



Nordic Baltic cooperation & customs data

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Content

- Nordic Baltic cooperation
- Experiences, lessons learnt:
 - China project, phase one reporting
 - Case Operator "Multi Ltd"
 - Customs data
 - Online platform for information sharing

Nordic Baltic countries



- Iceland, Norway, Sweden, Denmark, Lithuania, Latvia, Estonia, Finland

Nordic Baltic cooperation (EUTR)

- First meeting in 2013
- Once a year face to face (2-3 days)
 - 2017 Riga
 - 2016 Helsinki
 - 2015 Trondheim
 - 2014 Stockholm
 - 2013 Copenhagen
- Online meetings, telephone conversations
- Joint inspections, mutual projects

Nordic Baltic cooperation (EUTR)



Nordic Baltic cooperation (EUTR)

- Motivation:
 - fulfilling Article 12
 - same operators/ suppliers in several NB-countries
 - deepening a common understanding of EUTR
 - sharing information
 - Uniformity of enforcement



Nordic-Baltic cooperation

- NB countries timber products import (per year, approx)
 - Total 2000+ million euros/ year
 - Russia 600+ million euros
 - China 370+ million euros
- Other sourcing countries: Brazil, South-Korea, Belarus..

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China project 2016-2017, **”supplier oriented approach”**

1. Focusing on China furniture (HS 9403)
2. Identified top suppliers exporting to more than one NB country
3. Identified EU operators buying from these suppliers.



- examples in the next slides

Nordic-Baltic cooperation, China-project

- more than 2000 suppliers in total (NB countries, HS 9403)
- ~50suppliers covering about half of the total value

Country	Supplier China	Eur/2015
SE	Chinese supplier A	4 481 672
DK	Chinese supplier B	4 465 040
FI	Chinese supplier A	3 345 209
DK	Chinese supplier C	3 020 719
SE	Chinese supplier A	2 843 955
EE	Chinese supplier C	2 599 787
SE	Chinese supplier D	1 961 925
LV	Chinese supplier E	1 835 807
NO	Chinese supplier B	1 785 255
SE	Chinese supplier F	1 624 775
DK	Chinese supplier G	1 561 869
SE	Chinese supplier F	1 529 638

Nordic-Baltic cooperation, China-project

Suppliers exporting to more than one NB country were identified:

NO	supplier from China A	51 611
NO	supplier from China B	22 954
FI	supplier from China C	4 083
NO	supplier from China D	96 005
SE	supplier from China D	340 469
NO	supplier from China D	31 088
DK	supplier from China D	42 324
NO	supplier from China D	180 222
FI	supplier from China E	7 752
NO	supplier from China F	20 989
NO	supplier from China F	20 810
SE	supplier from China F	440 420
LV	supplier from China F	9 341
LV	supplier from China F	81 076
LV	supplier from China F	42 002
EE	supplier from China G	9 908
FI	supplier from China H	11 002
FI	supplier from China I	11 225

Nordic-Baltic cooperation, China-project

8 suppliers were chosen to this project. (based on the value and export country combination)

Country	Supplier	Country	Supplier	Country	Supplier
DK	Chinese supplier A	NO	Chinese supplier B	NO	Chinese supplier C
NO	Chinese supplier A	SE	Chinese supplier B	SE	Chinese supplier C
SE	Chinese supplier A	DK	Chinese supplier B	LV	Chinese supplier C
LV	Chinese supplier A				
FI	Chinese supplier A				
FI	Chinese supplier A				
LV	Chinese supplier A				

Finally, each CA identified operators in their country buying from these suppliers and conducted a check

15.9.2017

Report of Nordic Baltic EUTR competent authorities' cooperation and supplier oriented China inspection project

Background:

The Nordic Baltic group was established in 2013, in Copenhagen. The group meets once a year and has online meetings. The fifth meeting in 2017 was held in Riga, Latvia. Countries represented in the group are Estonia, Latvia, Lithuania, Denmark, Finland, Sweden, Norway and Iceland. The group aims to improve efficiency and to maintain the uniformity of enforcement of the EUTR, share information and learn from each other. The total import value of EUTR products to Nordic Baltic countries is +2000 million euros, Russia being the biggest sourcing country and China the second.

China project was launched in fall 2016. The purpose of the project was to study new possibilities to broaden enforcement means. The first phase of the project ended on 5th of July, 2017.

Aims and potentials of the project:

- To better understand Chinese supply chains
- To cooperate and share experiences between EU and EEA countries to have a more effective and streamlined implementation of the EU Timber Regulation.
- To cross-check the documents provided by the Chinese suppliers to be able to find irregularities.

Methods:

- Sharing customs data according to each member states national legislation



Nordic-Baltic cooperation

- Identify Chinese suppliers exporting to several Nordic Baltic countries
- Identify operators in the Nordic Baltic countries buying from above mentioned suppliers and conduct checks on them

Results

- About 2000 furniture suppliers exporting to Nordic Baltic countries were identified.
- The total value of Chinese furniture imports to the Nordic Baltic countries was about 160 million euros.
- Less than 50 Chinese suppliers are covering nearly 50% of the total import value of the Nordic Baltic countries.
- 21 operators in total were checked within the project.
- About 20% of the checked operator's DDS were adequate.
- About 60% of the checked operator's had no DDS at all.
- All checked operators are willing to cooperate and to create/ improve their own DDS.

Lessons learnt

- Increased awareness of the differences in working methods between Competent Authorities.
- Increased awareness of the challenges to manage a project with participants from several countries.

