



Implementing the FLEGT Action Plan

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Outline

- The 2003 FLEGT Action Plan
- Voluntary Partnership Agreements
- The proposed Due Diligence Regulation



EU FLEGT Action Plan

- FLEGT Action Plan adopted in 2003
- Aim: address illegal logging and related trade
- Proposes to combine supply and demand measures:
 - Development cooperation
 - FLEGT voluntary partnership agreements
 - Public procurement policies
 - Private sector initiatives
 - Other legislative measures



Partnership agreements

Voluntary partnership agreements between the EU and timber-producing countries to:

- Increase trade in guaranteed legal timber between FLEGT countries and the EU
- Set up control and licensing systems to provide a Government-backed guarantee of legality
- Provide financial, technical and institutional support to improve forest governance



Legality Assurance System

- The underlying legality definition is based on the laws and procedures of the timber producing country
- Legality assurance system also covers chain of custody, verification, licensing and independent monitoring procedures

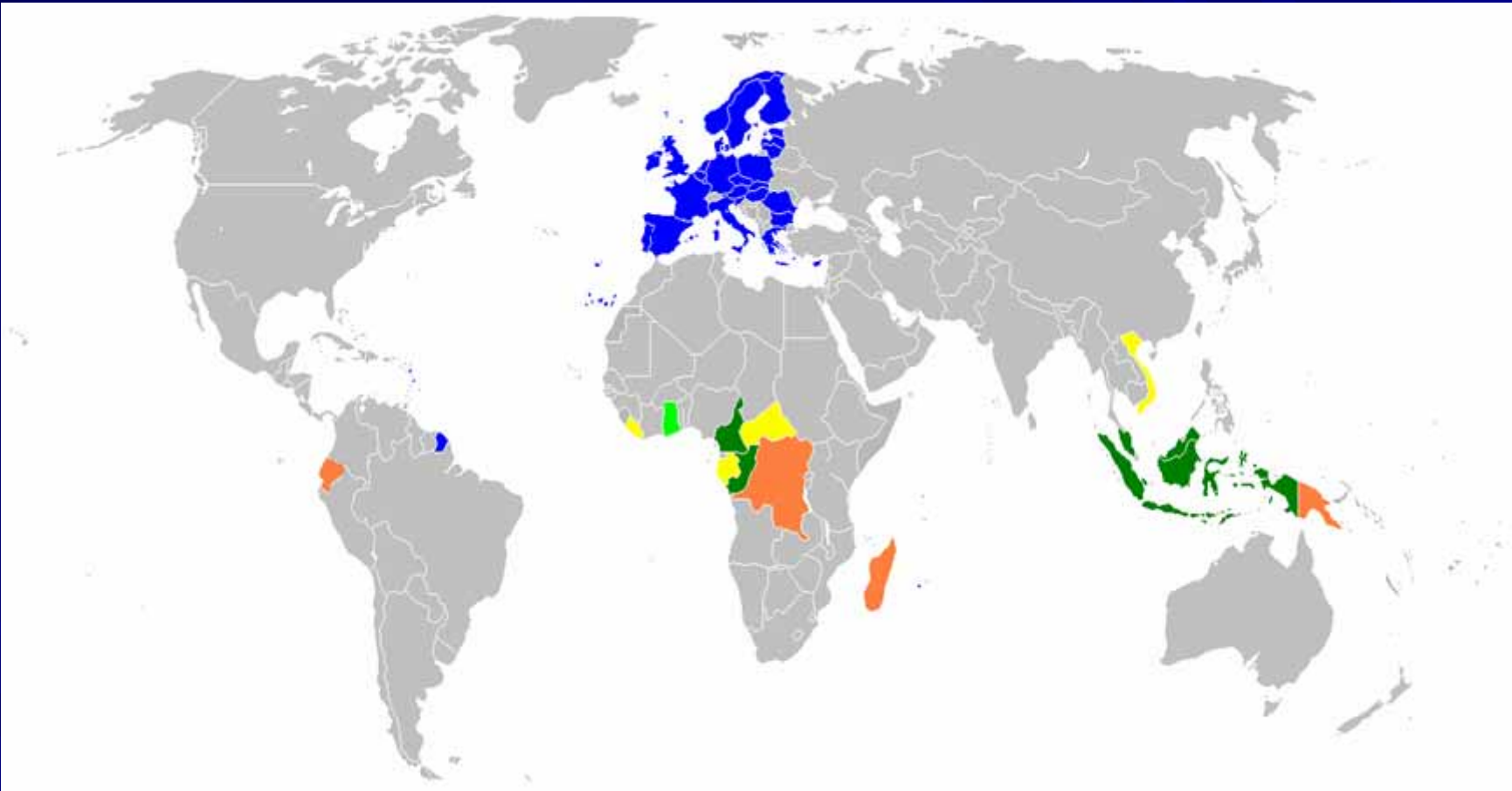


Defining legality

- **Definition of legality:** Partner countries propose a set of laws which together define 'legality' for the purpose of FLEGT
- **Process:** Definition to be developed through stakeholder consultations
- **Content:** Definition must cover the three pillars of sustainable forest management



The state of FLEGT talks



- Information
- Pre-negotiation
- Negotiation
- Implementation
- FLEGT licences



Limitations of FLEGT VPA'S

- VPAs only cover the direct trade with the EU
- Risks remain with regard to the laundering of illegal timber and the circumvention of FLEGT controls
- Controls are limited to the timber products covered by the agreement
- There is no disincentive for illegally harvested timber entering the EU



Pressure for additional measures

Key options considered during policy formulation:

- To prohibit the sale of illegally harvested timber
 - Obligatory legality certification by traders
 - “Due diligence” by traders selling timber in EU
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- **Preferred option:** Due diligence for being the most effective while the least cost-intensive



Basic premises (1)

