



Environment: EU and Indonesia to start first-ever licensing scheme for legal timber exports

Brussels, 21 April

EU and Indonesia ready to move towards the start of the first ever Forest Law Enforcement, Governance and Trade (FLEGT) licensing scheme on legally produced tropical timber.

Today, Indonesian President Joko Widodo, European Commission President Jean-Claude Juncker, and European Council President Donald Tusk agreed to move swiftly towards reducing illegal logging and promoting trade in legally produced timber between the EU and Indonesia through the start of the first-ever Forest Law Enforcement, Governance and Trade (FLEGT) licensing scheme.

The announcement is based on the joint assessment that Indonesia is fully ready to implement the Indonesia-EU Voluntary Partnership Agreement (VPA), based on the inclusion of all relevant product groups in the scope of the Agreement. With this breakthrough the two Parties are now in a position to move swiftly towards a fully operational licencing system making Indonesia the first country to pass this final hurdle.

Karmenu **Vella**, European Commissioner for Environment, Maritime Affairs and Fisheries said: *"Indonesia and its partners in the EU have shown that trade can provide incentives towards ending the scourge of illegal logging. Such practices cost developing nations billions in lost revenues, lead to destruction of unique ecosystems and exacerbate poverty. Today's announcement is a signal to markets that it is possible to promote sustainable forest management by buying verified legally produced timber."*

Benefitting from significant support from the European Commission and EU Member States, particularly the UK, the FLEGT VPA has strengthened forest governance by increasing transparency, accountability and stakeholder participation in decisions about forests. It has boosted legal trade, modernised and formalised Indonesia's forest sector, and improved business practices, enabling many thousands of businesses to meet market demand for legal timber.

In 2002, just 20% of Indonesia's timber was legal. Today, over 90% of Indonesia's timber exports are from independently audited factories and forests. These audits cover more than 20 million hectares of forests and more than 1700 forest industries, an unprecedented level of scrutiny.

Background

The Indonesia-EU Voluntary Partnership Agreement (VPA) is a legally binding trade agreement. It aims to ensure that only legal timber and timber products from Indonesia reach the EU market. In addition to promoting legal trade, the VPA addresses the causes of illegality by improving forest governance and law enforcement. A major strength of the VPA is that it looks beyond trade to consider development and environmental issues, as well as how policies affect local populations.

The EU-Indonesia VPA is one of 15 such agreements the EU is negotiating or implementing with timber producing countries in South East Asia and Africa. Together these countries cover 24% of the world's tropical forests and supply 80% of the EU's tropical timber imports. A VPA partner country that has implemented a timber legality assurance system and other VPA commitments can issue verified legal timber products with FLEGT licences. The advantage of this is that FLEGT-licensed products automatically meet the requirements of the EU Timber Regulation (EUTR), which prohibits EU operators from placing illegally harvested timber and timber products on the EU market.

The Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan is the EU's response to the problem of illegal logging. To address the issue at EU level, the European Commission adopted the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan. The plan aims to close the EU market to illegal timber products through several actions, amongst which two key elements are the EU Timber Regulation and the Voluntary Partnership Agreements. FLEGT-licenses are issued through a control system that assures the legality of timber and timber products.

The EU buys 11%, by value, of timber products and paper exported from Indonesia. Indonesia supplies 33% of the EU's tropical timber imports by value.

For more information:

Forest Law Enforcement, Governance and Trade (FLEGT) www.flegtmedia.org

EU-Indonesia Voluntary Partnership Agreement <http://www.euflegt.efi.int/mediaroom-indonesia>

Voluntary Partnership Agreement and UN Sustainable Development Goals
<http://www.euflegt.efi.int/publications/vpas-for-sdgs>

Contacts:

- [Enrico BRIVIO](#) (+32 2 295 61 72)
- [Iris PETA](#) (+32 2 299 33 21)