



Earthworm Foundation Charcoal Customs Data Charcoal Bags Analysis 2022

Germany

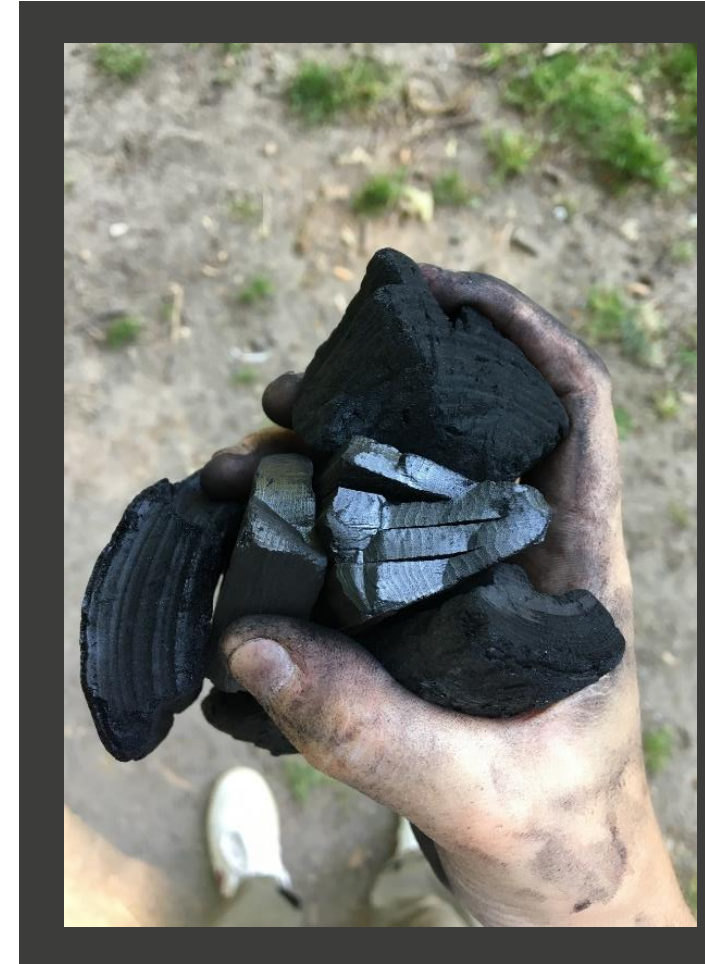
| Background

The European Union imports most of its barbecue charcoal from countries outside the EU-27. In 2021, Europe imported over 600'000 tones of charcoal, from which a significant share came from countries with well documented forest degradation and deforestation.

In Europe today, no binding legislation is applicable to regulate the import of wood charcoal. This loophole allows for cheap and undeclared charcoal to enter European consumer markets, usually without any traceability information; no indication of origin, wood species or manufacturing site printed on the charcoal bag.

Since 2012 Earthworm Foundation (EF) advocates for increased transparency on the European charcoal market. EF has engaged several key industry players on their journey to more responsible practices and in 2015 developed the **Charcoal Bags Analysis Methodology**. A simple but effective tool to monitor the level of transparency on key European consumer markets.

Since 2015 we have analyzed more then 400 charcoal bags. This report contains a brief market analyses for charcoal sold on the German market as well as this year's results of the charcoal bags analyses for Germany.





EARTHWORM FOUNDATION



Earthworm

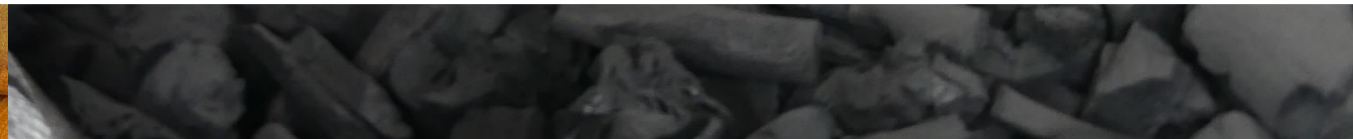
*(Previously known as The Forest Trust)
is a global non-profit organization built on
values and driven by the desire to positively
impact the relationship between people and
nature.*

- Founded in **1999**
- Over 100 **members** and **partners**
- Expertise on **social** and **environmental** issues
- Working across **5 continents**
with ground-based projects


The products we consume represent our biggest impact on the planet.
Changing the way they are made can change the world.



