

Blood-stained Birch - List of References

All links working as of 23rd January – Earthsight has pdf backups of most pages - contact info@earthsight.org.uk

[1] Article 3i Paragraph 1 of Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, as inserted via COUNCIL REGULATION (EU) 2022/576 of 8 April 2022, states that "it shall be prohibited to purchase, import, or transfer, directly or indirectly, goods which generate significant revenues for Russia thereby enabling its actions destabilising the situation in Ukraine, as listed in Annex XXI into the Union if they originate in Russia or are exported from Russia". When initially passed in April 2022, Annex XXI included HS Code 44: Wood and articles of wood, as well as HS Codes 4705 (certain types of wood pulp), 4804 (certain types of paper) and 9403 (furniture, including wood furniture). It was later amended to include all other types of pulp and paper and wooden seats. The EU defines the origin of a product as the country where it was produced or manufactured (as defined in the EU rules of non-preferential origin), not where it was shipped from. See consolidated text of Regulation (EU) No 833/2014 at <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02014R0833-20241029>

[2] Earthsight, Russia's Timber Oligarchs, March 11th 2022, see <https://www.earthsight.org.uk/news/press-release-russia-oligarch-wood-trade-west-ukraine-invasion-putin-belarus>

[3] Russia's defence ministry claims Russia's military controls 4.7 million hectares of forests. Source: Ministry of Defence of the Russian Federation (2024) Federal State Budgetary Institution "Forestry Department And Nature Management" Available at: <https://ulhip.mil.ru/>, (Accessed 3 December 2024).

[4] Earthsight, Rubber-stamping Repression, November 2022, see <https://www.earthsight.org.uk/news/rubberstampingrepression>

[5] Earthsight, Ikea's House of Horrors, July 2021 at <https://www.earthsight.org.uk/news/investigations/ikea-house-of-horrors>

[6] See online blog titled 'Turn Of The Decade Trend Alert: The Birch Plywood Kitchen' at <https://georgerobinsonkitchens.co.uk/turn-of-the-decade-trend-alert-the-birch-plywood-kitchen/>

[7] Houzz.co.uk, Trends: 12 Ways to Tap into the Trend for Plywood, November 2015 at <https://www.houzz.co.uk/magazine/trends-12-ways-to-tap-into-the-trend-for-plywood-stsetivw-vs~50374872>

[8] Figures calculated from submissions made by Woodstock Consortium to the European Union's investigation into circumvention of anti-dumping tariffs on Russian birch plywood over 2023. The Consortium is formed of domestic European birch ply manufacturers, see more at <https://woodstockconsortium.eu/who-we-are/>

[9] Area calculated from volume assuming average ply thickness of 12mm

[10] Woodstock Consortium submission, supra note 8

[11] Top ten exporter list based on an analysis of Russian plywood export shipment records for all destinations for the period January to April 2024 and undercover calls with these firms as well as firms in third countries who admitted to trading their plywood.

[12] Based on an analysis of Russian plywood export shipment records for all destinations for the period January to April 2024

[13] For example, owners of the two largest Russian birch plywood firms Alexei Mordashov and Vladimir Yevtushenkov were among a group of industry leaders who met with Putin to discuss implications of sanctions for Russian businesses the day Ukraine was invaded. See here for a release about the Feb 24 2022 meeting: <http://kremlin.ru/events/president/news/67846> and here for a participant list: <http://kremlin.ru/supplement/5778>

[14] This and subsequent quotes from timber traders are from undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[15] Bloomberg, Segezha Turns Top Russian Forest Holder in \$515 Million Deal, October 2021, at <https://www.bloomberg.com/news/articles/2021-10-11/segezha-becomes-russia-s-top-forest-holder-in-515-million-deal?embedded-checkout=true>

[16] Earthsight, Imports of Russian “conflict timber” for US kitchens linked to logging in ancient virgin forests, September 2023 <https://www.earthsight.org.uk/news/russian-timber-linked-ancient-forest-logging>. Also see stories article from April 2023, based on evidence of illegal logging first uncovered by environmental group SPOK: <https://istories.media/en/stories/2023/04/20/wartime-ecology/>

[17] Reuters, ‘Russian billionaire Yevtushenkov cedes control of Sistema after UK sanctions’, 13 April 2022, <https://www.reuters.com/article/business/russian-billionaire-yevtushenkov-cedes-control-of-sistema-after-uk-sanctions-idUSKCN2M51LR/>

