

## Laws, Regulations, and Policy Measures Governing Forest Products Trade in Europe -FLEGT

Intl. Workshop on Policies on Trade in Timber and Timber Products, Beijing

## Scope

Many laws covering forest products including general taxation, quality of construction products etc.

- Presentation will focus on EU laws and policies dealing with the legality of traded timber products
- Focus on recent legislative proposal adopted in October 2008



#### 1. EU FLEGT Action Plan

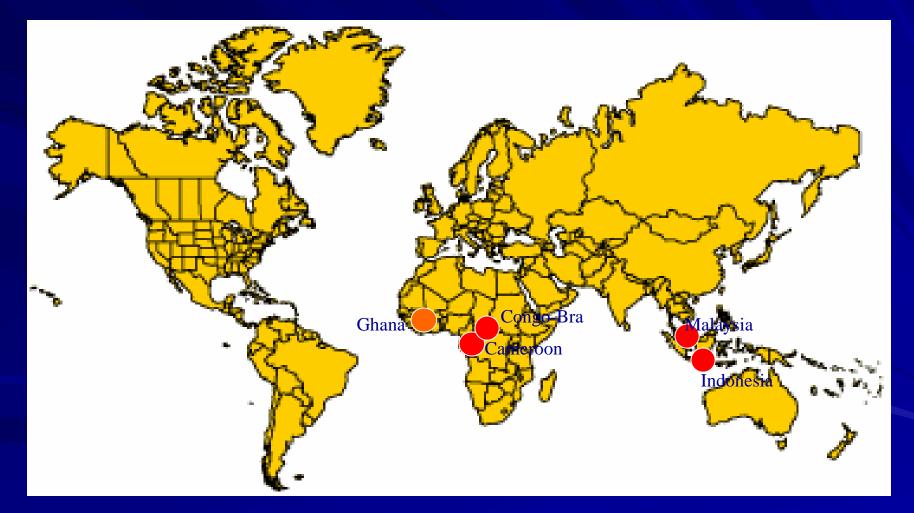
- Communication (policy doc) adopted 2003
- Aim: address illegal logging & related trade.
- Proposes supply and demand-side measures:
  - I. Development co-operation
  - II. Bilateral FLEGT Voluntary Partnership Agreements
  - III. Public procurement policies
  - IV. Private sector initiatives
  - V. Assessment of further measures



#### 2. FLEGT VPAs

- Licensing scheme: timber from VPA countries exported to the EU is covered by a FLEGT licence attesting legality.
- EU FLEGT Regulation allows EU Customs to prevent entry of timber from FLEGT VPA countries unless accompanied by a FLEGT license
- <u>Strengths:</u> participatory negotiations, allow countryspecific solutions, accompanied by capacity building
- Weaknesses: coverage; risk of circumvention & laundering, timeframe for implementation, product scope.

#### 2. FLEGT VPAs



+ discussions in Liberia, Gabon, Central African Republic, Vietnam

### 3. New Legislative Proposal

- European Parliament and Council requested Commission to consider further measures.
- Several EU Member Stares indicated their intention to put forward national measures in the absence of Community action.
- NGOs and some companies have been requesting Community legislative action.



# 3. New Proposal - Options examined

- Assessment: economic, social & environmental impacts.
  Options considered:
  - 1: Expanded coverage of the FLEGT VPAs.
    - 2: Strengthening private sector measures.
    - **3:** Ban imports of illegal timber.
  - 4A: Prohibit the marketing of illegally harvested timber.
  - 4B: Obligatory legality certification
  - 5: "Due diligence" by operators marketing timber in EU
- Preferred option: 5



#### 3. Proposed Regulation

- <u>**Proposal</u>** likely to be changed by the European Parliament and the EU Member States in the Council of the EU.</u>
- **Objective:** minimise the risk of illegally harvested timber & timber products entering the EU market
- **Obligation:** operators should exercise due diligence through a system of measures & procedures (due diligence system) which will give them sufficient guarantees as regards legality of timber and timber products, whether from EU or imported.



#### 3. Proposed Regulation





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- Implementing measures: to be laid down in secondary legislation.
- Advisory group: to be established by the Commission to facilitate the involvement of interested stakeholders in determining the best ways of implementation.
- Application: proposed to become applicable two years after entry into force in order to ensure that the implementing measures are in place.
- Enforcement: EU member states responsibility to perform checks on operators and, if need be, to impose penalties.



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#### Comments

- Level the playing field & foster a competitive market environment.
- Deter the marketing of illegally harvested timber by requesting operators to 'know' their products.
- Allow adequate flexibility to ensure effective implementation.
- Incentivise uptake of FLEGT VPAs.
- EU importers of Chinese timber products likely to request evidence of legality of the timber in timber products

## Thank you!

http://ec.europa.eu/environment/forests/illegal\_logging.htm