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European public procurement policies for timber

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UK Central Point of Expertise on Timber

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The Central Point of Expertise on Timber

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CPET's role

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- Funded by UK Government
- Operated by Proforest
- Information on the UK Government's timber procurement policy requirements
- Advice on how public sector buyers and their suppliers can meet the policy
- Support UK Government





Background

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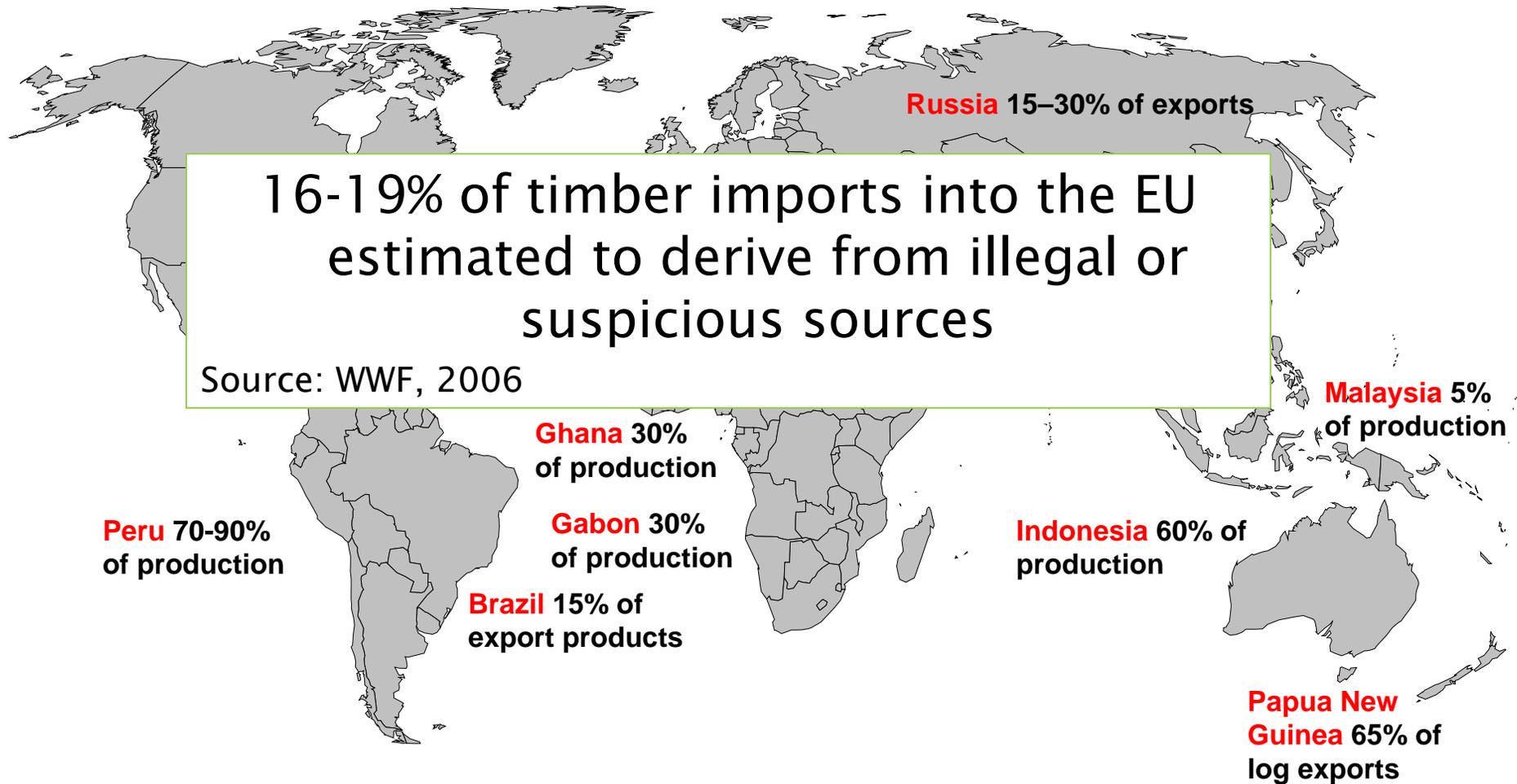
- Over the last 50 years, the world has lost 50% of its forest cover.
- Deforestation is estimated to account for 18% of carbon emissions each year.
- Commercial logging (legal and illegal) is estimated to account only for 14% of deforestation and forest degradation.
- Illegal logging has social, environmental and economic impacts.

