Timber Regulation Enforcement Exchange

Presentation from the Spanish Timber Trade Federation

Alberto Romero
AEIM. General Secretary.

Main points of the presentation

1º) Aein. Brief presentation.

2º) EUTR figures in Spain. 2016.

3º) Brief overview of AEIM work in developing standards/tools for EUTR compliance.

4º) Collaboration with other Federations across the EU to support consistency.

5º) AEIM. Due Diligence System update.

1º) Aeim. Brief presentation.

AEIM:
112 Member companies. In all regions of Spain.
With the objective of long-term continuity and environmental commitment.

- 96
  - Distributors.
  - Manufacturers.

- 16
  - Agents
  - Sales Offices

Since 1957
Promoting timber, (from legal and sustainable sources), for a more sustainable and healthier world.
Spain imported products under EUTR in 2016 to an amount of more than 5.800 Mill. €

<table>
<thead>
<tr>
<th>Product</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sawn Timber</td>
<td>271.790</td>
</tr>
<tr>
<td>Panels</td>
<td>316.408</td>
</tr>
<tr>
<td>Veneers</td>
<td>119.315</td>
</tr>
<tr>
<td>Joinery products</td>
<td>104.968</td>
</tr>
<tr>
<td>Wooden furniture &amp; parts</td>
<td>574.970</td>
</tr>
<tr>
<td>Wood pulp</td>
<td>829.361</td>
</tr>
<tr>
<td>Paper &amp; paperboard</td>
<td>3.338.835</td>
</tr>
<tr>
<td>Other products</td>
<td>252.112</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,807,761</strong></td>
</tr>
</tbody>
</table>

EUTR 2016 (IN VALUE)

- Paper & paperboard: 58%
- Wood pulp: 14%
- Panels (Fireboard, Particle board, Plywood): 5%
- Other products: 4%
- Sawn Timber: 5%
- Veneers: 2%
- Joinery products: 2%
- Wooden furniture & parts: 10%

(Source: Spanish Customs)
EUTR figures in Spain. 2016. In value. 1.000 €/CIF.
Timber products only.  (Source: Spanish Customs)

<table>
<thead>
<tr>
<th>Product</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sawn timber</td>
<td>271,790</td>
</tr>
<tr>
<td>Particle&amp;OSB boards</td>
<td>112,219</td>
</tr>
<tr>
<td>Fiber boards</td>
<td>138,238</td>
</tr>
<tr>
<td>Plywood</td>
<td>65,950</td>
</tr>
<tr>
<td>Veneers</td>
<td>119,315</td>
</tr>
<tr>
<td>Joinery products</td>
<td>104,968</td>
</tr>
<tr>
<td>Wooden furniture&amp;parts</td>
<td>574,970</td>
</tr>
<tr>
<td>Other products</td>
<td>252,112</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,639,564</strong></td>
</tr>
</tbody>
</table>

EUTR 2016 (only timber products)

- Sawn timber 17%
- Particle & OSB boards 7%
- Fiber boards 9%
- Plywood 4%
- Veneers 7%
- Joinery products 6%
- Wooden furniture & parts 35%
- Other products 15%

EUTR products. 2016.
Only timber products.

Not including paper&paperboard.
3º) Brief overview of AEIM work in developing standards/tools for EUTR compliance

- FLEGT

- Previous customs control. (Like CITES)

- EUTR

- SELF REGULATION

- DUE DILIGENCE SYSTEM (DDS)

- LEGALITY COMPLIANCE
AEIM. Some milestones towards timber legality and sustainability. Progress.


2010: Responsible purchasing policy.

2012: Due Diligence System (Legality)

4º) Collaboration with other federations across the EU to support consistency.

Since 2005. Working on harmonization of DDS Systems among organisations, members of the European Timber Trade Federation (ETTF)

* Also managing Monitoring Organisations (EUTR)
Central information point, where you can find country profiles on both timber industry and legislation of producer countries.

**ETTF members collaboration. Some specific projects.**

**Report guides Brazilian due diligence**

Spanish Timber Trade Association AEIM's EUTR has produced a preliminary risk assessment report on sourcing from Brazil.

The document, which was presented to the association's board of directors during its last meeting, was commissioned by a committee of experts.

