

BIENNIAL REPORT

Completion date: **24.4.2015**

INTRODUCTORY LETTER

Article 20, paragraph 1 of the Regulation (EU) No 995/2010 (EUTR) requires each Member State to submit a biennial report on the application of this Regulation during the previous two years. On the basis of those reports the Commission shall draw up a report to be submitted to the European Parliament and the Council every two years. This report will help the Commission in analysing the progress made in respect of the conclusion and operation of FLEGT VPAs pursuant to Regulation (EC) No 2173/2005 and their contribution to minimising the presence of illegally harvested timber and products derived from such timber on the internal market.

The biennial report will also help the EC in reviewing the functioning and effectiveness of the Regulation. It provides an opportunity for the Member States to share information regarding their overall implementation of the Regulation and can serve as a tool for self-assessment through which the Member States can identify achievements, significant developments or trends, gaps or problems and possible solutions. At the international level, the comparison and synthesis of information in biennial reports can support policy and decision-making.

The format is divided into seven parts:

- A. General Information
- B. National Legislation for Implementation of EUTR
- C. Implementation and Enforcement
- D. Cooperation on Implementation and Enforcement of EUTR
- E. Resources
- F. Technical Assistance and Capacity Development
- G. Communication Methods

Each biennial report should cover the period from March 2013 to February 2015 and shall be submitted in electronic form to the European Commission (ENV-TIMBER-REG@ec.europa.eu) no later than by 30 April 2015.

The report should be prepared in one of the 24 official working languages of the European Union.

Specific instructions

- Parties are encouraged to respond to all questions. Inputs can be made in spaces highlighted in grey.
- Unless otherwise indicated, responses should reflect measures taken during the reporting period.
- This reporting format is intended to be completed by making use of tick boxes and expandable space.
- The format is designed so that a reporting agency can take as much space as required to give a full answer. Use Appendix 2 with appropriate references in case additional space is needed.
- Please contact the European Commission (ENV-TIMBER-REG@ec.europa.eu) if any clarification in the preparation of the report is required.

List of abbreviations

CA	Competent Authority
DD	Due Diligence
DDS	Due Diligence System
EUTR	European Union Timber Regulation
MO	Monitoring Organisation

A. GENERAL INFORMATION

A1 Respondent

Name of the Organisation	State Forest Service
Member State	Latvia
Period covered in this report	March 2013-February 2015

A2 Contact information of National Contact Point

Address	13. janvara iela 15
City	Riga
Zip code	LV-1932
Phone number	+ 371 67229106
Fax number	+ 371 67211176
Email address	stella.boke@vmd.gov.lv

A3 Contact information of Competent Authority (if other than Respondent)

Name of the Organisation	n/a
Address	Click here to enter text.
City	Click here to enter text.
Zip code	Click here to enter text.
Phone number	Click here to enter text.
Fax number	Click here to enter text.
Email address	Click here to enter text.

A4 Contributing agencies, organizations

	Yes	No
Has the information already been provided in the previous biennial report? (if "no" please provide the information below)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Contributing organization	None	
Country	Click here to enter text.	

See Appendix 1 for additional fill-in forms for contributing parties.

B. NATIONAL LEGISLATION FOR IMPLEMENTATION OF EUTR

B1 Penalties for infringement of EUTR (ref. *EUTR* Articles 10 (5), 19):