Sources: FAO (2009), Stern review (2006) and The Prince's Rainforest Project (2009)



Illegal logging and trade

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European action

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European Commission's
2003 Action Plan on

Forest Law Enforcement,
Governance and Trade
FLEGT



- Created to stop the importation of illegal timber to the EU
- Addressing illegal logging, linking good governance in developing countries with the legal trade instruments and influence offered by the EU's internal market.



FLEGT key components

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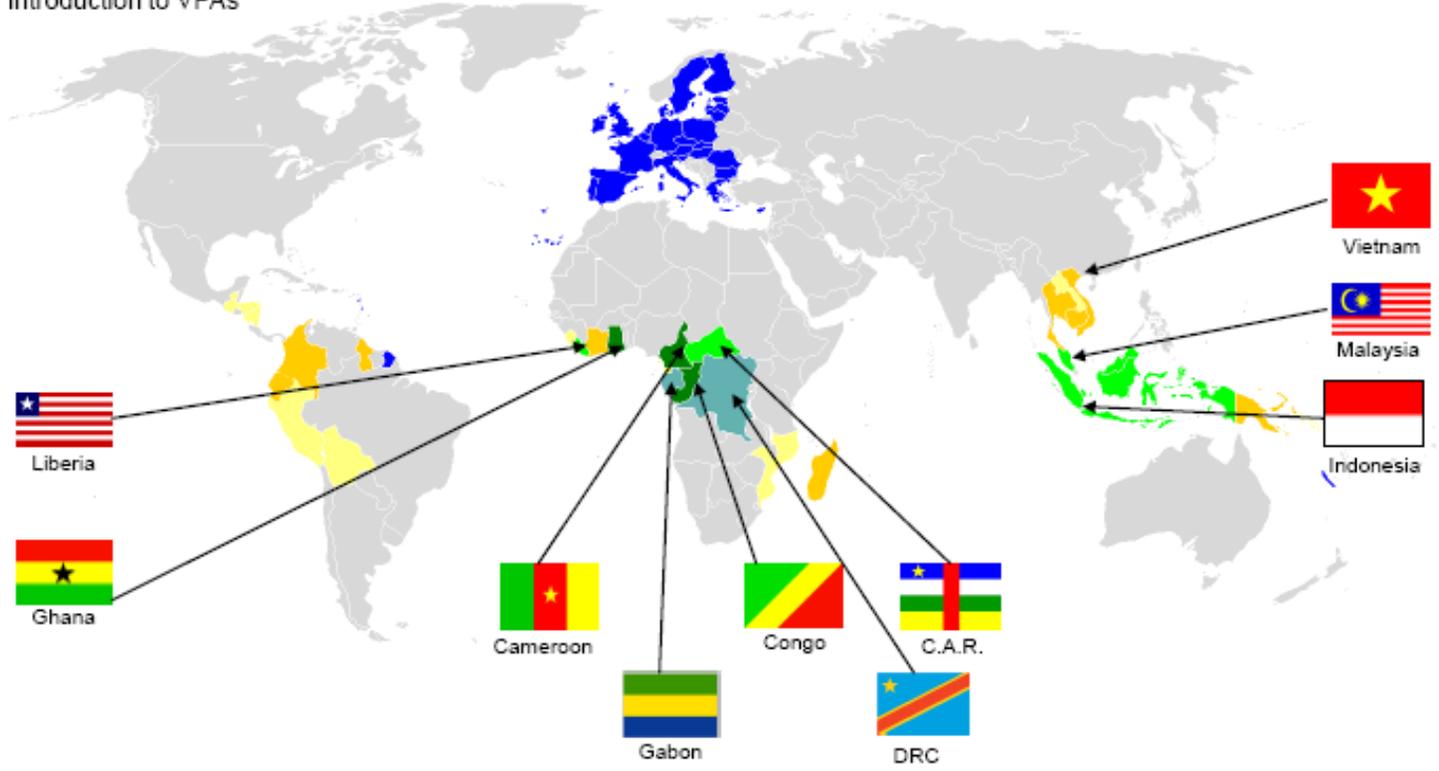
1. Support to Producer Countries
2. Private Sector Initiatives
3. Investment safeguards
4. Conflict timber
5. Voluntary Partnership Agreements (VPAs)
 - FLEGT Licensing
6. Additional Options for legislation
 - EU Timber regulation (Due diligence)
7. Public Timber Procurement Policies



