

Buying and selling timber if there's no Brexit deal

Summary

How importing or exporting certain timber or timber products (covered by EUTR or FLEGT) would be affected if the UK leaves the EU with no deal.

Detail

If the UK leaves the EU in March 2019 without a deal, find out how this would affect anyone who imports or exports timber or timber products which are covered by the EU Timber Regulation (EUTR) and Forest Law Enforcement Governance and Trade (FLEGT) regulation to or from EU or certain EEA countries.

A scenario in which the UK leaves the EU without agreement (a 'no deal' scenario) remains unlikely given the mutual interests of the UK and the EU in securing a negotiated outcome.

Negotiations are progressing well and both we and the EU continue to work hard to seek a positive deal. However, it's our duty as a responsible government to prepare for all eventualities, including 'no deal', until we can be certain of the outcome of those negotiations.

For two years, the government has been implementing a significant programme of work to ensure the UK will be ready from day 1 in all scenarios, including a potential 'no deal' outcome in March 2019.

It has always been the case that as we get nearer to March 2019, preparations for a 'no deal' scenario would have to be accelerated. Such an acceleration does not reflect an increased likelihood of a 'no deal' outcome. Rather it is about ensuring our plans are in place in the unlikely scenario that they need to be relied upon.

This series of technical notices sets out information to allow businesses and citizens to understand what they would need to do in a 'no deal' scenario, so they can make informed plans and preparations.

This guidance is part of that series.

Also included is an [overarching framing notice](<https://www.gov.uk/government/publications/uk-governments-preparations-for-a-no-deal-scenario/>) explaining the government's overarching approach to preparing the UK for this outcome in order to minimise disruption and ensure a smooth and orderly exit in all scenarios.

We are working with the devolved administrations on technical notices and we will continue to do so as plans develop.

Purpose

This notice sets out how buying and selling timber or timber products ('timber') covered by the EU Timber Regulation (EUTR) and Forest Law Enforcement Governance and Trade (FLEGT) regulation would be affected if the UK leaves the EU in March 2019 without a deal.

Before 29 March 2019

Timber supply chains are regulated to ensure harvesting practices are legal and support global forest governance.

Businesses placing timber on the EU and EEA market for the first time (known as operators) must take steps to ensure they originate from legal sources by exercising due diligence. This applies to both imported and domestically produced timber. Placing on the market means the supply by any means, irrespective of the selling technique used, of timber or timber products for the first time on the internal market for distribution or use in the course of a commercial activity, whether in return for payment or free of charge.

Businesses trading products within the EU and EEA market already placed on the market (traders) must keep a record of who they buy timber from and who they sell it to.

Under the EUTR, monitoring organisations can provide operators with a due diligence system and perform associated functions. Monitoring organisations must be recognised by the European Commission.

Timber imported from countries that have operational FLEGT licensing systems in place under voluntary partnership agreements (VPAs) with the EU – currently only Indonesia – must be accompanied by a FLEGT licence. A FLEGT licence confirms products comply fully with the relevant laws of that country. FLEGT-licensed timber is considered to comply with the requirements of the EUTR so EU importers do not need to undertake due diligence on this timber.

Timber covered by a permit under the EU Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) regulations is considered to comply with the requirements of EUTR so EU importers do not need to undertake due diligence on this timber.

After March 2019 if there's no deal

When the UK leaves the EU, EU law will no longer apply. We will implement our own UK timber regulation and UK FLEGT regulation, which will have the same requirements as the EUTR and EU FLEGT regulations.

Placing timber and timber products on the UK market

In a 'no deal' scenario, businesses importing timber from the EU and EEA and placing it on the UK market would have to exercise due diligence to demonstrate that they are importing legally harvested timber. This would involve:

- gathering information on timber, including its species, quantity, supplier, country of harvest and compliance with applicable legislation
- assessing the risk of timber being illegal, applying criteria set out in the regulation
- mitigating any identified risk, by obtaining additional information or taking further steps to verify legality.

