



FLEGT EU demand-side measures

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EU Action Plan for Forest Law Enforcement, Governance and Trade



EU demand-side measures

Create market incentives for legal timber through:

- ✦ Private sector initiatives;
- ✦ Support the implementation of VPA agreements;
- ✦ Green public procurement policies;
- ✦ Additional legal options.



Green Public Procurement I

- ✦ Procurement = EU Member State competency;
- ✦ Policies in place: BE-DE-DK-ES-FR-IT-NL-UK;
- ✦ 10-20% of market on average with main effects on construction, furniture and paper products;
- ✦ Most policies focus on sustainability only, some also recognise legality.



Green Public Procurement II

New Green Public Procurement Communication:

- ✦ Follows from earlier agreed initiatives;
- ✦ Identifies wood products as a priority category;
- ✦ Aims to develop a process of cooperation with the MS to identify applicable procurement criteria;



Green Public Procurement III

link to FLEGT in the New GPP Communication:

- ✦ MS are recommended to stipulate – as minimum – the use of legal timber;
- ✦ Advocates a stepwise approach from legality towards sustainability for developing countries



Additional legal options I

The process on additional options (to reinforce VPA's):

- ◆ 2006/07: Internet and stakeholder consultations
- ◆ End 2007: Impact assessment study
- ◆ June 2008: Proposal in Inter-Services Consultations
- ◆ 3rd quarter 2008: Proposal presented to Council and EP



Additional legal options II

- ◆ Option 1: VPA expansion
- ◆ Option 2: Voluntary private sector schemes
- ◆ Option 3: Ban on imports
- ◆ Option 4a: Prohibition on trading illegal timber
- ◆ Option 4b: mandatory private sector legality guarantee

Conclusion: all options have their limitations

- ◆ New Option: 'due diligence'



Due diligence proposal I

Key characteristics of the proposed regulation:

- ✦ Aim: To recognize the efforts of producers/traders that invest in the legality of their timber products;
- ✦ Product scope: round wood; sawn timber; veneer, panels, wooden furniture, pulp, paper, wood chips;
- ✦ Focus: The act of placing timber products on the Community market.



Due diligence proposal II

- ✦ **Obligation:** traders to demonstrate due diligence in ensuring the legality of the produce traded;
- ✦ **Legality:** legislation applicable in country of harvest;
- ✦ **Systems:** traders may develop their own verification and COC systems or use existing systems;
- ✦ **Risk:** Use of risk assessment procedure;



Due diligence proposal III

- ◆ Guidance: Criteria for due diligence to be developed through an additional procedure, based on the work of an Advisory group
- ◆ Exemptions: FLEGT and CITES timber;
- ◆ Enforcement: Check on use of due diligence systems by the Member States;



Expected effects

- ✦ Level playing field: Requires all EU traders to use due diligence;
- ✦ Risk management: provides an incentive to source imports from low risk rather than high risk suppliers;
- ✦ Incentive for FLEGT: Provides partner countries with an incentive to join FLEGT



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Thank you

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