are not proactive in responding to these types of changes, we will lose our competitiveness,” said Charlotte Korn, PT ScanCom Indonesia’s managing director.

In China and Brazil, businesses are also starting to adapt to the new market conditions. In June this year, the first shipment of legally verified plywood from China to the UK took place, supplied by the company Sainty Bancom. And in September, the company Rondobel achieved the first Rainforest Alliance legality verification for sawn timber from Brazil. Both projects were supported by The Forest Trust (TFT).

Prepare now for the new market demands

“The Rainforest Alliance VLC program helps companies to meet the EU Due Diligence and the US Lacey Act requirements. This is the key reason why we see these growing demands”, says Christian Sloth.

The Rainforest Alliance VLC program enjoys widespread recognition, e.g. by the UK Central Point of Expertise for Timber procurement (CPET), the Dutch Keurhout-Legal program, the Danish Forest and Nature Agency, and Greenpeace.



“But traders on the EU and US markets need to take several actions to show due care. Many operators will need to focus much more on supply chain risk assessment and management”, Christian Sloth continues. "We provide customized services to organizations that want to improve their forest-product purchasing practices and establish a legal, traceable and sustainable supply chain. Our service range will enable us to assist companies to prepare for the full spectrum of due diligence requirements pertaining to forest products ”.

[Prepare for EU Due Diligence demands](#)

To learn more about Rainforest Alliance Legality Verification and other due diligence services, please contact manager of the Rainforest Alliance Legality Verification Program Christian Sloth at csloth@ra.org or NEPCon's Due Diligence service manager Michael K. Jakobsen at mkj@nepcon.net.

Related stories

[Verified legal teak furniture from Indonesia hits the market](#) (8/9 2010)

Brazil

[New Rainforest Alliance mark for verified companies](#) (20/8 2010)

[EU to crack down on illegal timber trade by 2012](#) (5/8 2010)

[EU about to ban illegal timber trade](#) (17/6 2010)

[Borneo company takes legality verification one step further](#) (10/6 2010)