Earthworm Foundation
Charcoal Customs Data
Charcoal Bags Analysis 2022

Poland

May 2022
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 than 400 charcoal bags. This report contains a brief market analysis for charcoal sold on the Polish market as well as this year's results of the charcoal bags analyses for Poland.
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
Challenges along the charcoal supply chain depend on context and configuration.

**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**
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

Charcoal Analysis
The methodology behind the transformation of the European Charcoal Market

German market analysis 2016
20 different charcoal bags tested from 16 countries

Real timber origin

- Almost 90% of charcoal bags tested without any information on declared origin
- More than 50% of charcoal bags tested containing tropical wood (ex. mahogany)

https://charcoal-transparency.org/
POLAND CHARCOAL MARKET DATA
Poland is the EU’s largest European 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 demand and charcoal is often imported, repacked in Poland and sold to other European markets. In 2020, Poland produced 95’000 tonnes but imported In 2021 125’520 tonnes, mainly from Ukraine (43%), Nigeria (16%), Belarus (9%) and Namibia (8%), all countries that contain either social, legal or environmental risks linked to charcoal production.

Comparing 2021 to 2020, we can see that total imports decreased by 6% following the steady decrease since 2018. In addition:

- Imports from Ukraine, Russia and Belarus decreased by approximately 22%, 21% and 8% respectively
- Imports from Nigeria and Namibia increased by approximately 45% and 4% respectively

Sources: ITC & FAOstat
Before the Russian war on Ukraine, Ukraine was Europe’s largest Charcoal producer.

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 than it exported in 2020 but the war has halted exports this year and will have unknown consequences for the future.

Following the general decrease in charcoal imports to Poland over the last few years, imports from Ukraine have also decreased by 12% between 2020 and 2021.

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.
Charcoal from Nigeria contains significant social and environmental risks associated, including deforestation leading to desertification.

Nigeria officially banned charcoal exports in 2017 to preserve their forests. Despite the ban, Nigeria continues to export charcoal to the EU and notably Poland, though these have been steadily decreasing since 2018.

Charcoal production in this country is often done informally by workers receiving low income for hard manual labour. In addition, the wood can be logged illegally, leading to deforestation and desertification of certain landscapes. Locals are often aware of the damage they are causing to their environment and subsequent risks to their own survival long term. But short term, the need for income forces them to produce and sell charcoal to traders, who usually exploit this demand and the cheap labour force. The export of charcoal also means less resources for locals which use charcoal to cook their everyday meals.

Nigerian charcoal tends to be repacked in Poland into bags where no traceability / product origin can be found and sold mostly to Polish supermarkets and other European markets to unknowing consumers.

EF advocates for a traceable and fair charcoal supply chain where workers are paid fairly and wood harvesting is not from areas of deforestation or forest degradation.

**Sources:** ITC & FAOstat
Charcoal from Belarus has been increasing on the polish market.

Between 2017 and 2021, imports from Belarus to Poland have increased by 800% making Belarus Polands’ third most important charcoal supplier in 2021.

According to FAO data, production quantity has remained constant over the last 4 years while imported quantity has almost doubled and export quantity has quadrupled. EF believes that the import and export data on FAOstat for Belarus are correct (official data) but that they underestimate the production quantity (estimated data). This would mean that charcoal exports, imports and production have seen significant increases over the last few years. However, the recent war in Ukraine has caused many countries to stop importing goods from Belarus and the long-term effects on the charcoal market are unknown.

Belarus’ charcoal imports (which account for about 50% of charcoal exports) are mainly from Russia (81%) and Indonesia (15%).

Sources: ITC & FAOstat
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 2018 EF is conducting charcoal bags analysis on a yearly basis in Poland as well as other European countries (France, Germany...). The results of this report present the trends of the indicators.
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._

The country of origin (of the production) allows for an initial risk and 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.

**Poland:**
Between 2018-2021, EF charcoal bags analysis found fewer and fewer products with declared origins. However, in 2022, there was a massive increase, with 72% of the samples providing either country of origin of the charcoal bag or wood, even though the numbers of samples tested was the same in 2021.

In our samples for the 2022 bags analysis, 61% of the bags had Poland, 6% had Europe and 5% had Namibia as declared origins. The remaining 28% had no declared origin. However we will see in the next page that over 60% of the bags contained tropical or subtropical wood, showing indeed that origin of production (Poland) of the charcoal bag does not mean real timber origin (tropical countries).
This indicator analyses what type of wood is found inside the charcoal bag; Tropical, Temperate or Mixed wood species.

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 charcoal product; meaning if the charcoal is made of e.g. beech wood from Poland or tropical wood species from Nigeria. Often species and origin information are not present and sometimes false declarations can mislead 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.

**Poland:**
After a drop in 2021 where tropical wood was only found in 30% of the bags, the 2022 results are back to 2019 levels with **61% of the samples containing tropical or subtropical species** (and only 5% declaring a tropical country: Namibia). **95% of the samples containing tropical charcoal did not indicate wood or production site origin** which means high deforestation risks.

The samples that contained only temperate charcoal comprised 39%, from which 17% did not indicate the wood or production site origin.
This indicator analyses if the product is certified under any sustainability certification scheme. The results for FSC 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.

Poland:
The graph shows how certification has never been a requirement for most shops or customers as the quantity of certified products has always been low. However, 17% of the samples were certified FSC 100% in 2022, against 0 certified bags 2 years before, indicating that certification is slowly becoming more present.

No PEFC certified charcoal was found amongst the samples.
Summary and Recommendations

Since last year, charcoal imports to Poland have decreased. However the country maintains imports from high risk countries, especially Nigeria. **Despite Nigeria’s charcoal export ban, Poland continues to buy and consume Nigerian charcoal. This charcoal can be considered as illegal.**

EF’s charcoal bags analysis has shown that the proportion of charcoal from undeclared origins has been decreasing but that the proportion of tropical wood species in charcoal bags has increased even though the declared country of origin was often Poland for these samples. At the same time, more and more charcoal bags contain charcoal certified under FSC.

These results indicate that Poland’s increasing level of declared origin is a false indication of transparency due to unknown wood origins (mostly probably from Nigeria), thus exposing its unknowing consumers to the risks of deforestation, forest degradation and social exploitation that is prevalent in some 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.

Earthworm Foundation