EU FLEGT VPA progress



- FLEGT licenses (not yet)
- System development
- Formal negotiations
- Moving to negotiations
- Preparation, in-country consensus building
- Introduction to VPAs



Source: European Commission, EU FLEGT Update, Presentation at Chatham House, June 2010



FLEGT key components

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EU Timber regulation

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-The 'Due Diligence regulation'

'The placing on the market of illegally harvested timber or products shall be prohibited'

- Due diligence on import and production in EU
- Traceability of timber through the EU supply chains

The legislation will be implemented end 2012 and enforced via checks at national level, penalties and monitoring organisations.

Source: Due diligence draft regulation voted for in European Parliament July 2010.
European Council expected to adopt regulation end 2010



FLEGT key components

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Strong political support

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UK Government's timber procurement policy supports delivery of a range of policies and commitments:

- Combating climate change
- Reducing illegal logging
- Protection of biodiversity
- Sustainable procurement agenda

UK is the 4th biggest net importer of wood products after the US, China and Japan

Exposure to NGO criticism

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Photo sources: Greenpeace UK, www.flora-fauna.org, www.ruralstar.com and www.boston.com



The UK Government's timber procurement policy

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2000-2009:

The UK Government will actively seek to procure only legal timber, and preferably sustainable timber



2009 (1 April) ~ 2015:

