



## News release

### **EU AND VIETNAM COMPLETE NEGOTIATIONS ON A DEAL TO COMBAT ILLEGAL LOGGING AND PROMOTE TRADE IN LEGAL TIMBER**

Brussels, 11 May 2017

**The EU and Vietnam conclude negotiations on a Voluntary Partnership Agreement (VPA) on Forest Law Enforcement, Governance and Trade (FLEGT). The agreement will help improve forest governance, address illegal logging and promote trade in verified legal timber products from Vietnam to the EU, and other markets.**

After nearly six years of negotiation, today, Mrs Astrid Schomaker, Director for Global Sustainable Development of the European Commission's Directorate-General for the Environment and Dr Ha Cong Tuan, Vietnamese Vice-Minister of Agriculture and Rural Development initialled the text of the FLEGT VPA. This marks the formal conclusion of the negotiations.

The two sides will now undertake a legal review of the negotiated text which will then be followed by translation of the Agreement into the EU's official languages and Vietnamese. Before the agreement can enter into force, each Party will have to complete the procedure for signature and ratification of the Agreement in line with its internal procedures.

To implement the VPA, Vietnam will develop a timber legality assurance system to ensure that its exports of timber and timber products come from legal sources, including systems to verify that imported timber has been legally harvested and traded in accordance with the relevant legislation in the country of harvest. The agreement also provides for the establishment of complaints mechanisms and independent evaluations, as well as commitments to involve stakeholders in its implementation and on disclosure of information.

A Joint Implementation Committee will oversee implementation of the agreement. Pending its entry into force, the Parties have also agreed on key elements for Interim governance arrangements and other measures to prepare for implementation of the Agreement.

Once the VPA is fully implemented, Vietnam's shipments of timber and timber products to the EU will have to be accompanied by a FLEGT licence, demonstrating their legality. Before the start of FLEGT licensing, there will be a period of implementation and assessment to verify that all the commitments outlined in the VPA have been fulfilled and that the system put in place meets the criteria to operational readiness as set out in a dedicated Annex to the agreement.

In addition to the variety of social, economic and environmental benefits associated with better management of the forestry sector in Vietnam, FLEGT licensing will simplify business for timber traders, as FLEGT-licensed products automatically meet the requirements of the EU Timber Regulation, which prohibits the placing of illegal timber on the EU market. EU operators can therefore place FLEGT-licensed timber on the EU market without being subject to the due diligence provisions of the EU Timber Regulation.

The text of the EU-Vietnam VPA and its annexes are available on the [Commission's website](#) and the Ministry of Agriculture and Rural Development of Vietnam's website.

## **Background**

The Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan is the EU's response to the problem of illegal logging and related trade. The Action Plan aims to reduce illegal logging by strengthening the sustainability and legality of forest management, improving forest governance and promoting trade in legally produced timber. FLEGT contributes to efforts to limit climate change, conserve biodiversity, protect rights and increase transparency.

The Action Plan aims to close the EU market to illegal timber products through several actions, amongst which the two key elements are the EU Timber Regulation and the FLEGT licensing scheme, implemented through the conclusion of FLEGT Voluntary Partnership Agreements with timber producing countries.

The EU Timber Regulation prohibits operators in the EU from placing illegal timber products on the EU market and obliges them to exercise due diligence to ensure the legality of their timber products. The FLEGT Voluntary Partnership Agreements (VPAs) are bilateral trade agreements which commit the EU and the partner country to only trade in legally verified products by implementing the FLEGT licensing scheme. This involves the development, through a multi-stakeholder process, of credible and robust timber legality assurance systems, as well as wide range of commitments such as legal and policy reform, independent audits, and transparency and disclosure of information, .

When a VPA country begins FLEGT licensing, EU member states will no longer allow products listed in the VPA to enter the EU unless they have a FLEGT licence. Before the start of FLEGT licensing, there will be a period of implementation and assessment to verify that the system put in place meets the objectives of the VPA.

Vietnam is one of 15 countries that are implementing or negotiating VPAs with the EU. On 15 November 2016, Indonesia became the first country to issue FLEGT licences.

Vietnam is positioned at the centre of the global timber products trade. On the one hand, it imports timber from some 80 countries, including from Africa, Asia and South America. On the other, it exports timber products to all the major markets. In 2015, the value of wood and paper products exported from Vietnam to the EU was 438 million euros.

The scope of the VPA covers all export markets and the domestic market in Vietnam. Once the Vietnam Timber Legality Assurance System is operating as described in the VPA, Vietnam will issue FLEGT licences to timber products it exports to the EU.

The agreement covers both imported timber, a major source of raw materials for Vietnam, and all domestic sources in Vietnam, including natural and plantation forests, confiscated timber (under specific conditions), timber from home-gardens, farms and scattered trees, and rubberwood.

The range of timber products included in the scope of the agreement encompasses all major products exported to the EU, particularly the five compulsory timber products as defined in the FLEGT Regulation of 2005 (logs, sawn timber, railway sleepers, plywood and veneer) and also includes a number of other timber products such as wood in chips or particles, parquet flooring, particle board and wooden furniture.

## **Further information**

[EU FLEGT Voluntary Partnership Agreements](#)

[Questions and answers](#)

[Media room: EU-Vietnam VPA](#)

[FLEGT.org](#)

[VPA Unpacked](#)