CHALLENGES AROUND CHARCOAL & EF CHARCOAL PROGRAM



Forest & Environment

 **1 Ton of charcoal = 4 – 12 tons of wood**

 Emissions of GHG
2 to 7 % GHG anthropogenic emissions

 **Forest degradation, deforestation**

Social



Forced labour
Violation of human rights



Land tenure conflicts



Missing occupational health and safety

Economica



Unfair payment

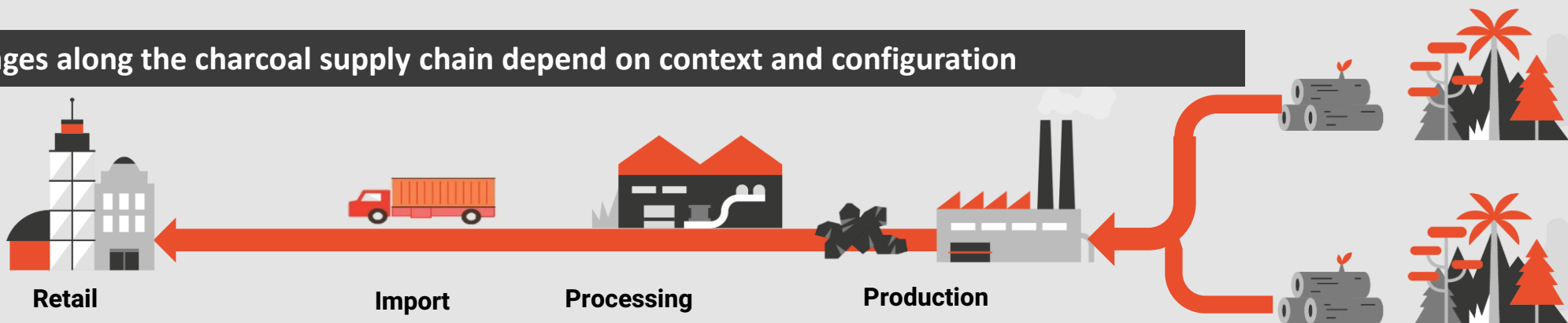


Debt bondage



Missing legal regulations

Challenges along the charcoal supply chain depend on context and configuration



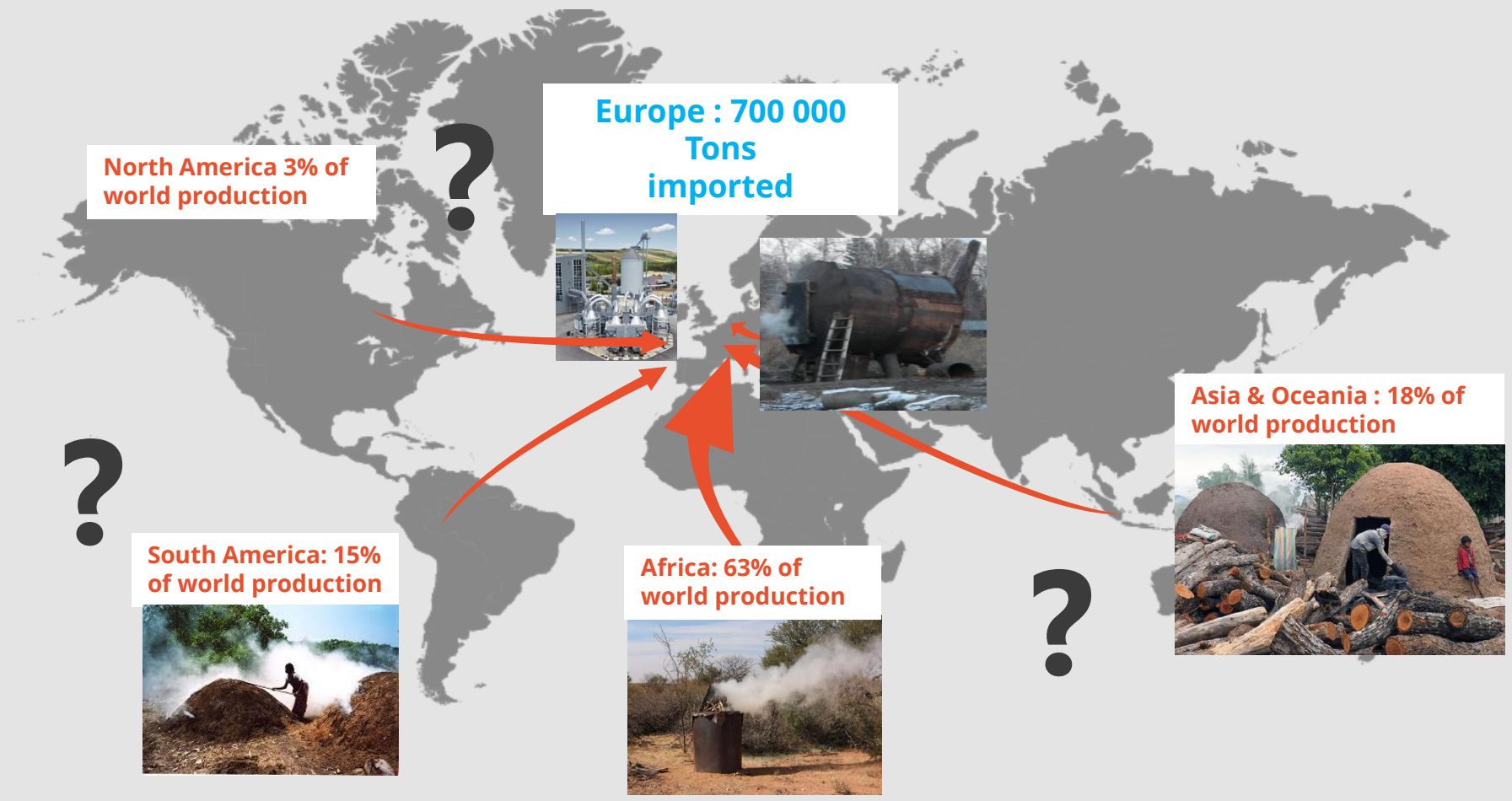


Charcoal Market opacity

Often the origin of the charcoal is unknown.

Europe is importing around 70% of charcoal consumed

No regulation : the EUTR does not apply to charcoal.





EF CHARCOAL PROGRAM : INNOVATIONS FOR TRANSPARENCY

Charcoal Control System

A pathway towards responsible charcoal



By I Florian Wiesner

Charcoal Analysis

The Methodology Behind The Transformation Of The European Charcoal Market



By I FLORIAN WIESNER

RESPONSIBLE CHARCOAL

Do you know where your charcoal comes from ?



SEARCH FOR YOUR PRODUCT

Search for product

See all products

Discover the Charcoal Transparency Initiative project