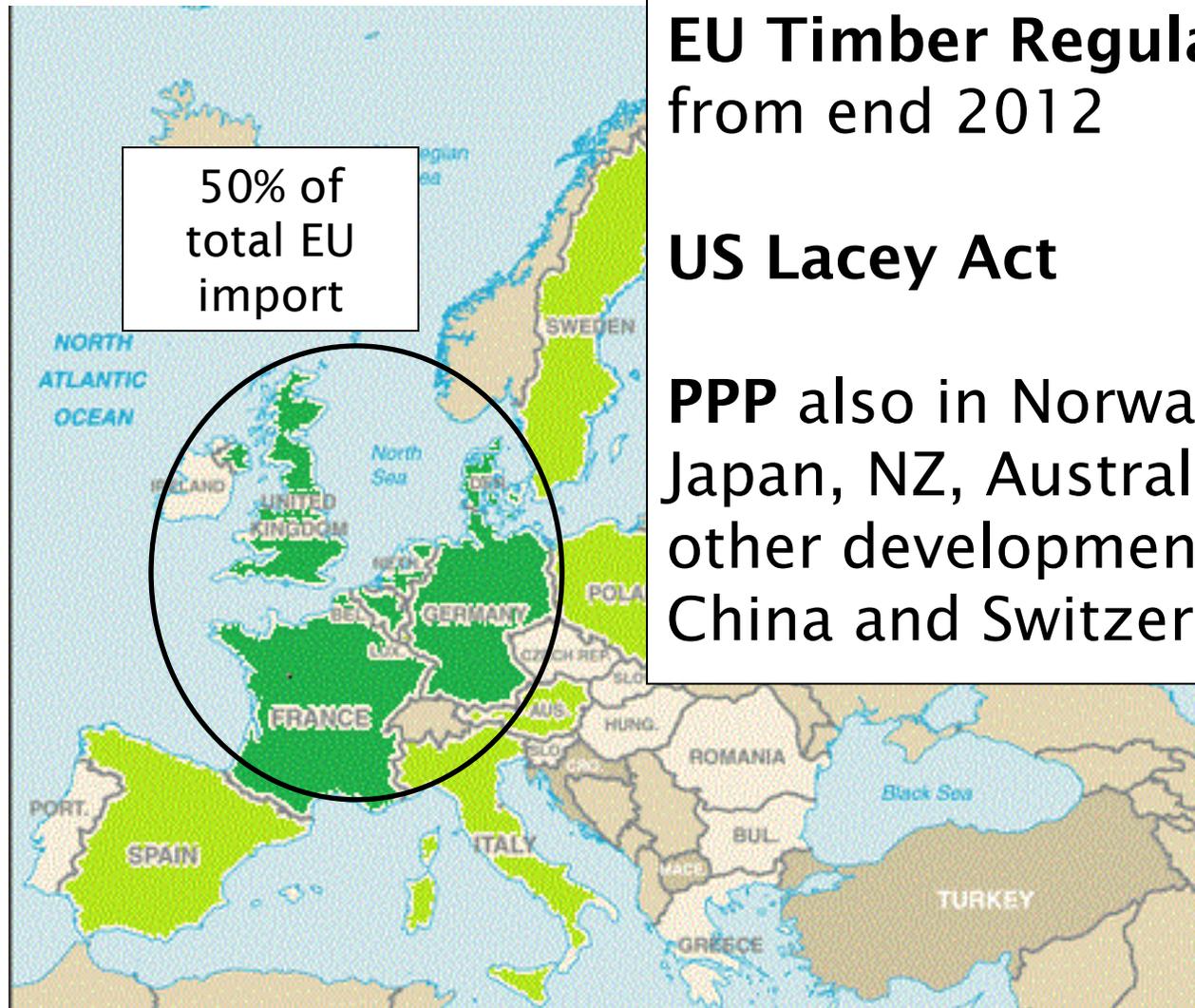
All timber and wood-derived products must be from independently verifiable Legal and Sustainable sources or FLEGT-licensed



~ 2015- : Sustainable timber only

Requirements on timber

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EU Timber Regulation
from end 2012

US Lacey Act

PPP also in Norway,
Japan, NZ, Australia and
other developments in
China and Switzerland.

Source: *EU Market conditions for 'verified legal' and...*, Oliver (2009)

Public procurement policies on timber EU member states

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	France 	Germany 	Belgium 	DK 	UK 	NL 
Federal/central government	Mandatory	Mandatory	Mandatory	Voluntary ¹	Mandatory	Mandatory
Local Authorities	Guidance and active promotion	Guidance and active promotion	Guidance	Guidance and active promotion	Guidance and active promotion	Guidance and active promotion
Current requirement	Legal, Sustainable preferred	Sustainable only	Sustainable only	Legal, Sustainable preferred	Sustainable or FLEGT licensed	Sustainable
Govt. criteria to evaluate schemes/evidence	No	No not published	Yes	Yes	Yes	Yes

1. Mandatory for furniture and paper via central government framework contracts.



Why are criteria needed?

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EU procurement law require equal market access:

- Public sector is not allowed to refer to certification schemes only, equivalent evidence has to be allowed.
- Need to clearly define what is required to create a level playing field for suppliers and to be able to assess evidence.

WTO trade rules: Same requirements have to apply supplies from all regions of the world.



Sustainability (in broad outline)



		Belgium (Draft)	Denmark (Draft)	UK	Nether-lands
Legality		✓ Identical			
Sustainability	Forest health and vitality	✓	✓ Identical		✓
	Production functions of forest resources	✓	✓ Identical		✓
	Protection functions of forest resources	✓	✓ Identical		✓
	Biological diversity	✓	✓ Identical		✓
	Extent of forest resources (conversion)	✓	✓	✓	✓
	Social requirements	✓	✓	✓	✓



Assessment of schemes - Category A evidence UK



Assessed against the sustainability criteria

+ criteria for the standard-setting process, certification, accreditation and chain of custody

