Based on the previously performed research (see "Summary of Conditions to Ensure the Legality of Timber Origin in Ukraine"), this paper proposes measures to improve the status of ensuring legality of timber origin in the process of its circulation in Ukraine. In particular, attention was paid to the introduction of a unified state system of electronic accounting for round timber, and the expansion of the system guaranteeing the legality of origin for most products made of wood. To this end, it was proposed to adopt a special regulatory act (law), the propositions to the draft of which were also developed in the course of this work.

The development of such regulatory act is caused by the necessity to form government internal policies for ensuring the legality of timber origin and the implementation of mechanisms of control over it, as well as by the new conditions to ensure the legality of timber origin for the purpose of timber export to the EU, especially as specified in Directive # 995.

The determination of the legality of timber origin in the legislation is critical for identifying illegal timber and segregating it from the legal one in the process of circulation. The approval of such regulatory act would allow the companies which economic activity is associated with timber circulation, to take the necessary measures for the prevention of the use of illegally procured timber or products from illegally procured timber.

The key positions of the above propositions to the draft law are as follows:
- The law applies to all timber market participants and is applicable to all transactions related to the timber circulation, except for imports;
- The requirements of the law relate to nearly the entire range of products of commodity group “44: Timber and Products thereof”;
- The law entitles timber sellers to confirm the condition or issue guarantees of timber origin;
- According to the law, timber buyers undertake to take measures to ensure due diligence and establish a credit system of accounting for timber at woodworking enterprises;
- For the purpose of effecting state control it is proposed to develop and implement a state system of registration of contracts for the sale and purchase of timber;
- The main regulatory factors stipulated in the law to facilitate the legality of timber origin are that guarantees of the legality of timber origin must be provided in public procurement of timber and its exports.

The propositions to the draft law also specify the regulatory mechanisms for providing and maintaining conditions of the legality of timber origin during its circulation.

It is expected that after adoption the appropriate regulatory act will have a significant impact on the behavior of timber sellers and buyers in terms of ensuring the legality of its origin at all stages of the supply chain, as the responsibility of timber sellers is differentiated depending on the accuracy of provided guarantees of the legality of timber, and that of the buyers - depending on the implementation of due diligence measures thereby.