<https://charcoal-transparency.org/>

2014

2015

2016

2017

2018

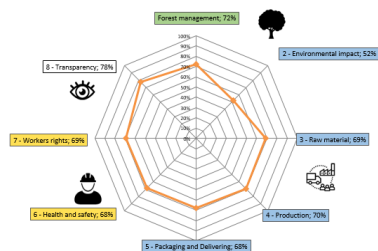
2019

2020

2021

Final Results 28th of November 2019:

Criteria:	Note
1 - Forest management	72%
2 - Environmental impact	52%
3 - Raw material	69%
4 - Production	70%
5 - Packaging and Delivering	68%
6 - Health and safety	68%
7 - Workers rights	69%
8 - Transparency	78%
Total CCS	68%



Charbon de bois analyse TFT

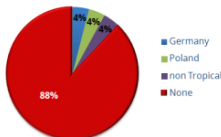
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German market analysis 2016

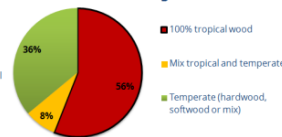
25 different charcoal bags tested from 16 stores

Declared country of origin

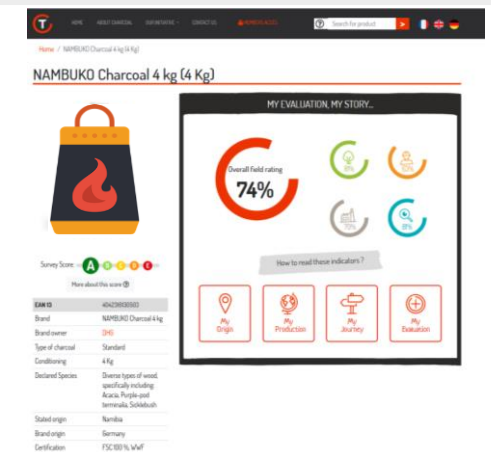
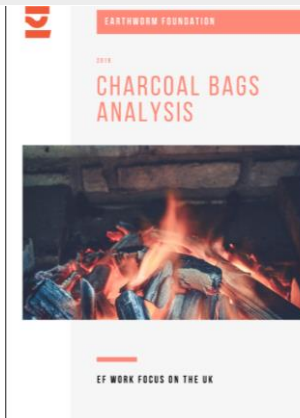


Almost 90 % of charcoal bags tested without any information on declared origin

Real timber origin



More than 50 % of charcoal bags tested containing tropical wood (fully or partially)





22G1
MAX. GROSS 30.480 KGS
67.200 LBS
TARE 2.100 KGS
4.630 LBS
NET 28.380 KGS
62.570 LBS
CU. CAP. 33.2 CUM.
1.172 CU.FT.

22G1
MAX. GROSS 30.480 kg
67.200 lb
TARE 2.100 kg
4.630 lb
PAYLOAD 28.380 kg
62.570 lb
CUBE 33.2 cu.m
1.172 cu.ft.