Bi-annual review of accepted schemes and of other relevant schemes



Programme for Endorsement of
Forest Certification Schemes (PEFC)
Endorsed SFI, CSA and 26 other schemes



Forest Stewardship Council (FSC)

Assessment results, 2008

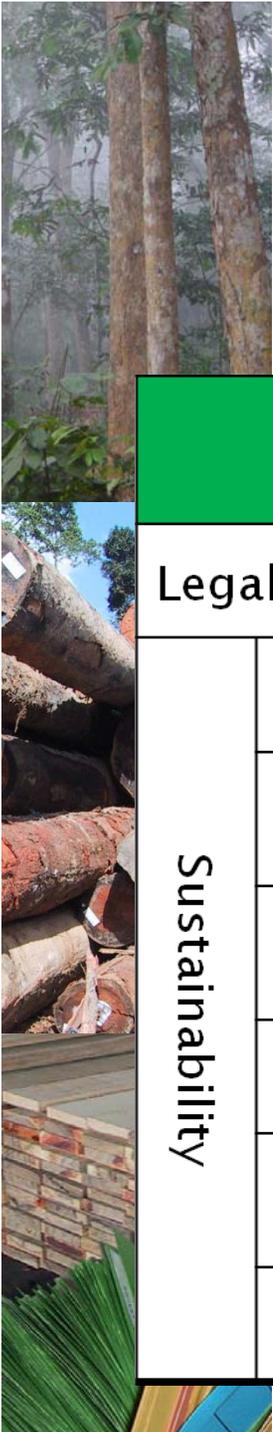


Evidence accepted by EU member states



	Belgium 	Denmark 	UK 	Netherlands 
Current requirement	Sustainable	Legal, Sustainable preferred	Sustainable or FLEGT licensed	Sustainable
Forest certification schemes accepted as ensuring sustainability	FSC and some PEFC	FSC and PEFC	FSC and PEFC	FSC and some PEFC ¹
Alternative evidence/the 'or equivalent'	No guidance on alternative evidence	Some guidance available	Detailed guidance. Evidence accepted based on case-by-case risk assessment	Detailed guidance available.

1. National schemes relevant for NL market assessed.



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UK new criteria 2010

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-Social criteria

Social criteria

Management of the forest must have full regard for the interests of indigenous peoples, local communities and forest workers.

In order to achieve this, the definition of ‘sustainable’ must include requirements for:

- Identification, documentation and respect of legal, customary and traditional tenure and use rights related to the forest;
- Mechanisms for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions;
- Safeguarding the basic labour rights and health and safety of forest workers.



CPET new criteria 2010

-'Conversion criteria'



- Response to stakeholder concerns
- Harmonising with other EU member states' criteria
- Requirement to certification schemes, not a Government's sustainability criteria



Comparing DK, UK and NL text on the 'Conversion criteria'

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Extent of forest resources (conversion)

C 4.1. Conversion of forests in the FMU to other types of landuse, including timber plantations, shall not occur unless in justified exceptional circumstances.

C 4.3. In case of plantations native species are preferred and the requirements of C 4.2.* apply to a relevant part of the plantation, e.g. 5%.

C 4.4. Plantations shall not be established through the conversion of natural forests after 1997.

*C 4.2 Protected and endangered plant and animal species are not exploited for commercial purposes.



CPET new criteria 2010

- 'National level application criterion'

