



EU Action Plan for Forest Law
Enforcement, Governance & Trade
(FLEGT): co-operation with UNECE
and the need for credible information

UNECE/FAO JWPFE&S

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Impact of illegal logging

- ➔ Contributes to deforestation and severe environmental degradation.
- ➔ Closely associated with **corruption, bad governance** and, in the worst cases, undermines the rule of law.
- ➔ Costs developing country governments an estimated €10bn in lost revenues every year.
- ➔ Undermines local livelihoods and the legal timber industry.

DRIVING FACTORS

- ➔ Weak governance and corruption in producing countries.
- ➔ Demand from markets that don't discriminate between legal and illegal timber (EU, Japan, US, China).



The EU response

Concern about illegal logging led the Commission to propose an EU Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT). This plan responds to:

- 👉 Political obligations (ministers demand strong action)
- 👉 Public demand (consumers want legal timber)
- 👉 Private sector needs (responsible industry wants to guard reputation and markets)
- 👉 ENGO campaigns (which relate to the 3 preceding factors)



The EU FLEGT Action Plan

The EU FLEGT Action Plan sets out supply- and demand-side measures to combat illegal logging and associated trade.

☞ The plan proposes partnership agreements with wood-producing countries that include:

- Development co-operation and governance reform
- Measures to control the trade in illegally-harvested timber

☞ Additional demand-side measures proposed include:

- Green public procurement
- Private sector initiatives
- Financing and investment



Development assistance

Development assistance will be used to support reforms to governance in producer countries.

- ➡ Equitable and just solutions
- ➡ Systems to track and verify the legality of timber
- ➡ Enhanced transparency in the forest sector
- ➡ Capacity building (govt. and civil society)
- ➡ Policy reform



Development assistance

The FLEGT Action Plan aims at a harmonised approach with EU Member State donors.

👉 The Commission has earmarked substantial resources around the FLEGT Action Plan:

- Asia: Indonesia (€15m); Malaysia (€2m); Vietnam (€1m).
- ACP region (€10m); Central Africa (€0.5m).
- Pilot projects on key forest governance themes (€16m).
- Central support contract (€2.5m).

👉 Member States are also preparing funds -UK, NL, FR, DE



The trade in timber

Development co-operation will be supported by measures to end trade in illegally-harvested timber

- ➔ The Action Plan proposes an import licensing scheme to end imports of illegal timber to the EU.
- ➔ The licensing scheme will be implemented through voluntary agreements between the EU and partner countries.
- ➔ The licensing scheme will empower EU customs authorities to stop illegal timber exported from partner countries at the EU border.



EU trade legislation

Proposals have been agreed for a timber import licencing scheme and voluntary FLEGT partnership agreements.

👉 Conclusion of this work during 2005 EU. Proposals adopted consist of:

- **Timber import licensing scheme:** legislation to implement the timber import licensing scheme.
- **Partnership agreements:** Directives to guide the negotiation of partnership agreements.



Building partnerships

With legislative proposals now adopted, preparations are being advanced for the next phase of the Action Plan:

- 👉 Consultations in potential partner countries.
- 👉 Planning of joint EU (Commission and Member State) development assistance to partnership agreements.
- 👉 Posting staff to target countries / regions.



Partnership consultations

A series of informal consultations on FLEGT partnership agreements are taking place in potential partner countries.

👉 Support by lead Member States: Cameroon (DE), Congo, Gabon (FR), Ghana (UK), Indonesia (EC), Malaysia (NL).

👉 Encouraging response from potential partners, but lots of challenges ahead.



Objectives for 2006

Encouraging progress has been made with the FLEGT Action Plan. Important work must now take place to make it fully operational:

☞ Negotiate FLEGT partnership agreements:

- Preparing for negotiations
- Conducting negotiations

☞ Plan development assistance to support partnership agreements:

- Programming of resources
- Scheduling and coordinating support to partnership agreements



Demand-side measures (I)

Partnerships blending development co-operation and trade measures will be supplemented by additional actions focused on:

- 👉 Public procurement
- 👉 Complementary private sector initiatives
- 👉 Measures to ensure responsible investments



Demand-side measures (II)

👉 **Public procurement:** A process is on-going to spread lessons from existing green procurement policies throughout the EU.

➤ Very influential in leading the market.

👉 **Private sector partnership:** An innovative partnership with the private sector aims to eradicate illegal timber from EU importers' supply chains.

➤ Four EU trade federations (40% of tropical timber imports) are working with developing country suppliers, to help them adapt to the changing European market and supply legal timber.



Objectives for 2006

Initial evidence shows that both public procurement and private sector initiatives are very influential in steering the market.

➡ More EU Member States need to introduce green procurement policies.

➡ More national trade associations need to sign up to binding commitments to end the trade in illegal timber.



Conclusions 1 – summary of EU FLEGT Action Plan:

1. The EU (Member States & Commission) – major entity in IL/FLEG(T) world-wide
2. Main instrument voluntary partnership agreements with wood-exporting countries which seek to tackle:
 - governance issues, incl. relevant law
 - export of timber to EU
3. Specific, focused projects by MS and EC
4. Other possible EU measures being evaluated
5. EU industry: - codes of conduct (national wood federations, wood importers, pulp & paper mfg.)
 - involvement in FLEGTs and specific projects (e.g. TTAP)



Conclusions 2 – ways of working:

1. The EU (esp. Member States & Commission) works together to develop & co-ordinate policies, partnerships, projects & input to other processes, e.g. FLEGs
2. Main bodies: Council Working Group on Forests (MS), Eur. Parl. Cte.s, Ad Hoc Working Group (MS + Comm.),
3. Main Commission services - DGs:
DEV, ENV (leads), Relex, Trade, Customs, Enterprise etc.
4. DGs co-ordinate: internally through inter-services groups; with industry through specific meetings & projects
5. DG Entr: industry info. mtg.s – EU (N. America, Japan)



Conclusions 3: links with UNECE – the information quest:

1. Principle: use scarce resources wisely and have complementary and synergic activities
2. Need to improve EC/UNECE co-ordination: meet!
3. Definition of (il)legality needs to vary between countries depending on IL causes, FLEG(T) goals and focus
4. Hence information needs vary – not “one-size-fits-all”
5. A first step, improve official (“legal”) statistics & info
6. Useful, simple, measurable/estimable parameters
7. Use all (un)official sources (NB vital role of ENGOs)
8. Cross-reference data sets if possible: credible info.



Thank you!
Merci!
Spaciba!

For further information see:

http://europa.eu.int/comm/development/body/theme/forest/initiative/index_en.htm

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