MSKU 769 753 0
22G1

MRKU 734 355 6
22G1

SUDU 769 689 9

GERMANY CHARCOAL MARKET DATA



CUBE 33.2 M³
1.170 FT³

CUBE 33.2 M³
1.170 FT³

maerskline.com

CIMC

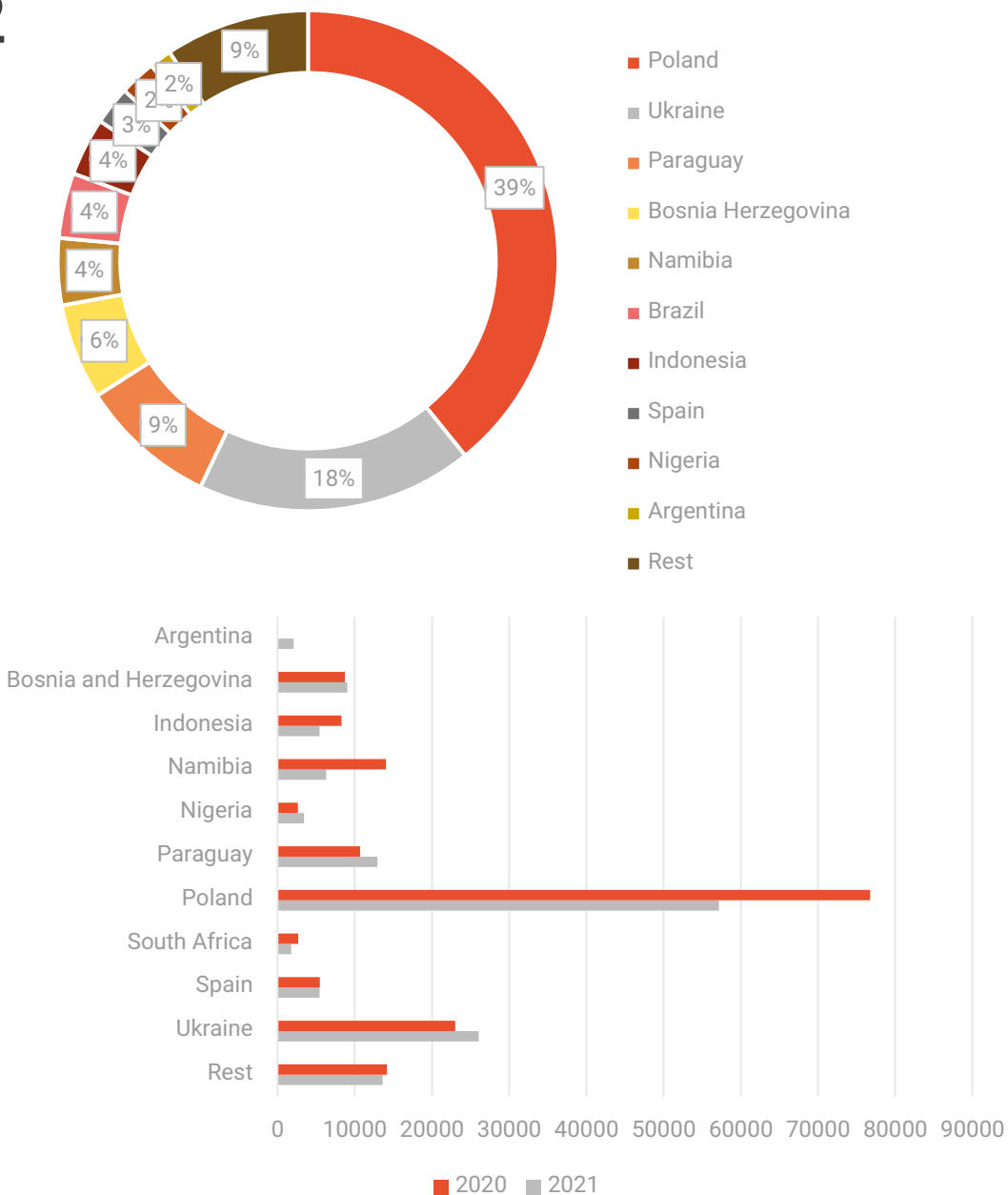
Custom Data Analysis Germany 2022

Germany is Europe's largest importer of wood charcoal. In 2021, the country **imported more than 145'000 tones**; around 85% of the annual consumption is imported.

Most of its imports come from Poland (39%), Ukraine (18%), Paraguay (9%), Bosnia & Herzegovina (6%), Namibia (4%), Brazil (4%), Indonesia (4%) and Spain, Nigeria and Argentina.