[18] Earthsight, ‘Some – but not all – Russian conflict timber imports banned in US’, 27 November 2023, <https://www.earthsight.org.uk/news/US-sanctions-Russian-timber>

[19] Based on an analysis of Russian plywood export shipment records for all destinations for the period January to April 2024

[20] By revenues in 2021. Analysis of corporate records of major Russian timber companies by Earthsight, 2022

[21] Sveza's website claims the company as the 'world leader in the production of birch plywood', <https://sveza.com/company/>, accessed 3 December 2024

[22] The Guardian, ‘Italian police seize yacht owned by Russia’s richest man’, 4 March 2022, <https://www.theguardian.com/world/2022/mar/04/italian-police-seize-yacht-owned-by-russias-richest-man>; also see The Guardian, ‘Alexei Mordashov: Russia’s richest man is now an EU sanctions target,’ March 2022 at <https://www.theguardian.com/news/2022/mar/02/alexei-mordashov-russias-richest-man-is-now-an-eu-sanctions-target>

[23] Website of the President of Russia, 'Встреча с представителями российских деловых кругов' ['Meeting with representatives of Russian business circles'], 24 February 2022, <http://kremlin.ru/events/president/news/67846>

[24] Interfax, 'Mordashov transfers controlling stake in Sveza Group to management', 20 October 2022, <https://interfax.com/newsroom/top-stories/84118/>

[25] Severgroup, of which Alexei Mordashov is the Chairman and majority shareholder, continues to retain a 49 per cent stake in Sveza. See <https://www.opensanctions.org/entities/Q1395387/>

[26] Eurostat EU import records, analysed by Earthsight

[27] Eurostat EU import data, analysed by Earthsight.

[28] Based on an analysis of trade data

[29] Tracking the history of its webpage www.intopgroup.kz via Wayback Machine reveals it first appeared online in March 2023. After Earthsight wrote to the company in late 2024, the webpage was taken down.

[30] From undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[31] Company records show that Initiative and the two firms through which it was exporting plywood were linked via a common individual, Natalia Slovka. Slovka is also connected to another Kazakh company that has previously traded birch plywood, and which investigative journalists have previously connected to PinskDrev:

https://investigatebel.org/en/investigations/v-evropu-cherez-aziyu-kak-belarus-po-prezhnemu-prodaet-sankcionnuyu-faneru-i-pellety-v-es?_cf_chl_tk=0nDysleuWKS9vxseyTBQhu4OSvA8ljN1Q0RQ3_a1P0-1729156464-1.0.1.1-Cki9V3GUn727C6pmWE2FsyoGdOEuWwaiZBdDNkwCz1U

[32] See PinskDrev’s addresses in Karaganda here: <https://pinskdrv.kz/karaganda/>. The address of one of these, a warehouse at Sklads kaya St. 8/3, is the same as one listed on Initiative 2015’s website: <https://inicziativa2015.kz/>

[33] https://pro.mytenge.kz/company/160540024859#google_vignette

[34] Initiative's Uralsk address is 090005 WKO RK, Uralsk, industrial zone Zhelaevo 8, room 6. See Initiative 2015 website, <https://inicziativa2015.kz/>

[35] Article 24 of the European Community Customs Code states that 'Goods whose production involved more than one country shall be deemed to originate in the country where they underwent their last, substantial, economically justified processing or working in an undertaking equipped for that purpose and resulting in the manufacture of a new product or representing an important stage of manufacture'; that minor processing would not change the origin in a case involving EU sanctions was clarified further in European court judgement of 5 September 2024 regarding Myanmar teak (Judgment of 5 September 2024 in Case C-67/23 S.Z., <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:62023CJ0067>)

[36] Shipment records show 220 shipments of birch plywood from Initiative 2015 to EU destinations during the period July to September 2024, with a total volume of 9,352 cubic metres, compared with a total of 658 shipments and 19,633 cubic metres from Kazakhstan as a whole.

[37] From undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[38] Linyi Camel Plywood website, <https://www.camelply.com/Content/337939.html>, accessed 3 December 2024

[39] Tianma Lvjian website, <https://www.tianmalvjian.com/about/>, accessed 3 December 2024

[40] Undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[41] The document shared by Alvi-Bel is an inspection report titled Protokół Kontroli Nr Os 143/2023, dated 7th December 2024. The inspection was carried out by Mazowiecki Wojewódzki Inspektor Ochrony Środowiska [the environmental protection inspectorate for Warsaw] over November and December 2023.

