

Initial response by NEPCon on the Greenpeace report “La Safmarine Sahara: un cargo, 3000 m³ de bois, combien de bois illégal?”

24 June 2014

In a recent [briefing](#), Greenpeace France raised doubts over the legal origin of a cargo of 3000 m³ timber from the Democratic Republic of Congo (DRC) arriving at the port of La Rochelle, France.

The Swiss company Interholco AG (IHC) was amongst the buyers of the timber. Greenpeace refers to the recent LegalSource certification of IHC by NEPCon and questions NEPCon’s auditing quality. Greenpeace also points out that NEPCon is recognised by the European Commission as a Monitoring Organisation (MO) under the EU Timber Regulation (EUTR) and asks the French national Competent Authority (CA) to check the quality of our audits.

NEPCon commends Greenpeace for its sustained efforts to support full and consistent EUTR implementation across all EU Member States. La Rochelle is a key point of entry for timber into the EU, which warrants a strong focus from the CA. In particular, we would welcome its review of our auditing system, which could serve in calibrating important interpretations.

However, we also take any concern over our auditing quality very seriously. The following statement provides our initial response on this matter, whilst investigations are ongoing to address it further.

STATEMENT

Greenpeace suspects that the timber might be illegal based on its origin in three concessions deemed to be “high risk sources” in terms of timber legality. It should be noted that no evidence is presented for the illegal origin of the actual consignment, however the main question raised by Greenpeace is whether the buyers - including IHC¹ - have exercised due diligence or not.

Third-party verification

NEPCon agrees that the timber in question must be considered as high risk, due to the known issues of illegality in the timber sector of DRC. According to the LegalSource Standard, procurement of timber from high-risk sources requires detailed risk assessment and risk mitigation if necessary.

Third-party verification schemes that include assessment of legal timber harvesting in the field can be important elements of risk management, providing their scope and quality are adequate.

According to our information, IHC’s share of the consignment exclusively covered timber from the SIFORCO concession. SIFORCO is an approved supplier under IHC’s Due Diligence System (DDS). This concession is verified by SGS against [SGS’ timber legality verification system](#).

¹ Note: According to our information, IHC is not an EUTR Operator in this context. The timber is customs cleared by IHC’s customers who are by default Operators and hence liable under the EUTR. However, IHC wishes to provide its EU-based customers with assurance of legal timber origin through LegalSource certification.

NEPCon recognises that the quality and scope of third-party schemes may vary. Organisations seeking or holding LegalSource certification are therefore required to evaluate the third-party schemes that they are using in risk management.

IHC has evaluated the SGS scheme amongst others, and NEPCon has subsequently reviewed and found IHC's evaluation adequate. Although the evaluation was largely positive, IHC found a few areas of only partial compliance with the EU Timber Regulation. NEPCon has requested IHC to address those areas. As part of the certification process, NEPCon has reviewed the most recent SGS audit report from field verification conducted for the SIFORCO concession (published in September 2013). The SGS report documented a legality audit covering the EUTR requirements, and NEPCon found no major issues with the report.

The next steps

We have immediately launched an investigation covering Greenpeace's allegations against NEPCon's auditing quality. Once this is completed, we will decide on any follow-up actions, if necessary. As a first step, we have contacted Greenpeace for further clarification and documentation.

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ABOUT LEGALSOURCE CERTIFICATION

NEPCon has developed the [LegalSource Standard](#) and [Due Diligence System](#) in order to provide tools for addressing and verifying legal timber origin for the industry within and outside of Europe. Our standard has been subject to two rounds of public consultation and our system has been developed and tested in collaboration with European industries.

Based on a thorough review of our LegalSource Due Diligence System and general auditing competency, the European Commission has recognised NEPCon as a Monitoring Organisation for operating across all EU Member States.

Learn more at www.nepcon.net/legaltimber.