Germany's charcoal imports have steadily been decreasing since 2018. Comparing 2021 to 2020, total imports to Germany decreased by 13%. In addition:

- Imports from Poland decreased by ~ - 7%
- Imports from Ukraine increased by ~ + 4%
- Imports from Paraguay increased by ~ +2%
- Imports from Namibia decreased by > 50%





| Poland – major transit hub for charcoal

Poland is Europe's largest producer and trader of charcoal. Transparency is key to know the origin.

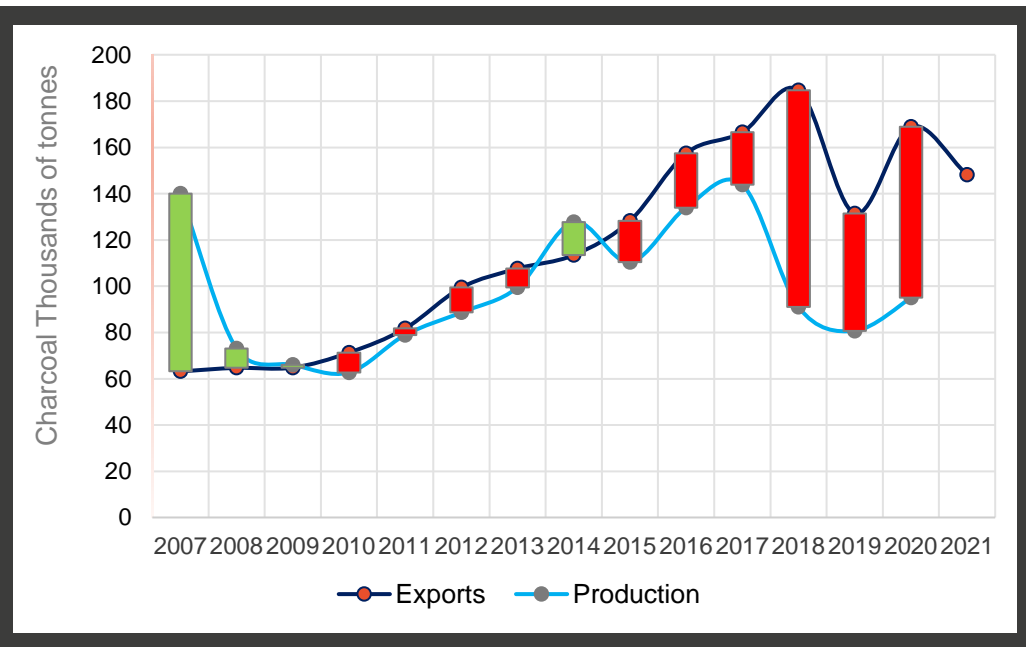
Poland is the European Unions' largest producer and exporter of wood charcoal. EF's custom analysis shows that almost all of Poland's domestic production is destined for exportation to markets like Germany or Scandinavian countries.

Poland hosts a technically advanced and competitive charcoal producing industry. However, the domestic production capacities are not sufficient to meet the annual exports quantities. The difference between domestic production and exports is compensated by imported charcoal (Figure 1) which is repacked in Poland and sold in other European countries. In 2020, Poland produced 95'000 tonnes but imported 125'520 tonnes

In 2021, the largest supplying countries for polish charcoal imports were Ukraine (43%), Nigeria (16%), Belarus (9%) and Namibia (8%).

These countries all contain social and environmental issues related to charcoal production, especially Nigeria.

Since several years, Earthworm has been raising the issue of polish charcoal supplies and the linked missing transparency for undeclared tropical and temperate origins.

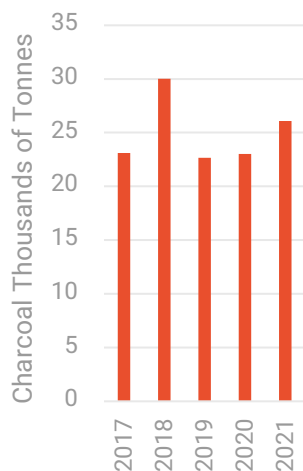


Sources: ITC & FAOstat

Before the Russian war on Ukraine, Ukraine was Europe's largest Charcoal producer.



Ukraine exports to Germany



Sources: ITC & FAOstat

Ukraine remained up until 2021 the biggest producer of charcoal for the EU, producing an estimated 165'000 tonnes in 2020 (FAOstat). Contrarily to Poland, Ukraine produced more in 2020 than it exported and Ukraine's exports to Germany have steadily been increasing since 2019 but the war has halted exports this year and will have unknown consequences for the future.