[42] Undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[43] Undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[44] Undercover communications via Skype, phone and WhatsApp between Earthsight and firms involved in the birch plywood trade between May and December 2024

[45] Walltopia, 'The tallest climbing walls in the world,' August 21st 2020, at <https://stories.walltopia.com/2020/08/21/the-tallest-climbing-walls-in-the-world/>, accessed on 11th December 2024

[46] Walltopia website, 25 August 2020, 'World famous brands have chosen Walltopia as a supplier', <https://stories.walltopia.com/2020/08/25/world-famous-brands-chose-walltopia-for-a-supplier/>, accessed 12 December 2024

[47] Walltopia website, <https://walltopia.com/it/projects/european-speed-climbing-qualifier-roma/>, accessed 12 December 2024

[48] Bloomberg, 'The Bulgarian duo leading an indoor rock climbing revolution', 10 November 2015, <https://www.bloomberg.com/features/2015-indoor-rock-climbing/>

[49] Based on analysis of Russian export records prior to the invasion of Ukraine

[50] Stockist database on Werxal website, <https://www.werxal.com.pl/salony-meblowe>, accessed 12 December 2024.

[51] [redacted]

[52] Esta Parket website, <https://estaparket.eu/about/> and <https://estaparket.eu/useful/why-choose-estaparket/#eco> and <https://estaparket.eu/useful/construction-options/> accessed 12 December 2024

[53] Komfort Factory website homepage, <https://www.komfortfactory.bg/en>, accessed 12 December 2024

[54] Forest Traffic website, <https://forest-traffic.com/en/home-2/>, accessed 3 December 2024

[55] Forest Traffic website, <https://forest-traffic.com/en/categoria/projects/>, accessed 3 December 2024

[56] Siena, Belarusian Investigative Centre and Frontstory, 'Traders Are Sneaking Banned Russian and Belarusian Wood Into the EU By Pretending It's From Central Asia,' December 20th 2022, at <https://www.occrp.org/en/investigation/traders-are-sneaking-banned-russian-and-belarusian-wood-into-the-eu-by-pretending-its-from-central-asia>

[57] Belarusian Investigative Centre, 'An Asian route to Europe. Belarus never stopped selling sanctioned plywood and pellets to the EU,' 3rd April 2023, at <https://investigatebel.org/en/investigations/v-evropu-cherez-aziyu-kak-belarus-po-prezhnemu-prodaet-sankcionnuyu-faneru-i-pellety-v-es>

[58] Børsen, 'Indkøbschef: Markedet for ulovligt russisk træ er "voldsomt"', 23rd April 2024, at https://borsen.dk/nyheder/virksomheder/saadan-svarede-en-grossist-der-tilbyder-mistaenkeligt-birketrae?b_source=borsen&b_medium=row_5&b_campaign=news_2

[59] Release by the European Commission's Directorate General for Trade, 'EU tackles circumvention of anti-dumping tariffs on birch plywood imports', 14th May 2024, at https://policy.trade.ec.europa.eu/news/eu-tackles-circumvention-anti-dumping-tariffs-birch-plywood-imports-2024-05-14_en

[60] Personal communications between Earthsight and EUTR officials in these countries during 2024; LSM+, 'Company fined EUR 10,000 for possible import of Russian wood', 5 Jul 2024, <https://eng.lsm.lv/article/economy/economy/05.07.2024-company-fined-eur-10000-for-possible-import-of-russian-wood.a560413/>; De Tijd, 'Illegaal Russisch hout onderschept in België', 29 February 2024, <https://www.tijd.be/politiek-economie/belgie/algemeen/illegaal-russisch-hout-onderschept-in-belgie/10530099.html>

[61] Super Biznes, 'Nielegalny import sklejk brzozowej z Rosji i Białorusi. Polski wątek.', 31st August 2024, <https://superbiz.se.pl/wiadomosci/nielegalny-import-sklejki-brzozowej-z-rosji-i-bialorusi-polski-watek-aa-Hc9F-Siiy-zTua.html>

[62] Ministry of Internal Affairs and Administration of Poland, 'Lista osób i podmiotów objętych sankcjami', Last accessed 30th October 2024: <https://www.gov.pl/web/mswia/lista-osob-i-podmiotow-objetych-sankcjami>

[63] Based on an analysis of Eurostat import data

[64] Based on an analysis of Eurostat import data for January-February 2022 (pre-sanctions) and January-February 2024

[65] Based on Earthsight's analysis of Eurostat data

[66] Notice of initiation of an anti-dumping proceeding concerning imports of hardwood plywood originating in the People's Republic of China, C/2024/6048, 11th October 2024. See: https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ%3AC_202406048

[67] Based on £131.94 inc VAT offered for a sheet of 18mm B/BB 2440 x1220mm on 4 November 2024 - <https://www.builderdepot.co.uk/18mm-birch-throughout-wbp-plywood-bb-bb-2440mm-x-1220mm-8ft-x-4ft>

[68] European Panel Federation webinar, 'Responsible Sourcing: Risks and Consequences of Purchasing Sanctioned Plywood from Russia and Belarus' 10th September 2024.

