

Standard for legal timber sourcing launched ahead of EU Timber Regulation

12 February 2013: Businesses across the EU facing the imminent obligations of the EU Timber Regulation can use NEPCon's new LegalSource™ Standard to evaluate and strengthen their due diligence in sourcing legal timber products. This global standard forms the backbone of NEPCon's Due Diligence System, soon to be available online.

NEPCon unveiled the LegalSource Standard at the Chatham House meeting on illegal logging last Friday. The standard offers a system for benchmarking business practices against operational due diligence criteria. It has been designed to match the requirements of the EU Timber Regulation, the US Lacey Act and the Australian Illegal Logging Prohibition Bill.

Certification against the standard allows companies operating in regulated markets – as well as suppliers around the world – to demonstrate that they exercise due diligence in reducing risks of producing or sourcing illegal timber products. The standard sets out requirements covering supply chain management, risk assessment, risk mitigation and quality systems for production or sourcing of forest products, amongst others.

Tool for supply chain management

"Companies can use the standard to evaluate their suppliers against due diligence criteria based on their own supplier verification system or on third-party auditing", explains NEPCon's Forest Legality Programme Manager Christian Sloth.

The standard is already being used for supplier verification audits in China, Malaysia, Russia, Thailand, Vietnam and Ukraine. These audits are conducted by NEPCon on behalf of clients who strive to be proactive in meeting the requirements of the EU Timber Regulation.

"The EU Timber Regulation is around the corner and the spotlight right now is on the EU companies. However, it is important to underline that the standard is also applicable to forest operations and businesses based outside the EU", comments Mr Sloth.

Stakeholders support high quality

"Insightful feedback from stakeholders has enabled us to make further improvements to the standard during the final revision process", says Mr Sloth. During the consultation process, NEPCon received comments from leading industries, civil society organisations and individuals with a high level of engagement in timber legality assurance.

"After careful analysis, two rounds of public consultation and thorough industry testing, I am confident that the final standard aptly reflects the current legal requirements applicable in key markets, whilst meeting stakeholders' expectations for clarity and operational usability", says Mr Sloth.

In a recent [evaluation](#) of the assurance offered by ten verification schemes compared to several aspects of the EU Timber Regulation, a draft version of the LegalSource standard was one of four standards found without non-compliances; however in all four systems areas of partial compliance were identified relating to accreditation. The evaluation was performed by Proforest on behalf of the European Timber Trade Federation (ETTF).

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FSC®, SmartLogging, forest carbon and legality verification services are provided in collaboration with the Rainforest Alliance. NEPCon is accredited for PEFC Chain of Custody certification (DANAK reg.no.7029).

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Timber legality expertise in high demand

NEPCon is experiencing a surge of interest in LegalSource due diligence training. Responding to demands, the organisation is scheduling several comprehensive, international due diligence training courses as well as national events in Europe and Asia. "We have been running similar events with participation by a large number of organisations over the past year", says Mr Sloth.

NEPCon regularly offers timber legality training events and provides both pre-defined and bespoke training modules, ranging from intensive courses lasting two hours to comprehensive three-day courses.

Coming soon: LegalSource Due Diligence System and toolkit

The standard forms the backbone of the LegalSource Due Diligence System and related tools, including guidelines, forms and templates for supplier evaluation, risk assessment and risk mitigation. The LegalSource Due Diligence System is currently under evaluation by the EU commission as a part of the processing of NEPCon's application to become a Monitoring Organisation. It will soon be made available to all interested parties on NEPCon's website www.nepcon.net in line with NEPCon's "Open Source Policy" to share materials developed to advance sustainability. The system has been used as the framework for developing the due diligence system of the European Timber Trade Federation (ETTF).

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About the LegalSource™ Standard

The LegalSource Standard sets out rigorous requirements for due diligence systems to manage the risk of sourcing illegal forest products, in line with the EU Timber Regulation, the US Lacey Act and the Australian Illegal Logging Prohibition Bill. As the standard is designed to match requirements of several regulations, some of its requirements go beyond the individual legal frameworks.

Companies may obtain LegalSource certification based on auditing performed by NEPCon against the standard. Certified organisations are permitted to use the LegalSource™ Certified claim off-product for communication about products covered by the certificate. The standard may also be used for initial evaluations of due diligence systems and to identify potential gaps compared to the EU Timber Regulation or other specific legal frameworks.

NEPCon is an affiliate member of the ISEAL Alliance, a global association for sustainability standards, and has developed the LegalSource Standard in line with the ISEAL Code of Good Practice for Setting Social and Environmental Standards.

Learn more and download the LegalSource Standard at www.nepcon.net/legalwood.

Learn more about NEPCon's timber legality training events at www.nepcon.net/training.

About NEPCon

NEPCon is an international, non-profit organisation that promotes the responsible use of natural resources through sustainability services and innovation projects. Our FSC®, SmartLogging and forest carbon verification services are provided in collaboration with the Rainforest Alliance.

We offer services designed to meet the needs of all operators who need to comply with the EU Timber Regulation and similar legal frameworks under our LegalSource Programme. We are presently expanding our auditing capacity in Europe, Malaysia and China in order to meet demands for LegalSource certification services. Learn more at www.nepcon.net.