

What the EC Illegal Logging Project can do for you



The EC Illegal Logging Project was developed for the timber trade to deliver what EU markets are asking for: verified legal timber. If your company is sourcing from Indonesia, Malaysia, Cameroon or Gabon then this project is of direct business interest to you.

Project Benefits

- 1** A 250% return on your investment in Chain of Custody (CoC) for your supply chain.
- 2** Practical support to your suppliers instead of more requirements; more carrot less stick!
- 3** Highly competent practical technical advice and finance for your suppliers in Indonesia, Malaysia, Gabon and Cameroon
- 4** Credible partners in the form of Tropical Forest Trust
- 5** Defence for your company against NGO attacks
- 6** Verified legal timber from your suppliers in a stepwise fashion.
- 7** Exclusivity arrangements with suppliers that you co-finance through the scheme
- 8** Preparing your suppliers for upcoming legislation
- 9** Having a system in place that can be used as a blueprint for legislation
- 10** Participation demonstrates your continued commitment to FLEGT and tackling illegal logging.
- 11** If you don't join the scheme you cannot complain to government about lack of financial support or subsidy for good forest management
- 12** A mechanism for promoting your company's work to save the rainforest
- 13** If you miss this opportunity will you be able to get legal timber from those countries? Other companies might have got in first on the exclusivity deals and sown up the supply chains!

What will the project do?

The project is focused on finding practical solutions to the day-to-day challenges posed by the increasing market demand for legality compliance. As part of the project you will have access to established technical expertise and significant co-funding assistance which will enable you to track exactly where your timber is coming from. Working with your supply chain the project team will help you to implement a stepwise programme, establishing full CoC, that will place you in the powerful market position of sourcing independently verified legal timber supplies.

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In addition the Project offers you an opportunity to create a framework for self-regulation based on achievable targets, practical tools and clear messages. As members of a participating Timber Trade Federation or the Tropical Forest Trust (TFT) you will have a say in how the project:

- > identifies the level and type of documentation that you need to ensure your timber is legal (for the four focus countries);
- > develops a Risk Assessment Tool to enable you to conduct initial supplier reputation screening;
- > establishes an agreed standard for CoC systems and the auditing of CoC systems, so that you are free to choose the system that works for you safe in the knowledge that it is robust and credible;
- > employs research and guidance to make the most of the positive impacts, and avoid the negative impacts, of legality compliance;
- > creates the Guide to Service Providers, so that you know who to go to for solutions;
- > provides insight in to market preferences so that you are able to negotiate even more effectively with your suppliers, helping to ensure that you have access to the restricted pool of verifiably legal timber; and
- > maintains a strategic communications programme to ensure that your efforts are recognised by key audiences and that your decisions are informed by the most current thinking.

As concern over the negative impact of illegal logging grows, so does the threat of legislation that fails to recognise the challenges you face in trying to secure legal timber. If you want to influence self-regulation and potentially the future of legislation then you need to be involved.

How does the co-financing work?

The EC has generously made a grant of 3.5 million Euro to the Project. So for every **1 Euro** that you pay into the Project via your participating Federation or the TFT, you will have access to an average of **3.63 Euros** of practical support in implementing Chain of Custody throughout your supply chain. This represents a **return of over 250 percent on your investment**. Support not only includes the technical skills of a dedicated team of staff based in the producer country, but will also help to meet the cost of installing hardware, capital items and auditing, providing a strong incentive for your whole supply chain to participate and an opportunity for you to negotiate exclusivity.

How to Participate

If your timber trade federation is a partner to the project, then you can apply directly to them for access to funds and to ensure that your business priorities influence the future of legislation. If your federation is not a member we strongly recommend that you lobby them to join, their participation will strengthen your market position by helping to create a shared set of standards across Europe, increasing efficiency and reducing the cost of securing legal tropical timber.

However, if your federation is not currently a project partner, then you can access match funds to establish CoC and influence the development of industry standards through a number of routes. If you are interested in further involvement in the project please can contact the **Project Manager, Donna Day Lafferty** in the first instance on:

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