Penalty	Resulting from:	Organization with the authority to issue the penalty	The penalty is issued based on the law ¹ of	Range of penalties (min and max) provided for infringements of the EUTR ²
Notice of remedial Actions	Prohibition	State Forest Service	EUTR; Regulation of the State Forest Service; State Forest Service Law	None (but can lead to the next stage – administrative warning or fine)
	DD obligation	State Forest Service	EUTR; Regulation of the State Forest Service; State Forest Service Law	None (but can lead to the next stage – administrative warning or fine)
	Traceability	State Forest Service	EUTR; Regulation of the State Forest Service; State Forest Service Law	None (but can lead to the next stage – administrative warning or fine)
Fines to operator	Prohibition	State Forest Service; Court	Applies to ALL operators: EUTR. Plus, applies ONLY to operators harvesting on national level: Forest Law; Latvian Administrative Violations Code; Criminal Law.	Applies ONLY to operators harvesting on national level: Administrative fines: 70 – 14000 EUR. Criminal sanctions: Up to 57000 EUR; Persons held administratively or criminally liable have to compensate damages caused as a result of violations of the legislation. The compensation is calculated on the basis of illegally harvested timber volume.
	DD obligation	State Forest Service	EUTR	n/a
	Traceability	State Revenue Service	Law on Accounting; Law on Inventory of Trees and Round Timber; Latvian Administrative Violations Code	Administrative fines: Up to 4300 EUR
Seizure of timber/ product	Prohibition	State Forest Service; Court	Applies to ALL operators: EUTR. Plus, applies ONLY to operators harvesting on national level: Forest Law; Latvian Administrative Violations Code; Criminal Law.	Confiscation of the particular product/products
	DD obligation	n/a	n/a	n/a
	Traceability	State Revenue Service	Law on Accounting; Law on Inventory of Trees and Round Timber; Latvian Administrative Violations Code	Confiscation of the particular product/products
Suspension of authorisation to trade	Prohibition	n/a	n/a	n/a
	DD obligation	n/a	n/a	n/a
	Traceability	n/a	n/a	n/a

Other penalty, specify below Imprisonment or forced labour	Prohibition	Court	Applies ONLY to operators harvesting on national level: Forest Law; Criminal Law	Up to 5 years imprisonment; Forced labour
	DD obligation	n/a	n/a	n/a
	Traceability	n/a	n/a	n/a

¹ e.g., based on criminal law, forest and/or environmental legislation, trade laws, or other relevant piece of legislation

² please, specify the variable as appropriate, e.g., currency: xx euros (or other currency), volume: m³, weight: ton (1000 kg), or time: weeks/ months/ years

B2 Level of penalties in comparable legal offences (ref. EUTR Articles 19 (2)):

Please note that the provision of information for table B2 is not compulsory. Penalties that can be imposed under other legislation for comparable and proportionate infringements:

Comparable legislation ¹	Types of penalties and maximum level of the penalties	Due diligence system required by the comparable legislation		Other relevant information
		Tick if "Yes"	Additional information on the DDS in place	
Example 1,	n/a	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Example 2, Click here to enter text.	Click here to enter text.	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Example 3, Click here to enter text.	Click here to enter text.	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.

¹Please specify examples of relevant and comparable legislation (e.g. CITES, FLEGT Regulation, national forest and environmental laws) that stipulates legal sourcing and/or trade.

¹ In force at the time of submitting the report.

C. IMPLEMENTATION AND ENFORCEMENT

C1 Responsibility to Check Operators Placing Timber and Timber Products on the Market (ref EUTR Article 10 (4)):

C1.1 Specify the authority who checks documentation and procedures of operators for:

i) Domestic timber:	State Forest Service
If other than CA, please provide details on the organisation and relations with CA:	Click here to enter text.
ii) Imported timber and timber products:	State Forest Service
If other than CA, please provide details on the organisation and relations with CA:	Click here to enter text.

C1.2 Access to documentation and procedures of operators:

	Yes	No
i) Authority has a free access to operators' DDS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If i) "no", please specify (e.g. if checks require operators' consent, warrant etc.):	Click here to enter text.	

C2 Checks on Operators

C2.1 Identification of operators (ref. EUTR Article 10)

The following sources of information are used for identification of operators:

Source	Tick if applicable	Additional information (where appropriate)
Own register	<input checked="" type="checkbox"/>	Database with all forest owners in Latvia
Registers of other authorities	<input checked="" type="checkbox"/>	Data on all operators – importers, received from customs authority upon request
Registers of private sector (e.g. industry associations)	<input type="checkbox"/>	Click here to enter text.
Other	<input checked="" type="checkbox"/>	Internet and other sources

C2.2 Plan for checking operators (*ref. EUTR Article 10(2)*)

C2.2.1 Time schedule for planning checks on operators and the main criteria used (i.e. what is the basis for the planning of checks on operators, how the plan is developed and reviewed etc.):

In Latvia, although the EUTR as well as national sanctions apply to all timber, with regard to the checks, we separate timber imports from locally harvested wood.

