

Press release: NEPCon and the Rainforest Alliance launch tool to help importers transition to new EU timber law

21 June 2011 – NEPCon and the Rainforest Alliance have launched a new tool today that will propel importers to take the necessary steps to prepare for the new EU timber regulation, effective from March 2013. Screening and management of supply chains is urgently needed for almost all EU companies importing timber and paper products.

Importers have special obligations under the legislation that require urgent action in order to ensure legal compliance by 3 March 2013, when the EU Timber Regulation comes into force.

"Those who do not act soon may find themselves in a difficult spot two years from now," says Christian Sloth, verification services manager at NEPCon. "Many suppliers need time to adapt to the new requirements and provide the assurance that will be required".

"Our Gap Analysis tool has been developed to meet the needs of traders that import timber and paper products into the EU," explains Mr. Sloth.

The new tool helps importers gain a quick overview and efficiently plan and prioritise their efforts to meet the legal requirements. "This tool complements our timber legality verification services that are increasingly in demand. Timber producers and traders worldwide are clearly becoming more aware of the importance of legality assurance", says Jon Jickling, Director of the Rainforest Alliance's SmartWood Program.

Stay ahead of the game

"We recommend that importers take the 'better safe than sorry' line and look into their supply chains now – nobody wants to infract the law", says Mr. Sloth.

"But it is equally wise from a business perspective. The whole market is about to change. In the future, traders who import timber product into the EU will not only be competing for suppliers who can provide the best qualities at the best price. The level of assurance offered for the legality of the products will be a decisive quality as well. Those who act now are most likely to succeed by gaining a first-mover advantage".

The penalties for infracting the regulation are yet to be determined by the EU member states.

Key benefits of the Gap Analysis tool

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FSC[™], SmartLogging, carbon and legality verification services are provided in partnership with the Rainforest Alliance. PEFC services are provided on behalf of BMG Trada Certifiering AB.



The Gap Analysis concept is a self-evaluation tool that guides the importer to compile relevant data to gain an overview of its supply chain, identify key risk areas and evaluate available documentation that can mitigate the identified risk. "During development of our tool, we have placed great emphasis on its usability", explains Christian Sloth. "By systematically asking the right questions and filling in the answers, importers can spot the weak links in their supply chain in terms of legality assurance relatively quickly, and identify what needs to be done to mitigate the risk."

In addition to the self-evaluation carried out by the company based on the Gap Analysis tool, NEPCon and the Rainforest Alliance will carry out a review and quality assurance of the results. "Based on our evaluation, we deliver a Gap Analysis Report outlining the key challenges facing the importer. Based on the analysis, the company can develop a targeted action plan on its own or in collaboration with us", explains Mr. Sloth.

The Gap Analysis concept has been developed over the past six months and tested jointly with timber product importers.

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Learn more

Visit <u>www.nepcon.net/gap</u> for more information on the Gap Analysis concept.

Learn more about timber legality verification at http://www.rainforest-alliance.org/forestry/verification/legal.

About the Rainforest Alliance

The Rainforest Alliance works with people whose livelihoods depend on the land, helping them transform the way they grow food, harvest wood and host travelers. From large multinational corporations to small, community-based cooperatives, businesses and consumers worldwide are involved in the Rainforest Alliance's efforts to bring responsibly produced goods and services to a global marketplace where the demand for sustainability is growing steadily. For more information, visit www.rainforest-alliance.org.

About NEPCon

NEPCon is a non-profit organisation that works to NEPCon is an international, non-profit organisation that promotes the sustainable use of natural resources worldwide, through delivery of credible verification services and involvement in innovative projects. By engaging with companies, organisations and governments, we empower businesses to be part of the solution in tackling some of the greatest environmental threats facing mankind - including climate change and deforestation. All of our services enable our customers to communicate their commitments to their clients and the public. www.nepcon.net

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