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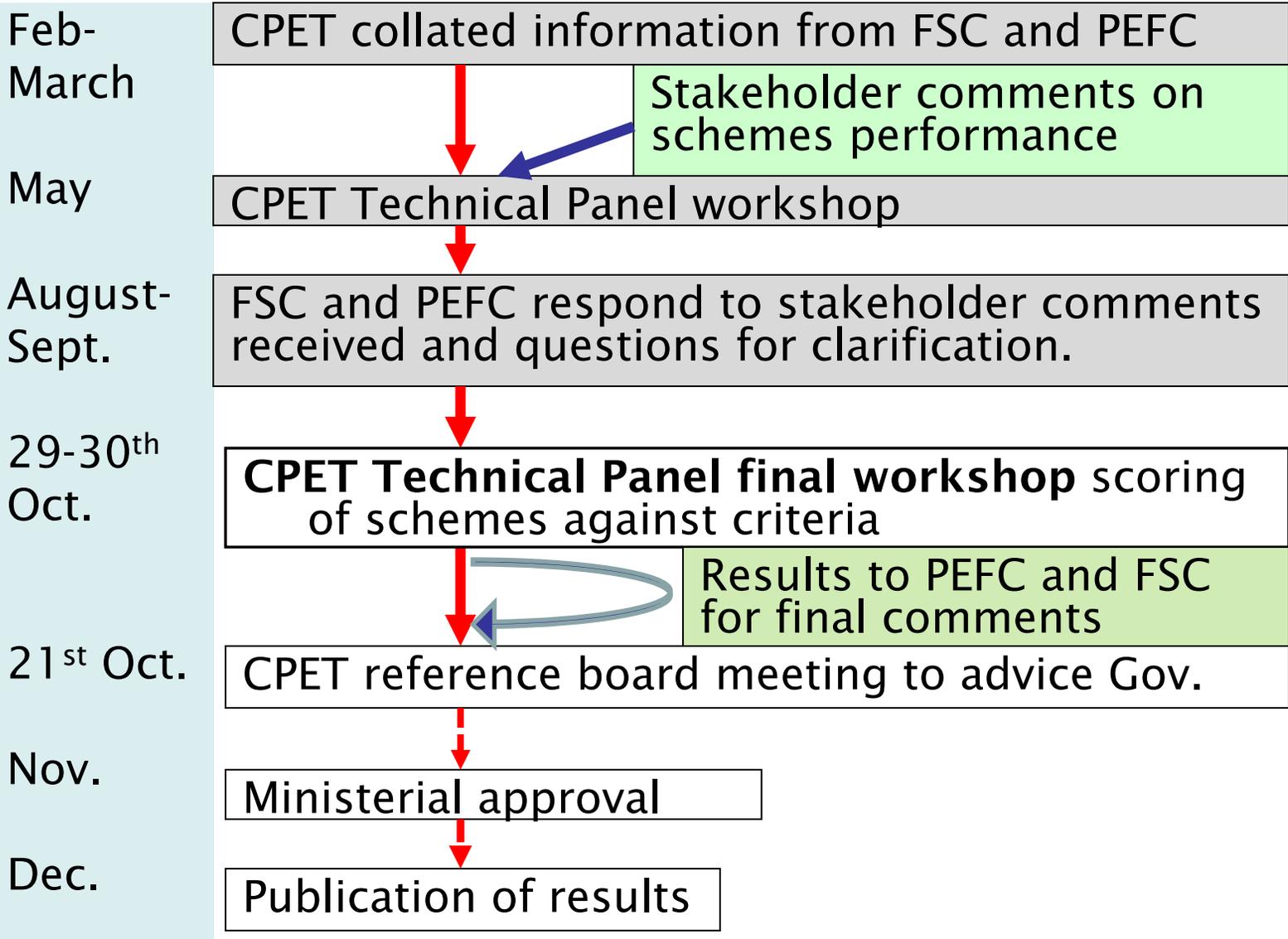
Criteria

5.1 International certification programmes that endorse national/sub-national schemes or standards must be implementing documented systems that ensure the fulfilment, within a reasonable and practicable timeframe, of all requirements which are applicable at a national level related to:

- a. Forest standards (section 1);*
- b. Certification (section 2);*
- c. Accreditation (section 3);*
- d. Chain of custody (section 4).*



Review process 2010





Concluding comments

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- Certification schemes are essential for implementation of public procurement policies
- PEFC endorsement of SFI is important and SFI's work on the standard is appreciated
- UK, Denmark and Netherlands see significant merits in further alignments on key issues in the public procurement policies
- More cooperation on the assessments of the certification schemes to ease the process
- Support the European Commission in their continuing work in the development of criteria for legal and sustainable timber



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Thank you

Comments and Questions

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