Imported timber:

At this stage, first year and years of the enforcement of EUTR, plans on checks are developed roughly quarterly. At our disposal is a list of all importers from outside the EU, with an information on each operator and consignment. At the moment, when developing check plans, we focus on bigger operators (in terms of import value) and on countries of export (as we can know the country of harvest only in some cases). We start with the countries from which Latvia gets the biggest timber and timber product imports and, at the same time, which are the countries of a higher risk (according to CPI, NGOs reports, and other information).

The checks on operators are divided into sections according to the export countries as it is easier and more efficient for an inspector to concentrate on one country at a time. Additionally, there are exceptions and deviations from the plan and chosen risk factors, based on the gathered information, substantiated concerns, or otherwise. The approach of developing plans might change in the future, depending on various internal and external circumstances, and the risk factors will include more variations and deeper risk analyses. In C2.2.2. are the risk factors that we are going to use in our planning.

Locally harvested timber:

In Latvia, timber harvesting is based on tree felling confirmation system. Felling Confirmation is a document, specifying the type of harvest, issued by the State Forest Service for any given felling site and it is valid for three years. As the Felling Confirmation is issued to a forest owner, he or she is legally responsible in case of illegal logging, unless proven otherwise (for example, that the harvest company acted illicitly). Furthermore, once a year, the forest owner must report to the State Forest Service if he or she has done any economic activity in the forest and regarding timber. Besides that, there is a special law and regulations on the inventory of trees and round timber which aims at regulating the procedures for record keeping in all stages of trees and round timber circulation.

Regarding the control mechanism, all starts with 360 forest inspectors (in total in Latvia), who are responsible for issuing Felling Confirmations and who inspect felling sites before and after the logging. Although they are not obliged to inspect every site, there is a strict procedure, based on risk analyses, on occasions when it should be done and, overall, around 70 % or more of all felling areas are visited. Furthermore, the whole process is controlled by multi-level internal audits, the first stage being the State Forest Service's Regional Units' audits on the work of the forest inspectors. Almost all felling sites are crosschecked in a desk based way and, further, around 800 audits yearly are conducted on sites. These are directed exactly at the legality of harvesting. Plus, there are many more site audits which are more concerned with other activities in forests, like, tending of the young stands and other.

The second stage of the internal audits is the State Forest Service's Central Bureau's organized audits on its Regional Units and, again, on the work of the forest inspectors, including site visits.

Meanwhile, the State Revenue Service is responsible for checks on tax paying, accounting, and traceability of round timber.

In conclusion, we consider that the documents mentioned above, together with the described control mechanism, make up a DD for locally harvested timber.

C2.2.2 Risk factors applied to the preparation and review of the check plan:

RISK FACTOR		Tick if applicable	Additional information (where appropriate)
1	Type of products	<input checked="" type="checkbox"/>	Click here to enter text.
2	Type of business (operator)	<input checked="" type="checkbox"/>	Click here to enter text.
3	Type of suppliers	<input checked="" type="checkbox"/>	
4	Country of harvest of timber/timber products	<input checked="" type="checkbox"/>	When known
5	Species of timber and timber products	<input checked="" type="checkbox"/>	Click here to enter text.
6	Information provided by other CAs	<input checked="" type="checkbox"/>	Click here to enter text.
7	Concerns provided by third parties	<input checked="" type="checkbox"/>	Click here to enter text.
8	Other, Country of export	<input checked="" type="checkbox"/>	Click here to enter text.
9	Other, Value of import	<input checked="" type="checkbox"/>	Click here to enter text.
10	Other, Background of operator	<input checked="" type="checkbox"/>	For example, tax problems
11	Other, Market/operator research/intelligence	<input checked="" type="checkbox"/>	For example, too low price
12	Other, Volume of import	<input checked="" type="checkbox"/>	Click here to enter text.