[69] Based on Earthsight analysis of Eurostat data. The five named countries were responsible for 73 per cent by value of combined imports of birch plywood from China, Kazakhstan, Turkey and Georgia during July to September 2024. The largest current destinations are Portugal, Greece, Slovenia, Czechia and Romania.

[70] Based on analysis of EU import data from Eurostat, which show that imports from Russia and Belarus in August-December 2021 of €411m were eliminated after July 2022 when sanctions came into full effect, while imports from suspect laundering countries increased by some €80m per month. €411m-€80m x 29 months = €9.6bn.

[71] Russian government data seen by Earthsight indicate some 225 million cubic metres of timber was harvested in 2021, falling to 195 million cubic metres in 2022 and 185 million cubic metres in 2023. Assuming similar harvesting through 2024, and an average yield of one cubic metre of commercial timber per tree, gives an estimate of 100 million trees which would otherwise have been cut by the end of 2024 had logging rates remained unchanged.

[72] In relation to EU sanctions on wood from Myanmar, a court in the EU recently ruled that customs authorities can require “supplementary evidence” when presented with origin documents, in cases where they have serious doubt about the veracity of origin claims.

[73] Initially steel, like wood, was only banned if it was manufactured in Russia. In October 2022, however, as part of the 8th package of sanctions, Council Regulation (EU) No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine was amended with the addition of Article 3g, which further prohibited the import of steel products “when processed in a third country incorporating iron and steel products originating in Russia”. In October 2022, the steel import sanctions were further tightened through a requirement for importers to provide proof of origin of their steel products. See <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02014R0833-20241029>

[74] Volume total for imports between 25 February 2022 and 26 November 2024, from individual shipment records accessed via Panjiva.com, analysed by Earthsight. Retail value estimate based on Baltic birch plywood retail prices at West Wind Hardwood Inc of \$4479/m³, calculated from \$240 for a 3/4”x4’x8’ sheet (actual size 18x1220x1440mm) of BB/BB grade Baltic birch plywood as of 10th Feb 2023.

[75] Shipment records show 12,731 containers of birch plywood were imported from Russia between 25 February 2022 and 26 November 2024; each is 8½ feet high.

[76] Russian export shipment records for the period January to April 2024 show that the top six Russian exporters of birch plywood to the USA during that period were Murashinsky Plywood, Arkhangelsk Plywood, Krasnyi Yakor/Parfinsky Plywood, Plyterra, Syktyvkar Ply and Sveza. Together the six firms supplied 41,990 cubic metres out of a total of 58,362 cubic metres shipped from Russia – 72 per cent of exports.

[77] See for example, a May 2023 Resolution by the Ukrainian Parliament appealing for the governments of foreign states to sanction imports of wood and wood products from Russia and

Belarus here <https://zakon.rada.gov.ua/laws/show/3087-20#Text> and a February 2024 appeal by the Ukrainian Nature Conservation Group and a collection of Ukrainian NGOs to the US Department of Treasury calling for a ban on Russian timber here: <https://uncg.org.ua/en/wp-content/uploads/2024/02/UNCG-2024-190.pdf>.

[78] European Commission, Statement by President von der Leyen on the 10th package of sanctions against Russia, 15 February 2023, https://ec.europa.eu/commission/presscorner/detail/en/statement_23_907

[79] Earthsight, 'FSC hall of shame: The ethical wood label's long line of scandals', 25 October 2021, <https://www.earthsight.org.uk/news/blog-fsc-hall-of-shame-the-ethical-wood-label-long-list-of-scandals>

[80] Libereco, 'We demand an independent investigation into greenwashing by FSC in Belarus,' February 2024 and signed by by 14 MEPs from 9 EU member states and 33 international NGOs from 14 countries at <https://www.libereco.org/en/greenwashing-fsc-belarus/>

[81] Open Letter: FSC is no longer fit for purpose and must urgently reform, 25 October 2021, <https://www.earthsight.org.uk/news/blog-open-letter-fsc-no-longer-fit-for-purpose-and-must-urgently-reform>