Conclusions

- Need to raise the awareness of the EUTR among operators.
- Close communication among CA's is important to maintain uniformity, for example when reacting to given clarifications by not approved operators.
- A clear leadership is necessary to hold the project together.
- Clear timelines for tasks conducted within the project are vital to make sure no part of the project is falling behind and to secure qualitative data.

Nordic-Baltic cooperation

- A common understanding of the aims and the workload of the project is important to make everyone feel included in the project and to have the ability to keep timelines.
- Keep the project simple, for example focus on only one product type, one common operator or one common supplier, to have a realistic workload.

Next steps

- Find methods to be able to put pressure on operators through cooperation between Competent Authorities.
- Start conducting timber analysis on products from China. Either each country could decide for themselves how to conduct testing, or it could be decided within the Nordic Baltic group which type of product or supplier to focus testing activities at.
- Create a secure online platform where to share information on specific cases.

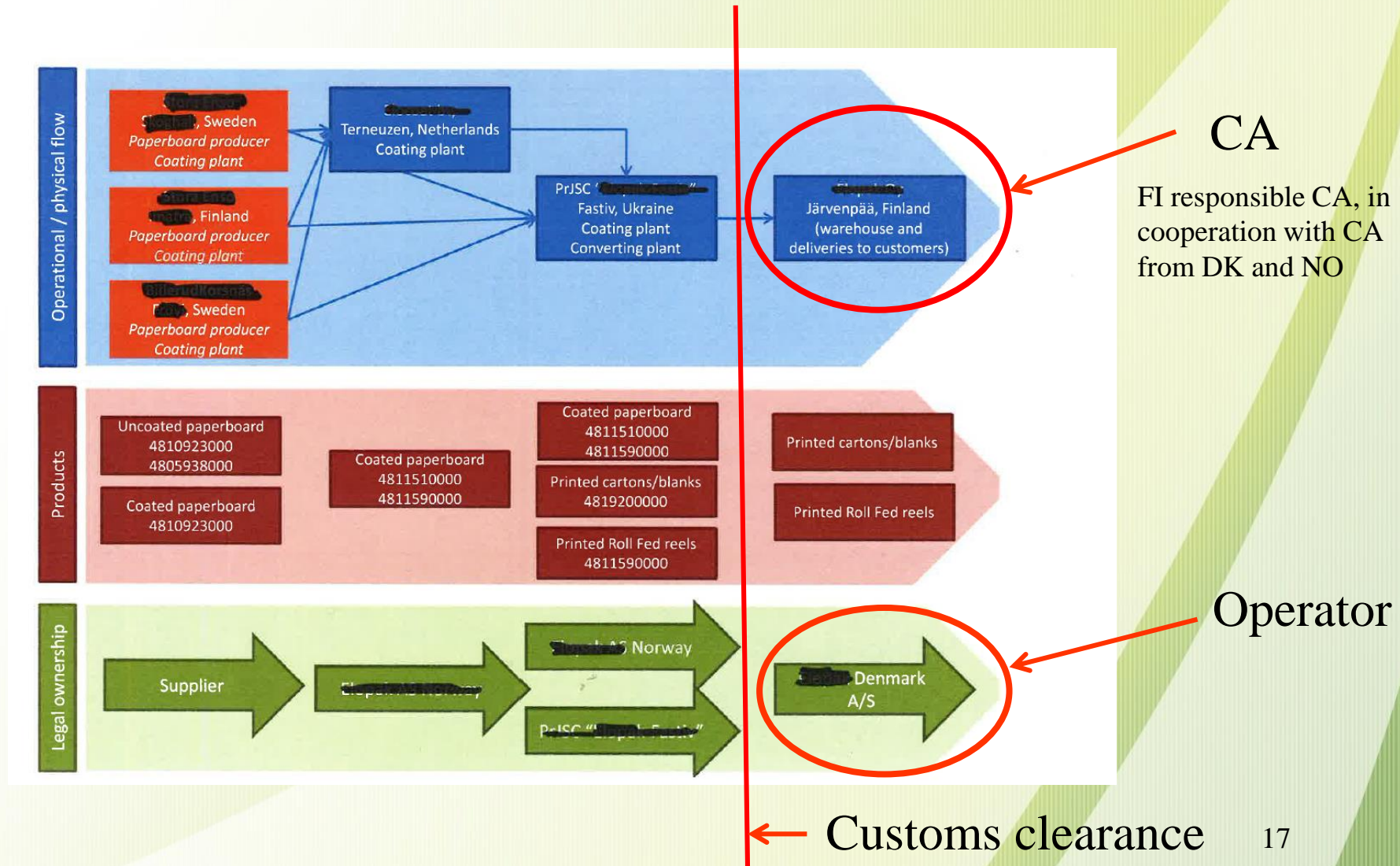
For more information, contact a Competent Authority from Nordic Baltic country. See contact details:

http://ec.europa.eu/environment/forests/pdf/list_competent_authorities_eutr.pdf

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Flow chart, defining the operator and CA



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 - **Customs data**
 - A need for online platform for information sharing

What we have learnt:

- Supplier information not compulsory (in SAD) for all

SAD GUIDELINES (TAXUD/1619/08 rev. 2.1): “Import Box 2 is optional for the Member States for imports. The guidelines in this section are therefore advisory for cases where national authorities choose to use this box.”
Eg. In Finland, box 2 is compulsory.

- Agreement with customs varies
 - Delivery of data, from monthly to annual
 - Provided information

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Some needs and challenges at a moment:

- Share information, also "sensitive"
- Agree on mutual actions
- Share and store case examples
- Mutual reporting tool
- Lot of work when e.g. commenting on a report
- Secured email is slow and laborious

**Thank you for your
attention!**