It lists and analyses official documentation that must accompany Brazilian sawn timber products to satisfy AEIM's compulsory EUTR-aligned due diligence system.

The report breaks Brazil into three areas: Para, Mato Grosso and other states. Legality risk assessment documentation is covered along the supply chain, from forest to export.

On AEIM's legality risk assessment website (www.maderalegal.info), Brazil is rated very high, so the report is seen as a key trading tool.

Brazil is Spain's second biggest tropical timber supplier after Cameroon, on which AEIM commissioned a similar risk assessment and due diligence report last year. In 2016 it imported 10,312m³ of Brazilian sawn lumber, worth €6.1m.

While addressing legality risk, the AEIM report also highlights efforts being made by the Brazilian Environment Institute (IBAMA) to tackle illegal trade, and the development of Brazil's National Control System for Forest Products Origin (ICMBIO) as a timber supply chain tracking database.

The final AEIM report will be available soon.
Other relevant collaborations in the EU and worldwide.


EUTR Due Diligence Workshops:
Amsterdam (April, 2017)
Prague (November, 2017)

AEIM joined FLI in 2015

LATIN AMERICA SUMMIT
November, 2017
5º) AEIM Due Diligence System update.

Access to information. Reports from independent international organizations to tackle illegal logging

Exchange of information among ETTF members

Close collaboration among Timber Trade Federations, Monitoring Organizations and Competent Authorities (EUTR)

On EUTR enforcement in EU:
* Inspections.
* Infringement procedures.
* Sanctions

First Stage. Country/risk

Risk assessment of 110 countries: According to the origin (forest) of the timber products.

Second Stage. Product/risk

Depending on the complexity of the supply chain

“Simple products” (one component)
Less risk.

Sawn timber
Veneers

“Complex products”. (Various components / Difficulty in traceability) Higher risk.

Wooden furniture
Plywood
Multilayer parquet

The website for EUTR compliance

www.maderalegal.info

The website for EUTR compliance

Barcelona.
4 de maig de 2017


Carles Alberch. President.  Associació Espanyola de Comerç i Industria de la Fusta (AEIM)
Spain. Main products under EUTR from risk areas. According to AEIM DDS. 2.016. In value. 1.000 Euros/CIF. (Source: Customs)

<table>
<thead>
<tr>
<th>Risk Countries (Value 1000€)</th>
<th>Total (Import Value 1000€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paper &amp; Paperboard</td>
<td>157,297,53</td>
</tr>
<tr>
<td>Wood pulp</td>
<td>111,493,41</td>
</tr>
<tr>
<td>Wooden furniture</td>
<td>96,259,15</td>
</tr>
<tr>
<td>Sawn timber</td>
<td>55,814,26</td>
</tr>
<tr>
<td>Veneers</td>
<td>50,290,08</td>
</tr>
<tr>
<td>Plywood</td>
<td>10,958,78</td>
</tr>
<tr>
<td>Panels (Fireboard, Particle board)</td>
<td>5,000,45</td>
</tr>
<tr>
<td>Others</td>
<td>32,533,93</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>519,647,59</strong></td>
</tr>
</tbody>
</table>

Negligible risk 92%

Non negligible risk 8%

- Paper & Paperboard 31%
- Wooden furniture 20%
- Wood pulp 20%
- Sawn timber 10%
- Veneers 9%
- plywood (Fireboard, Particle board) 1%
- Others 9%
Spain. Imports of timber products under EUTR from risk areas. According to AEIM DDS . 2.016. In value. 1.000 Euros/CIF. (Source: Spanish Customs)

<table>
<thead>
<tr>
<th>Risk Countries (Value 1000€)</th>
<th>Total (Import Value 1000€)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wooden furniture</td>
<td>96.259,15</td>
<td>562.721,24</td>
</tr>
<tr>
<td>Sawn timber</td>
<td>55.814,26</td>
<td>271.739,52</td>
</tr>
<tr>
<td>Veneers</td>
<td>50.290,08</td>
<td>119.076,18</td>
</tr>
<tr>
<td>Plywood</td>
<td>10.958,78</td>
<td>65.732,37</td>
</tr>
<tr>
<td>Panels (Fireboard, Particle board)</td>
<td>5.000,45</td>
<td>250.457,77</td>
</tr>
<tr>
<td>Others</td>
<td>32.533,93</td>
<td>353.864,41</td>
</tr>
<tr>
<td></td>
<td><strong>250.856,65</strong></td>
<td><strong>1.623.591,49</strong></td>
</tr>
</tbody>
</table>

Timber products only. Excluding paper & paperboard.
Main exporting countries to Spain. Timber products (excluding paper & paperboard) from risk areas. AEIM DDS. 2016. 1.000 Euros/CIF.

