



EXPORT PROMOTION COUNCIL FOR HANDICRAFTS

“EPCH HOUSE” POCKET-6 & 7, SECTOR-C, L.S.C., VASANT KUNJ, NEW DELHI-110070
Tel: 91-11-26135256 Email: mails@epch.com
Fax: 91-11-26135518, 26135519 Web: www.epch.in

PRESS RELEASE

VRIKSH- A ROBUST SCHEME FOR DUE DILIGENCE IN PROCUREMENT OF WOOD FROM LEGAL SOURCES: EPCH

NEW DELHI – May 30, 2013 -- The European Union launched an Action Plan in 2003 to stop illegal logging. This Action Plan known as the EU Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan aims at combating the problem of illegal logging. As per this plan, it will make it illegal from 3rd March, 2013 to place illegally harvest timber and timber products in the EU market, informed the Export Promotion Council for Handicrafts (EPCH) here today.

The legislation requires that due diligence is applied to all timber first placed on the EU market and also that traders, further down the supply chain, keep track of who timber or timber products were bought from.

In order to counter the provisions of European Union Timber Regulation (EUTR) and other such legislations, the Council has launched the “**VRIKSH**” the due diligence system that would setup benchmarking initiative and issue certification to the member exporters. VRIKSH will suffice the due diligence requirements of international regulations set by foreign countries and authenticate the procurement source as legal based on evidential proofs. It plans to accelerate advocacy, raise awareness and build capacity and propagate the scheme amongst the overseas buyers.

A specific committee has been set up by the Council which include member exporters, foresters, researchers, certification bodies, related institutions to device a mechanism to create a due diligence system for procurement of wood from the legal sources.

The key objective of the mechanism is to promote environmentally responsible production, consumption and trade in wooden handicrafts products in India and abroad.

Mr. Lekhraj Maheshwari, Chairman, EPCH said, “the Council had taken up the matter with senior Government officials including Finance Secretary, Commerce Secretary and DGFT and had sought their assistance in the matter. A Notification has been issued from the O/o DGFT authorizing EPCH to issue Certificates regarding Due Diligence in procurement of wood from legal sources”.

He further said, “The process of preparing the standards and checklist for conformance of Indian Timber Legality Requirements as well as due diligence requirement has been initiated and a robust mechanism will be soon in place in India. India is among few select countries to have taken initiative towards creating indigenous due diligence system”.

More than 1.1 million artisans and craftspersons are involved in producing wooden handicrafts. Most of them belong to economically weaker and backward sections of the society. Therefore, exports of wooden handicrafts are a source of employment generation, poverty alleviation and up gradation of social status.

India is one of the major exporters of wooden handicrafts. The exports of wooden handicrafts in the year 2012-13 amounted to Rs. 2750 crores. Europe and USA are the major markets for Indian wooden handicrafts.

The exports of Handicrafts have shown an increase of Rs 4994.87 crore, from Rs. 12975.25 to Rs. 17970.12 crore, an increase of 38.50% in rupees term. In dollar terms, the exports have shown the increase of USD 599.24 millions from USD 2705.66 million to USD 3304.90 million up by 22.15 % during the period April-March 2012-13 as compared to the similar period in 2011-12.

For more information please contact:-

Mr. Rakesh Kumar, Executive Director, EPCH - 09818272171