

**ACE STATEMENT ON
THE DRAFT REGULATION LAYING DOWN THE OBLIGATIONS OF
OPERATORS WHO PLACE TIMBER AND TIMBER PRODUCTS ON
THE MARKET
COM (2008) 644/3**



Dear Member of the European Parliament,

ACE, the Alliance for Beverage Cartons and the Environment, which represents paperboard and beverage carton manufacturers, is deeply concerned about the problem of illegal logging and the risk of the continued import of illegally sourced timber and wood products in the European Union.

Illegal logging is, according to the FLEGT Action Plan (COM(2008)251), defined as follows: "Illegal logging takes place when timber is harvested in violation of national laws".

Illegal logging contributes to deforestation, causes loss of biodiversity and erodes the rule of law. It undermines responsible forest management, encourages corruption and tax evasion and reduces the income of producer countries. It also has serious economic and social implications.

Unfair competition, based on widespread illegal practice, harms those European companies, particularly small and medium sized businesses, who do behave responsibly and attempt to play by the rules.

We believe that concerted political and trade action is needed to tackle the problem of imports from illegal logging, in order to create a level playing field for timber and wood products which have been legally acquired. Without a clear European legal framework, companies that want to answer consumer-driven demand and benefit from investment in sustainable practices will always be disadvantaged.

We therefore broadly welcome the current proposed Regulation laying down the obligations of operators who place timber and timber products on the market. However, the system has to be enforceable, workable, and practical for both the administration and economic operators.

We support the principle of due diligence in the proposed Regulation. And it is important that the due diligence requirements themselves are well defined and clarified in the Regulation, as well there being clear rules set for a reliable EU risk assessment procedure. Existing and applicable due diligence systems, such as 3rd party verified chain-of custody systems like FSC/PEFC, should also be accepted in the Regulation. ACE's global voluntary commitment concerning third-party verified traceability systems for wood fibres used for the manufacturing of beverage cartons is doing just that.

We consider that one of the Regulation's strengths is that it is connected to and is in compliance with laws applicable to logging in the country of origin.

We support the establishment of controls by monitoring organisations and national authorities, however we believe the Regulation needs to define all the controls necessary to implement FLEGT.

Open eligibility criteria for monitoring organisations - organisations of economic operators active in the timber and timber products sector (e.g. trade associations, international forest certification systems, etc.) have a lot of knowledge and expertise. They often have developed or contributed to the development of a wide range of possible responses to illegal logging (e.g. codes of conduct, forest certification, traceability systems, etc.). Therefore, they should be eligible to become so-called “recognised monitoring organisations”. This would secure the availability of sensible, efficient and proportionate “due diligence” systems.

Finally, the Regulation should cover, without exception, all activities related to the import of timber, and any wood-based products (including those used for energy) that are sourced from illegal logging, in order to guarantee a level playing field and to avoid unwanted market disruptions in the European Union.

ABOUT ACE

ACE – the Alliance for beverage Cartons and the Environment - is the European ambassador and knowledge hub for beverage carton manufacturers and their EU paperboard suppliers, studying and communicating the environmental value of cartons as a renewable, recyclable and low carbon packaging solution. ACE members include beverage carton producers Tetra Pak, SIG Combibloc and Elopak; they develop, manufacture and market systems for the processing, packaging and distribution of food, and produce packaging material at 23 plants in Europe. About 98% of the paperboard used by ACE members in beverage cartons in Europe is produced by Stora Enso in Skoghall (Sweden) and Imatra (Finland), and Korsnäs in Gävle and Frövi (Sweden), who are also members of ACE. These paper mills and the beverage carton manufacturers in ACE together employ close to 30,000 people worldwide.

For further details on ACE's Commitment, and the first report, go to www.beveragecarton.eu

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