C2.2.3 Check plan for March 2013-February 2015 indicating whether the checks focus on desktop review (**Desk**), document review on site (**Doc**), product inspection on site (**Prod**) or combined check including both document review on site and product inspection on site (**Comb**):

	Desk	Doc	Prod	Comb	Other comments
	Number of operators				
TOTAL	0	10	0	5	Click here to enter text.

C2.2.4 Specify if the plan includes check(s) on domestic timber supplies:

The information in C2.2.2 and in C2.2.3 applies only to imported timber

C2.3 Checks undertaken on operators

C2.3.1 Number of checks (ref. EUTR Articles 10, 11):

Checks carried out between March 2013-February 2015 indicating

- a. type of checks: desktop review (**Desk**), document review on site (**Doc**), product inspection on site (**Prod**) or combined check including both document review on site and product inspection on site (**Comb**):
- b. whether the checks were included in the planned sampling (plan) or were due to information received from other authorities or third parties:

	Desk	Doc	Prod	Comb	Comments according to b.
	Number of operators				
TOTAL	0	8	0	3	All checks were planned

Other relevant information for section C2.3.1 based on the risk observations mentioned in C2.2.2 (e.g. risks related to type of products, type of business, type of suppliers, country of harvest of timber, species of timber, information provided by other CAs or third parties) :

As already described in C2.2.1, so far our checks were mostly based on the value of import and on the export country. Partly we included also the species risk factor. With some exceptions, we concentrated on 3 kinds of products.

In a way, most of the conducted audits were comparatively easy as the chosen companies were amongst biggest in Latvia, most of them already had some kind of risk assessments or third parties schemes in place, and, if not, they were in a position and willing to improve their due diligence. Plus, regarding the export/harvest country we had chosen (for most of the audits), we knew fairly well of the situation in the country, the risk factors, the documents required etc.

However, we assume that it might be quite difficult to conduct audits if the situation is the opposite of the above mentioned.

These would be the cases when we (and also other CAs) would not have a clear understanding or common view of the risk level in a particular country. As well as the cases when an operator's business would be very small (not in a position to have a rigid due diligence) and we would know that the enforcement level and understanding of the EUTR and DD among CAs is not the same in all EU countries.

For the information on locally harvested timber, please see C2.2.1.

C2.3.2 Results of checks and penalties issued (ref. EUTR Articles 10, 11, and 19)

- i) Number of checks undertaken between March 2013-February 2015 having resulted in notices of remedial actions (RA), remedial actions that led to a penalty (RALP) and/or total penalties (P) and/or other action (OA):

	RA	RALP	P	OA	Specify here "other action"
	Number of operators				
TOTAL	0	0	0	6	Instructions/advice on due diligence improvements made in the audit form. (Some of the cases require repeated audits in a few months; others – possible audits at some point in the future.)

- ii) Describe type of penalties and bodies imposing penalties between March 2013-February 2015:

Types of penalties and body imposing the penalty (e.g. fines, seizure, suspension of authorization to trade and other penalties)
<p>No penalties on importers so far.</p> <p>Locally harvested timber: Cases (of all scales) of illegal/unwarranted logging/felling in 2013 and 2014 – 1310. Of these, 281 cases are considered as 'with damage to the nature'. Charges and penalties - administrative and criminal. Bodies imposing penalties - State Forest Service and Courts.</p>

Other relevant information for section C2.3.2 based on the risk observations mentioned in C2.2.2 (e.g. risks related to type of products, type of business, type of suppliers, country of harvest of timber, species of timber, information provided by other CAs or third parties):

We are willing to help to those operators (importers) who want to comply and we do believe that there is still some time needed for information and education of the operators.
We would, however, sanction persistent offenders.
But we do not know, however, what would be the view of the judges in Latvia on accusing of 'insufficient DD', for example. Especially in those cases when there is no new or consistent data available on regions and countries of harvest that could support our (CA's) position.

