



**COUNCIL OF
THE EUROPEAN UNION**

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**Interinstitutional file :
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**6527/10
ADD 1 REV 1**

**CODEC 121
AGRI 48
ENV 79
FORETS 21
DEVGEN 50
RELEX 138
JUR 96
UD 50
WTO 39
PROBA 14**

REVISED ADDENDUM TO "I/A" ITEM NOTE

from: General Secretariat of the Council

to: COREPER/COUNCIL

Subject: Proposal for a Regulation of the European Parliament and of the Council laying down the obligations of operators who place timber and timber products on the market **(first reading) (LA + S)**

- Adoption of
 - (a) the common position
 - (b) the statement of the Council's reasons
- Statements

**Statement by Bulgaria, the Czech Republic, Estonia, Ireland, Greece,
France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Austria, Poland, Portugal,
Romania, Slovenia, Finland and Sweden**

When implementing this Regulation, Bulgaria, the Czech Republic, Estonia, Ireland, Greece, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Austria, Poland, Portugal, Romania, Slovenia, Finland and Sweden will endeavour to facilitate the ability of the operators to comply with the requirements of this Regulation, taking specifically into account the situation of small and medium sized enterprises/operators.

Statement by the United Kingdom, Denmark, Belgium and Spain

The United Kingdom, Denmark, Belgium and Spain regret that the Council position is not more ambitious and we remain of the view that the EU must signal strong and firm leadership on this issue. We believe that the Regulation must contain a prohibition on the first placing of illegal timber on the European Union market. This would complement the due diligence approach and enable Member States to take action against operators that place illegal timber on the market.

We urge the Council to work with the European Parliament to achieve an ambitious regulation which ensures illegal timber cannot be placed on the market.

Statement by the Slovak Republic

The timber products set out in the Annex to the Regulation differ in the complexity of the supply chain, which is mainly determined by the number of phases in their industrial processing and by the number of their constituent components.

The complexity of the supply chain of those timber products set out in the Annex therefore represents one of the key factors that influence the ability of operators, monitoring organisations and competent authorities to comply with the requirements of this Regulation and, in this regard, affects the proper, efficient and effective implementation of the Regulation.

Statement by the Commission

1. In connection with Articles 12 and 18 the Commission undertakes to submit an evaluation on the current EU economic and trade situation of the products under Chapter 49 of the EU Customs Code, in order to consider their possible inclusion in the list of products annexed to the present Regulation.

The Commission will also endeavour to facilitate the ability of operators to comply with the requirements of this Regulation, taking specifically into account the situation of small and medium sized enterprises/operators.

2. The Commission welcomes the agreement reached in the Council on the Regulation on the placing on the market of timber and timber products.

In this context the Commission takes note of the new recital 23 on the consultation of experts in the preparatory phase of delegated acts. The Commission considers that expert groups cannot have a formal institutional role. Therefore provisions as regards the involvement of experts in the preparation of delegated acts cannot be included in the basic acts. In this regard the Commission refers to its Communication of 9 December 2009.

In order to allow the legislative process to move forward with a view to the timely adoption of this Regulation, the Commission will not oppose the common position of the Council given that the substance of the compromise reached, taken as a whole, meets the objectives of the proposal. The Commission reserves its right to come back to the above mentioned recital in second reading also taking into account the position of the European Parliament on this matter.

Explanation of vote by the Netherlands

- The Netherlands considers it very important that the international community seek to prohibit trade in illegal timber. In the Netherlands' view, the EU should lead the way in the UN Forum on Forests (UNFF) in tackling the problem of illegal timber and seeking to introduce an international ban on trade therein.
 - With that in mind, the Netherlands believes that the Commission proposal as it now stands must be strengthened by the addition of a ban on trade in illegal timber that is workable, in line with FLEGT and consistent with the WTO framework.
 - Accordingly, the Netherlands is unable to agree to the proposal tabled by the Presidency and calls on the Council to continue working on the proposal with the European Parliament in order to arrive at a ban on trade in illegal timber.
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