- **Objective:** to minimise the risk of illegally harvested timber being sold on the EU market by requiring ‘due diligence’ from ‘operators’.
- **‘Operator’:** any legal or natural person supplying the EU market with timber products
- **‘Due diligence’** a set of procedures aimed at avoiding trading in illegally harvested timber



Basic premises (2)

- **Product scope:** all timber and timber products, be it imported or domestically produced

- **Point of control:** first placing on the EU market
 - Importers for imported products
 - Primary producers for domestically produced timber

- **Legality:** defined on the basis of the legislation of the country of harvest
 - Presumption of legality: FLEGT timber



Due diligence system

- **Obligation on operators:** Use a due diligence system which will sufficiently guarantee legality

- **Elements of the due diligence system:**
 - Product information: description, country of harvest, volume or weight, supplier & legal compliance
 - Risk management: high risk = stricter controls
 - Auditing of the effectiveness of the system

- Operators can either set up their own systems or make use of the system of a monitoring organisation



Enforcement / Implementation

- Entry into force when adopted by the European Parliament and the Council of EU Ministers
- Implementation through complementary legislative process to take two years after adoption
- EU member states responsible for enforcement and penalty setting



Issues under discussion

Some of the main issues under discussion:

- Is there a need for Lacey style measures against the trade in illegally harvested timber?
- Are the proposed measures proportional to the severity of the problem and can they be met by small timber producers and importers?
- What are the criteria for risk management and for the **recognition** of monitoring organisations?



Conclusions

The EU FLEGT Action Plan

- combats illegal logging and related trade by a range of supply and demand-side measures, incentives and disincentives and technical and financial support
- supports improved forest governance by furthering broad consultations, increased transparency and independent oversight in the forest sector of partner countries; and
- in doing so contributes to sustainable forest management and sustainable development



Thank you!

More FLEGT info on:

http://ec.europa.eu/environment/forests/illegal_logging.htm