C3 Checks on Monitoring Organizations (MO)

C3.1 Number of checks per MO carried out between March 2013-February 2015 (ref. EUTR Article 8 (4)):

Name of each MO checked	MO registered in the MS		Number of checks undertaken per MO	Resulting in notifications ¹ to the EC	Other comments, notify here if the checks were according to plan
	Yes	No			
i) n/a	<input type="checkbox"/>	<input type="checkbox"/>	No. of checks	No. of checks	Click here to enter text.
ii) Click here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>	No. of checks	No. of checks	Click here to enter text.
iii) Click here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>	No. of checks	No. of checks	Click here to enter text.
iv) Click here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>	No. of checks	No. of checks	Click here to enter text.
v) Click here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>	No. of checks	No. of checks	Click here to enter text.
vi) Click here to enter text.	<input type="checkbox"/>	<input type="checkbox"/>	No. of checks	No. of checks	Click here to enter text.

¹ for withdrawal of recognition.

Main criteria for selecting MOs to be checked and other relevant information for section C3.1:

As MOs have no actual clients so far but only have given a number of consultations, we have not made any formal checks. However, we have met with both of our actually existing MOs and contacted the 3rd via phone and e-mail. The 3rd one seemed un-competent at all at the time. We have not been in touch with anyone in Latvia from the two newly recognised organisations but we have contacted the mother agencies in order to try to understand if they really are ready to act as MOs in Latvia.

D. COOPERATION ON IMPLEMENTATION AND ENFORCEMENT OF EUTR

D1 Cooperation with Authorities in EUTR Enforcement

D1.1 List of government agencies your country's CA has cooperated with during 2013-2015 on EUTR implementation and enforcement and description of the main areas of cooperation (*ref. EUTR Article 12*):

Agency	Area ¹ of cooperation
State Revenue Service's Customs Division	Data on operators - importers
Ministry of Agriculture	Cooperation regarding FLEGT (no actual action yet; only mutual agreement)
Nature Conservation Agency	Cooperation regarding CITES (no actual action yet; only mutual agreement)
INTERPOL'S National Central Bureau	Cooperation in case of investigations (no actual action yet; only mutual agreement)

¹ Area of cooperation ie joint enforcement actions, joint investigation, technical support

D1.2 List of CAs and other authorities in other EU countries your country's CA has cooperated with during 2013-2015 (*ref. EUTR Article 12*):

CA or other authority	Area ¹ of cooperation
UK's CA	Experience exchange visit at the UK's office; technical support
DK, DE, SE, NL, CZ, FI's CAs (Chatham House)	Technical support (Technical support; seminars)
Click here to enter text.	Click here to enter text.

¹ Area of cooperation ie joint enforcement actions, joint investigation, technical support

D1.3 List of agencies in non-EU countries the CA has cooperated with during 2013-2015:

Agency in producing country	Area ¹ of cooperation
USA Lacey Act authorities (Forest Trends)	Technical support (Technical support; seminars)
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

¹ Area of cooperation ie joint enforcement actions, joint investigation, technical support, sharing of intelligence etc.

D2 Substantiated Stakeholder Concerns Received on Implementation and Enforcement of EUTR

D2.1 Total number of operators about whom concerns were received (CR) from third parties and MOs, number of cases resulted in checks on operators (C) and number of cases resulted in penalties (CP) between March 2013-February 2015 (*ref. EUTR Article 8 (4)*):

Concerns received from:	CR	C	CP	Please specify type of concerns received and/or provide other relevant information e.g. applicable HS codes
	Number of operators			
Third parties	0	0	0	We have not received any 'real' substantiated concern; only some 'unsubstantiated' from other operators.
MOs	0	0	0	
TOTAL	0	0	0	

D2.2 Stakeholder concerns about operations of MOs (ref. EUTR defining recital 21):

Type of concern	Type of stakeholder ¹ and if possible, name	CA Action
n/a	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.