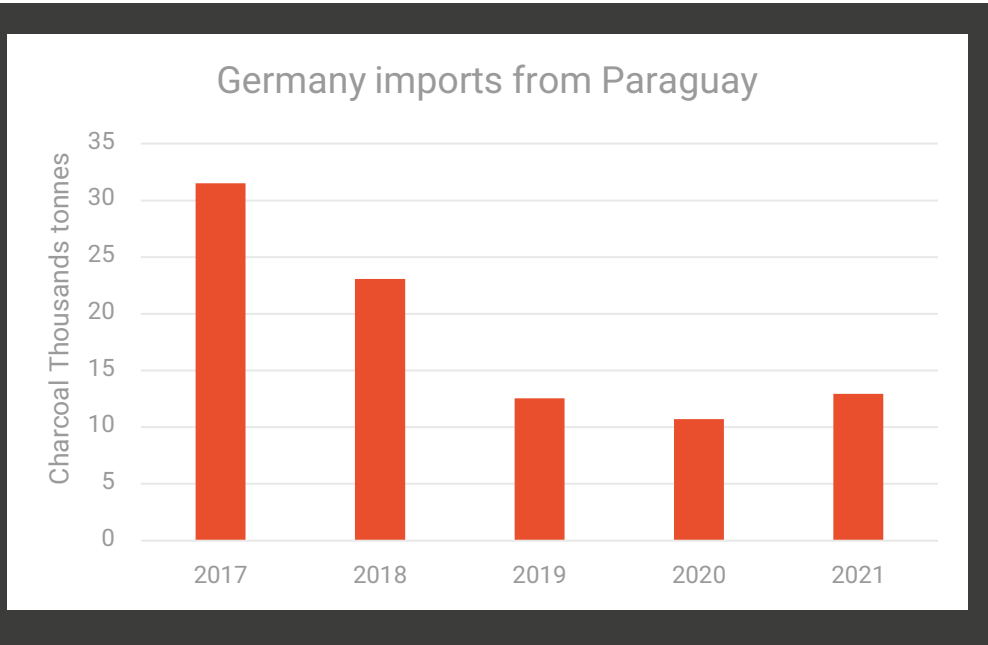
Earthworm Foundation has visited and assessed many sites in the country and has found that Ukraine remains high risk for illegal logging and low working condition standards in the charcoal industry. Indeed, Earthsight revealed in its 2018 report „[complicit in corruption](#)“ how illegal timber from Ukraine enters Europe's timber and charcoal supply chains. This is still true today.

EF advocates for traceable and legal supply chains. We notably work with local NGOs in Ukraine who are specialised in detecting illegal logging cases and bringing them to the authorities.



| Paraguay

Paraguay is home to the Chaco, one of the fastest disappearing forests in the world



Sources: ITC & FAOstat

Earthworm Foundation

Paraguay is the third biggest supplier of charcoal to Poland and is a net producer of charcoal (like Ukraine, they hardly import any charcoal).

It is considered a high risk area for charcoal sourcing by Earthworm Foundation due to the fact that a lot of the charcoal comes from logging of the Gran Chaco biome – a very important biodiversity hotspot that is rapidly being destroyed.

EarthSight, in their report in 2017 [Choice Cuts](#), have shown how even certified charcoal from this area cannot be considered responsible as it does not guarantee that the wood to make the charcoal is not from deforestation.

Germany had steadily been reducing imports from Paraguay between 2017 and 2020 but these increased again in 2021. There is a risk that the war in Ukraine might cause an increase of charcoal from high risk areas such as these



EARTHWORM'S CHARCOAL BAGS ANALYSIS





| Earthworm Foundation Charcoal Bags Analysis

The EF Charcoal bags analysis was developed in 2015. It aims at monitoring the level of transparency on key European consumer markets. The charcoal bags analysis is a monitoring tool, following a strict protocol including visual wood species recognition and density measurements as well as verification of transparency indicators written on the charcoal bags. **EF does not have a specialised laboratory, the charcoal bags analysis was developed to engage the charcoal industry on more responsible practices.** Recently, laboratories have started to offer more detailed technical bags analysis & wood recognition services.

Process:

1. Collection of Charcoal Bag information: Name, Producer, origin, Wood species, Certification etc.
2. Measurement of apparent density
3. Visual inspection of charcoal pieces
4. Analysis of results



Indicators:

1. Declared Country of origin
 - Is information about the product's origin indicated on the bag?
2. Type of wood
 - **What are the wood/tree species inside the bag?** (temperate/tropical/mixed)
3. Certification status
 - Is the product certified under FSC/PEFC/other?

Since 2015, EF is conducting charcoal bags analysis on a yearly basis in Germany as well as other European countries (France, Poland...). The results of this report present the trends of the indicators.