This is what businesses currently have to do when they import timber from the rest of the world. This is also what businesses currently have to do when placing timber produced within the UK on the UK market for the first time. There will be no changes for businesses importing from outside the EU, UK producers first placing on the market, and internal UK trade. As before, they will need to exercise due diligence to confirm the timber is legally harvested.

When the UK leaves the EU, we will implement our own UK CITES regulation. Timber covered by a permit under the CITES regulations will be considered to comply with the requirements of EUTR, so UK importers will not need to undertake due diligence on this timber.

The government is working to ensure FLEGT licenses continue to be recognised in the UK in a 'no deal' scenario. FLEGT licences will continue to be verified by the Office for Product Safety and Standards.

Exporting timber and timber products from the UK to the EU and EEA

To continue to comply with the EUTR, EU and EEA businesses would be required to apply due diligence to imports from the UK. As a result, it is likely that UK-based exporters would need to provide relevant documentation about the source and legality of their timber exports to EU and EEA-based importers to enable their customers to meet their due diligence obligations under the EUTR.

These due diligence systems would vary business by business. The documents UK businesses should provide will need to allow EU importers of UK products to fulfil the due diligence requirements of the EUTR given above. EU and EEA businesses

importing timber from the UK that is covered by a CITES import permit will not need to conduct due diligence.

Trading timber within the UK

Traders must continue to keep a record of who they buy timber from and sell timber to.

Enforcement of the UK timber regulation

The way in which the EUTR is enforced would stay the same as now. The Office for Product Safety and Standards would continue to check that appropriate records are maintained by businesses and there would be no additional action businesses need to take at the border as a result of the changes relating to the EUTR.

Monitoring organisations

Monitoring organisations established in the UK would automatically continue to be recognised by the UK and will remain able to carry out their function for the purposes of the UK timber regulation. Monitoring organisations established outside of the UK would not automatically continue to be recognised by the UK in a 'no deal' scenario. The EU has indicated it will no longer recognise monitoring organisations based in the UK in a 'no deal' scenario.

Further information

Guidance for [the current regulations](<https://www.gov.uk/guidance/eu-timber-regulation-guidance-for-business-and-industry>) explains how to comply with the legislation and the role of the Office for Product Safety and Standards, which enforces the regulations.

A [list of the products to which the regulation applies](<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010R0995&from=EN>) is also available.

This notice is meant for guidance only. You should consider whether you need separate professional advice before making specific preparations.

It is part of the government's ongoing programme of planning for all possible outcomes. We expect to negotiate a successful deal with the EU.

The UK government is clear that in this scenario we must respect our unique relationship with Ireland, with whom we share a land border and who are co-signatories of the Belfast Agreement. The UK government has consistently placed upholding the Agreement and its successors at the heart of our approach. It enshrines the consent principle on which Northern Ireland's constitutional status

rests. We recognise the basis it has provided for the deep economic and social cooperation on the island of Ireland. This includes North-South cooperation between Northern Ireland and Ireland, which we're committed to protecting in line with the letter and spirit of Strand two of the Agreement.

The Irish government has indicated they would need to discuss arrangements in the event of no deal with the European Commission and EU Member States. The UK would stand ready in this scenario to engage constructively to meet our commitments and act in the best interests of the people of Northern Ireland, recognising the very significant challenges that the lack of a UK-EU legal agreement would pose in this unique and highly sensitive context.

It remains, though, the responsibility of the UK government, as the sovereign government in Northern Ireland, to continue preparations for the full range of potential outcomes, including no deal. As we do, and as decisions are made, we'll take full account of the unique circumstances of Northern Ireland.

Norway, Iceland and Liechtenstein are party to the Agreement on the European Economic Area and participate in other EU arrangements. As such, in many areas, these countries adopt EU rules. Where this is the case, these technical notices may also apply to them, and EEA businesses and citizens should consider whether they need to take any steps to prepare for a 'no deal' scenario.