¹ Please specify the name and type of stakeholder group e.g., environmental/ social NGO, consumer group, industry, certification organisation

Other relevant information for section D2.2:

n/a

E. RESOURCES

E1 Resources Available in CA for Implementation and Enforcement of EUTR

E1.1 Human resources

- i) Human resources available for implementation and enforcement, person months/a:
- 1 person / 12 months (for imported timber);
For the information on locally harvested timber, please return to C2.2.1.
-

E1.2 Financial resources (if the information is available to the respondent)

- ii) Total annual budget for EUTR implementation, e.g., cooperation, training, reporting, EUR/a:
- No special budget; EUTR is implemented and enforced within the state budget and the budget allocated to the State Forest Service
-
- iii) Total annual budget for EUTR enforcement, e.g., checks, remedial actions, issuance of penalties, EUR/a:
- No special budget; EUTR is implemented and enforced within the state budget and the budget allocated to the State Forest Service
-

Other relevant information for section E1.2:

n/a

F. TECHNICAL ASSISTANCE AND CAPACITY DEVELOPMENT

F1 Technical Assistance Provided to Operators

F1.1 Assistance and training provided by any Member State government organisations to operators during March 2013-February 2015 (*ref. EUTR Article 13*):

Organisation providing assistance/training	Types of organisations receiving assistance/training	Type of assistance/training provided
State Forest Service	Producers and traders associations; Operators (on their own); MOs	Section for EUTR on our (CA's) website; Developed Guidelines for operators; Publication of the information in industry magazines and in general press; Consultations/advice to individual operators (when they ask) – on the phone, in writing, in person; Consultations with producers and traders associations; Informative e-mails to producers and traders associations
Ministry of Agriculture	Producers and traders associations; Operators (on their own) MOs	Informative seminars on EUTR implementation and its general requirements
Latvian Rural Consultation and Education Centre	Forest owners cooperatives; Forest owners (on their own); Logging companies	Seminars on forest management (including legal harvesting)
Click here to enter text.	Click here to enter text.	Click here to enter text.

F1.2 If the information is available to the respondent, please provide a general description of training/assistance provided to operators by other parties (*ref. EUTR Article 13*):

Bodies providing assistance/training	Types of organisations receiving assistance/training	Type of assistance/training
Wood Industry Federation	Operators - importers	Advice on DDS and information on EUTR general requirements
Forest Owners Association	Forest owners; Forest owners cooperatives	Advice on forest management and legal harvesting
MO	Operators - importers	Seminars on EUTR and its general requirements
Click here to enter text.	Click here to enter text.	Click here to enter text.

F1.3 Please provide an estimate of the number of operators who received assistance/training between 2013-2015:

n/a

F2 Other Technical Assistance Provided

F2.1 Other assistance and training provided in March 2013-February 2015:

Organisation/body providing the training/assistance	List of organisations/bodies receiving training/assistance	Type of assistance/training
n/a	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.

G. COMMUNICATION METHODS

G1 CA communication with stakeholders

G1.1 Methods of CA communication and concerns and complaints received from stakeholders during March 2013-February 2015:

Purpose of communication	Communication methods¹	Target groups
Dissemination of information, awareness raising	Website, e-mails, phone calls, meetings, newsletters, seminars	All operators; producers and traders associations; NGOs
Reception of concerns	E-mails, phone calls, meetings, letters	Same as above
Responses to concerns received	E-mails, phone calls, meetings, letters	Same as above
Reception of complaints and appeals	In a form of an application (should be signed)	Same as above
Responses to complaints and appeals received	Letters or electronically signed e-mails	Same as above
Other	n/a	n/a

¹e.g. website, emails, phone calls, meetings, newsletters, conferences or other.

Appendix 1

Additional contact information forms:

A4 Contributing agencies, organizations or individuals

Contributing organization	n/a
Country	Click here to enter text.

Contributing organization	Click here to enter text.
Country	Click here to enter text.

Contributing organization	Click here to enter text.
Country	Click here to enter text.

Contributing organization	Click here to enter text.
Country	Click here to enter text.

Contributing organization	Click here to enter text.
Country	Click here to enter text.

Contributing organization	
Country	Click here to enter text.