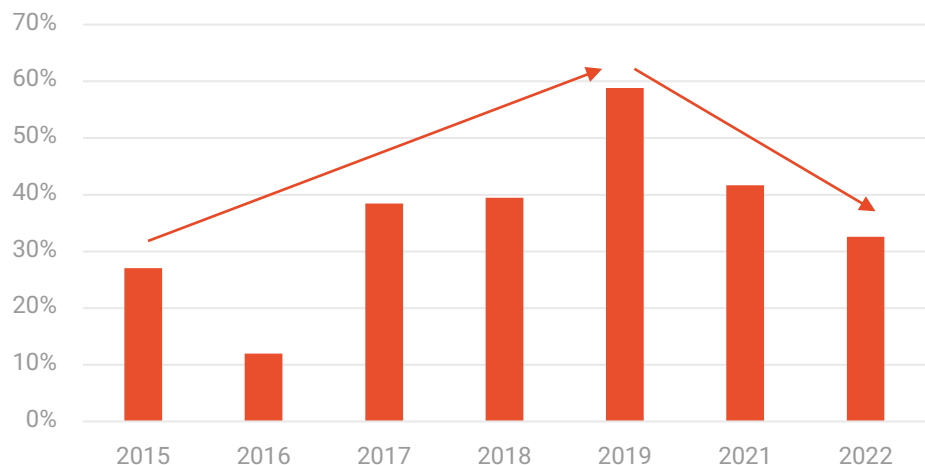


Results Germany: Declared Country of origin

This indicator analysis if the place or country in which the product (charcoal bag, not necessarily the charcoal itself) is produced is printed on the charcoal bag.

This indicator reveals the level of transparency which is key to limit imported deforestation

Germany: Evolution of % declared origin



The country of origin of the charcoal production is the first step of a sustainability analysis. However, an indication of the country of origin of the charcoal bag does not ultimately provide the country of production of the charcoal itself. Charcoal imports are often not declared as such and are repacked in Europe with missing information of the actual charcoal origin.

Germany:

Between 2016-2019, EF bags analysis found more and more products with declared origins, implying an increase of transparency, a good trend for sustainability. Nevertheless, after the covid pandemic, we noticed a decrease of declaration of country of origin, thus an increase of products with raw materials coming potentially from high deforestation risks countries. This trend continues in 2022.

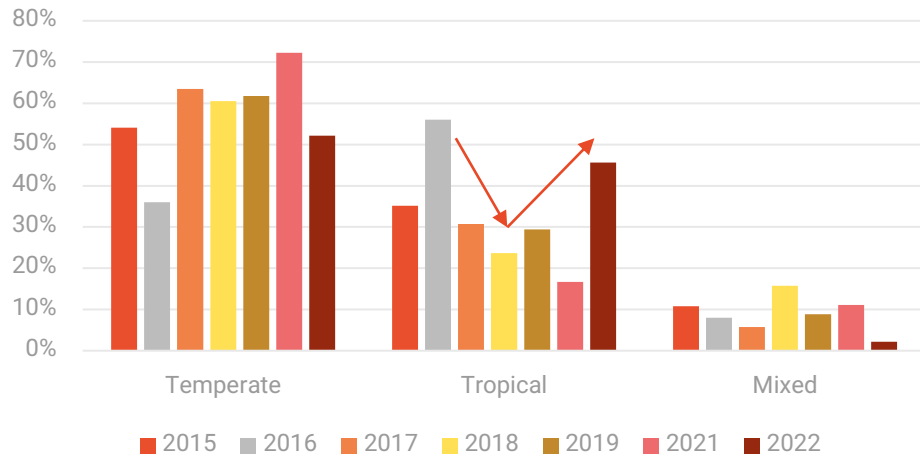
In 2022, 67% of all analysed samples had no indication on the origin of the product printed on the bags. This is again the third highest value since the start of EF bags analysis and reflects the recent negative trend: an increasing level of opacity on the European charcoal market.



| Results Germany: Tropical vs. Temperate vs. Mixed Samples

This indicator analysis what type of wood is found inside the charcoal bag; Tropical, Temperate or Mixed wood species.

Evolution of type of wood found in samples



The type of wood and information about its origin are key indicators for a product's transparency. Similarly to a food product, **the consumer should be given the opportunity to know *the ingredients* of a product** so if the charcoal is made of e.g. beech wood from Germany or tropical wood species from Nigeria. **Often species and origin information are not present and sometimes wrong declarations can delude customers' purchasing decisions.**

Through the bags analyses methodology, EF is able to analyse if a piece of charcoal is from tropical/sub-tropical or temperate origin through a visual analysis as well as density measurements.

