Implementing the FLEGT Action Plan

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Overview of this presentation

- 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**: Scope of definition must cover the three pillars of sustainable development
The state of FLEGT Talks
Limitations of FLEGT VPAs’

- 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.

Preferred option: Due diligence for being the most effective while the least cost-intensive
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 II

- **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/CITES 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 and Implementation

- EU member states responsible for enforcement and penalty setting.

- 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.
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 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