Appendix 2

Comments and/or other relevant information:

CA's comments (to be considered for the evaluation and review of the EUTR)

A concern, raised by some larger operators, on which CA partly agrees: 'Safe' suppliers and, on many occasions, inability of EUTR to find illegal timber. Amongst other things, like, wanting to have more specific guidelines on what constitutes a high risk and when a 'proper' risk mitigation is really needed, some operators (at least, some big operators) are discontent that all of them (all in Latvia, and then – all in the EU) have to check the same producers/suppliers in the third countries. Therefore, they would like to have lists with 'safe' operators. This applies, for example, to big plywood mills in Russia, from which very many operators in the EU are buying the same products, and having exactly the same DD. Most of the mills have certified or 'audited' materials and most of the wood is harvested legally. However, on the occasions when illegal timber enters a supply chain, no one is going to find it out anyway, regardless of the rigidity of the DD. It is so mostly for the apparent reasons that DD is applied only once a year, is document based, happens at the end of a supply chain, and, thus, cannot find every illegal piece of timber. (Instead, it should focus more on overall assessment and reliability of the suppliers.) Thereby, for the cases like described above, DD, which every operator does, partly seems as a useless effort.

CA's concern Nr 1: Lack of information, lack of understanding, lack of common approach

As we have said earlier in the report, it is problematic that there is no (or up to date) information available on illegality issues for some, for EU important, producer countries and regions. It becomes difficult or impossible for operators to assess risks, as well as for the CA to decide on the requirements for the operators. CA's have to have an opinion on particular countries as, in the end, these are very concrete measures we ask/want the operator to have to reach a negligible risk and, at the end, we decide if they have done enough.

What makes it all even more difficult, is the fact that the EUTR and Guidance Document are quite vague in saying what constitutes a negligible or non-negligible risk. It is up to each CA and even up to each inspector, and, of course, up to each operator to decide if a supply line has or has not risks. This all makes a huge room for interpretation. (And would be no good in courts.)

If there was no support from some NGOs, but only the information available according to the EUTR legislation (and on the internet), the level of knowledge and of common approach would be even more dramatic, while these are essential for enforcing the EUTR.

CA's concern Nr 2: Locally harvested timber and DD

Even if legal requirements, WTO, and others demand that the EUTR is applied to all timber, there is still a question – how can it be meaningfully applied to the local, EU, timber. What is the point for operators of doing DD on themselves (especially when the chain is as short as cutting and placing on the market)? If one wants to act illegally, he or she will do that also in his/her DD. Furthermore, we consider that regarding locally harvested timber each member state's national laws and monitoring and control mechanisms should be taken into account. Like in our case, we consider that the State Forest Service is the one who does DD on locally harvested timber and in a much more efficient way than it would be if operators had to fill in an extra paper to those they already have to complete to fulfil national requirements.

CA's concern Nr 3: An agreement or a guidance on who is an operator

We did not provide an answer to F1.3 because, first, it is hard to estimate, and, second, we think that this question should be asked in a proportional way (how many out of how many). However, to do so, we would have to know how many operators – importers, we have. Although we do know the number of all entities who 'place on the market', this number includes also those who import for, for

example, 30 Euros per year and, for this, we are reluctant to say any number. Therefore, we consider that a common agreement should be reached and a 'line' set on when (at what value of import per year, for example) to start considering someone an operator.

Significant translation errors in EUTR and Guidance Document texts in Latvian

Page 34 of EUTR:

Pulp and paper of Chapters 47 and 48 of the Combined Nomenclature, with the exception of bamboo-based and recovered (waste and scrap) products

Kombinētās nomenklatūras 47. un 48. nodaļā minētā pulpa un papīrs, ko neražo un nepārstrādā no bambusa (atkritumiem un atlikumiem)

Name of the Guidance Document:

GUIDANCE DOCUMENT FOR THE EU TIMBER REGULATION

AR KOKMATERIĀLU REGULAS TIESISKO REGULĒJUMU SAISTĪTIE
JAUTĀJUMI, PAR KURIEM BŪTU JĀIZSTRĀDĀ VADLĪNIJAS