

## Warning about import of goods with Russian origin

ETTF (European Timber Trade Federation) is the umbrella federation for 15 European national timber trade federations, as such acting as a representation of interests for the European timber trade and importing sector.

As a consequence of Russia's invasion of Ukraine, the EU has adopted extensive sanctions against Russia and Belarus. These also include bans on the import of all timber products in Chapter 44 of the EU's Combined Nomenclature<sup>1</sup>. Furthermore, also exporting various timber to Russia or Belarus has been sanctioned in the eleventh package of sanctions. The beforementioned import related sanctions apply both to direct imports from Russia and to imports via third countries. In addition to the sanctions, the European timber regulation (EUTR) regulates the import of wood and wood products into the EU. The EUTR sets precise requirements to know the legal origin of the wood, regardless of whether the wood product has been processed in a third country.

The EUTR/FLEGT committee, which consists of the competent authorities in the EU member states, concluded at a meeting on 29. April 2022 that it is not possible to comply with the EUTR if you bring wood and wood products originating in Russia into circulation in the EU<sup>2</sup>. These conclusions remain valid.

Over the last year, ETTF has issued several publications, press releases and member communication addressing the imports of timber and products made from wood originating in Russia. We view this situation with great concern, as companies risk violating both the EU's sanctions against Russia and the EUTR.

Data extract from federal European statistics offices show that there still are imports of especially birch plywood from Kazakhstan, China, Vietnam, Turkey, and Brazil. None of these countries have introduced sanctions against Russia, and in light of the birch's distribution area, ETTF assesses that there is a significant risk that the contained birch wood may have originated in Russia. Kazakhstan stands out particularly, as imports of birch plywood into the EU, let alone other wood-based panel products, have not been registered at any previous time.

We would like to emphasize that circumvention of the EU's sanctions and EUTR can result in serious sanctions (including fines, confiscation of profits and up to 4 years in prison) and significant loss of reputation - not only for the company in question, but also for the company's customers and the timber trade sector as a whole.

## At the same time, it will undermine the effect of the EU's sanctions against Russia.

We are in dialogue with federal competent authorities. These state that they are fully aware of changes in trade patterns, including goods from third countries now entering the EU in an unprecedented way, volume, or market price, with a view to investigating circumvention of EU sanctions and EUTR.

## We encourage members to be vigilant and refuse to enter in any transaction from third countries or from other EU countries where there may be a risk that the wood originates in Russia.

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<sup>&</sup>lt;sup>2</sup> Publications Office (europa.eu)