<table>
<thead>
<tr>
<th>Country</th>
<th>Export Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>83,990</td>
</tr>
<tr>
<td>Cameroon</td>
<td>29,152</td>
</tr>
<tr>
<td>Brazil</td>
<td>25,143</td>
</tr>
<tr>
<td>Vietnam</td>
<td>11,796</td>
</tr>
<tr>
<td>Romania</td>
<td>17,771</td>
</tr>
<tr>
<td>Ukraine</td>
<td>17,286</td>
</tr>
<tr>
<td>Russia</td>
<td>4,950</td>
</tr>
<tr>
<td>Others</td>
<td>60,769</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>250,857</strong></td>
</tr>
</tbody>
</table>

**Pie Chart:**
- **China:** 33%
- **Cameroon:** 12%
- **Brazil:** 10%
- **Vietnam:** 5%
- **Romania:** 7%
- **Ukraine:** 7%
- **Russia:** 2%
- **Others:** 24%
AEIM. EUTR. SDD. CAMERÚN.

Informe elaborado por el “Comité de expertos”, designado por la Asamblea General de AEIM celebrada el 11 de Marzo, 2016.

A) Propósito del informe. Breve explicación.

El propósito de este informe es facilitar una información básica sobre la documentación oficial que posibilita acreditar el origen legal de la madera y productos derivados que se importen desde Camerún, según las exigencias del Reglamento EUTR y el Sistema de Diligencia Debida desarrollado por Aeim.

Camerún y la Unión Europea ratificaron el 1 de diciembre de 2011 un acuerdo voluntario de colaboración (VPA) FLEGT. Actualmente se encuentra en la fase de implementación.

Más información en: http://www.euflegt.efi.int/cameroon.

SSD AEIM. Riesgo asignado a Camerún: (www.maderalegal.info): Riesgo considerable

B) Camerún. Situación FLEGT y Asignación de riesgo.

C) Las cifras desde Camerún a España. (2015). Especies importadas (madera aserrada)

Camerún es el principal proveedor de madera tropical aserrada a nuestro país, con una cuota de mercado en cuanto a valor (en 2015) superior al 47% del total y casi el 73% de la madera aserrada de Africa. Incluyendo la chapa y la madera en tronco, España importó de este país por valor de casi 23.300 (mil) Euros.

**ESPAÑA. IMPORTACIONES DESDE CAMERÚN. 2015. EN VALOR. 1.000**

<table>
<thead>
<tr>
<th>MADERA ASERRADA</th>
<th>21.240</th>
</tr>
</thead>
<tbody>
<tr>
<td>MADERA EN TRONCO</td>
<td>104</td>
</tr>
<tr>
<td>CHAPA</td>
<td>1.946</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>23.290</strong></td>
</tr>
</tbody>
</table>

**PRINCIPALES ESPECIES IMPORTADAS EN 2015 (MADERA ASERRADA). En valor (1.000 Euros)**

- **Iroko** (Este nombre comercial abarca dos especies botánicas): Chlorophora excelsa y Chlorophora regia A. Importado. Valor: 7.646
- **Sapelli** (Entandrophragma cylindricum Sprague). Importado por valor de: 3.019.
- Además también es preciso destacar: **Ayous** (Triplochilton scleroxylon K. Schum.) (En otros países se denomina Samba).

Those reports analyze official documents, to prove the legal origin of the wood. Related to:

- Documentation on exploitation and extraction.
- Transportation.
- Payment of taxes and fees.
- Export.

They have been incorporated into AEIM due diligence system.
Thank you!

www.aeim.org  aeim@aeim.org

Web EUTR: www.maderalegal.info

Follow us on: @aeimmadera

Member of:}

[Logo of AEIM]

[Logo of European Timber Trade Federation]

[Logo of Forest Legality Initiative]