Germany:

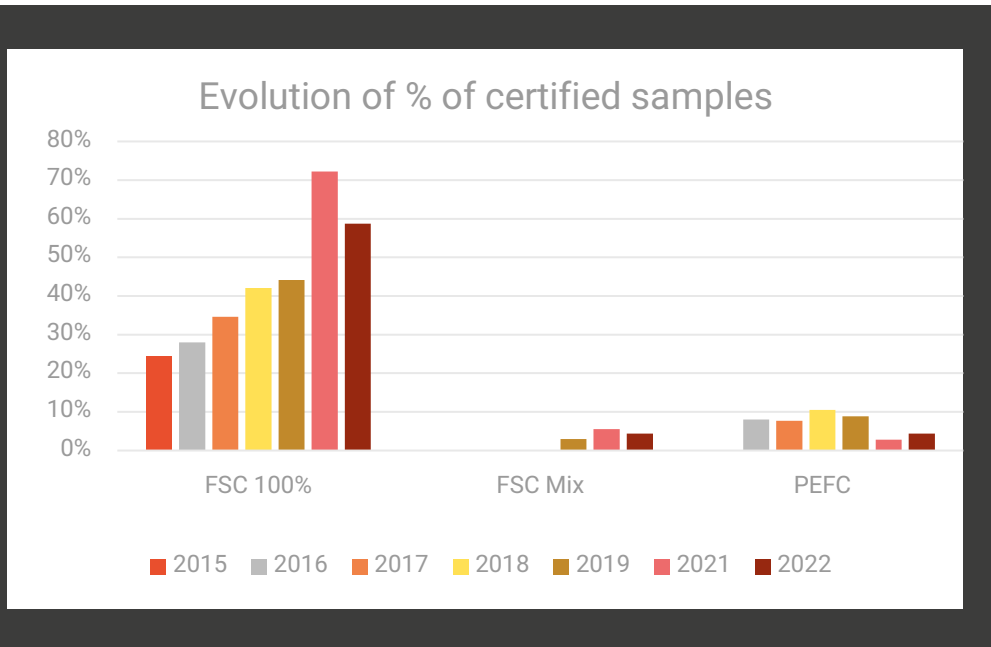
In recent years the level of tropical charcoal samples found have decreased significantly, reaching 27% in 2021.

However in 2022, 48% of the samples contained tropical charcoal and 36% of the samples containing tropical charcoal did not indicate wood or production site origin.

The samples that contained only temperate charcoal comprised 52%, from which 25% did not indicate the wood or production site origin.

| Results Germany: Certification

This indicator analyses if the product is certified under any sustainability certification scheme. The results for FSC and PEFC are displayed below.



The level of certification is a first indication of if a product can be considered sustainable and if the supply chain behind it is transparent.

FSC and PEFC are the leading forest product certification schemes. However, repeated criticisms about the robustness and effectiveness of these schemes have been mentioned by NGOs all over Europe and the certification of charcoal supply chains often lack effective control and enforcement. **EF's view is that certification is a good tool for a more responsible product but should not be considered fool proof as fraud still exists, especially in the charcoal sector.** Over the last few years, EF has repeatedly addressed issues regarding FSC certification. **Although some progress has been made, a lot still needs to be done, particularly related to traceability back to real origin of the wood.**

Germany:

The overall level of certification increased significantly since 2015. More and more charcoal products are FSC 100% certified, often a prerequisite to enter the supply chains of large supermarkets. However, EF 2022 charcoal bags analysis suggests that the **amount of certified charcoal products reduced for the first time since 2015.** Between 2021 and 2022, the level of non-certified samples increased from 21% to 33%.

| Summary and Recommendations

Since last year, charcoal imports to Germany have decreased. However the country maintains significant imports from high risk countries such as Nigeria (often indirect imports through Poland), Paraguay and Indonesia in 2021.

2022 EF's charcoal bags analyses has shown that the **proportion of charcoal from undeclared origins has been increasing** as well as the **proportion of tropical wood species** in charcoal bags. At the same time, fewer and fewer charcoal bags contain charcoal certified under FSC or PEFC. If the level of certification remains high, the transparency (indication of the real origin of the product) is low. **Certification bodies should also increase the level of transparency of the origin of a product.**

EF's analyses show that Germany is decreasing in level of transparency of its charcoal market, thus exposing its unknowing consumers to the risks of deforestation, forest degradation and **social exploitation** that is prevalent in opaque charcoal exporting countries, especially in tropical and sub-tropical regions.

EF advises all charcoal market players to once again fight opacity for the good of transparency and demand that :

- **Wood species**
- **Real wood origin**
- **Production site exact location**

Should be written on all charcoal bags so that consumers can make an informed decision regarding their purchases.

EF strongly recommends to include charcoal within the **EU law proposal against imported deforestation & degradation to regulate European charcoal** imports.

**Demand
transparency for
more responsible
supply chains**