



FLEGT Briefing Notes

FOREST LAW ENFORCEMENT, GOVERNANCE AND TRADE

What is FLEGT?

1. Why do we need FLEGT?

FLEGT stands for **Forest Law Enforcement, Governance and Trade** – the European Union’s response to the global problem of illegal logging and the trade in associated timber products.

Illegal logging and the associated trade in illegal timber is responsible for vast environmental damage in developing countries, and impoverishes rural communities that depend on forest products for a living. It also costs governments in developing countries an estimated €10-15 billion every year in lost revenue (see Briefing note 2).

The FLEGT Action Plan [1] proposes measures to increase the capacity of developing and emerging-market countries to control illegal logging, while reducing trade in illegal timber products between these countries and the EU.

2. Origins of FLEGT

Illegal logging was first raised as a serious international problem in 1998 in the G8 foreign ministers’ ‘Action Programme on Forests’. In April 2002, the European Commission hosted an international workshop to discuss how the EU should combat illegal logging. At the World Summit on Sustainable Development (WSSD), held in Johannesburg in the same

The titles of the eight briefing notes in this series are:

1. What is FLEGT?
2. What does FLEGT mean for Member States?
3. What is legal timber?
4. Why the focus on legality, not sustainability?
5. Bilateral, regional and multilateral approaches
6. Verification of legality
7. Voluntary Partnership Agreements
8. What are the WTO implications?

year, the European Commission set out a strong commitment to combat illegal logging and the associated trade in illegally harvested timber. To build on this commitment, the FLEGT Action Plan was adopted in May 2003.

3. The Action Plan

The Action Plan sets out a range of measures that aim to combat the problem of illegal logging. These include:

- support for improved governance and capacity building in timber-producing countries;
- development of Voluntary Partnership Agreements with timber-producing countries to prevent illegally produced timber from entering the EU market;





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- efforts to reduce the EU's consumption of illegally harvested timber and discourage investments by EU institutions that may encourage illegal logging.

3.1 Improved governance

Illegal logging is most prevalent in developing and emerging-market countries. Development co-operation between these countries and EU Member States can therefore play an important role in tackling the problem (see **Briefing note 5**). Support is likely to focus on:

- developing reliable verification systems to distinguish legal from illegal timber (see **Briefing note 6**);
- encouraging transparency through the provision of accurate information on forest ownership, condition and legislation;
- building the capacity of government agencies and other institutions to enforce existing legislation, implement governance reforms and deal with the complex issues related to illegal logging;
- strengthening enforcement by improving co-ordination between forest regulators, police, customs and the judiciary;
- assisting policy reform to ensure appropriate incentives for legal forest management, and disincentives for forest crime.

Such co-operation should complement existing processes, such as national forest programmes, that already address illegal logging and related issues. The involvement of civil society is important for transparency and to ensure that enforcement actions do not have adverse impacts on vulnerable communities.

3.2 Voluntary Partnership Agreements

The Voluntary Partnership Agreements (VPAs) proposed in the Action Plan are voluntary, bilateral agreements between producing countries (FLEGT Partner Countries) and the EU. VPAs set out the commitments and actions of both parties to tackle illegal logging (see **Briefing note 7**).

There is currently no mechanism whereby customs agencies can recognise illegal timber and prevent it

from entering the EU. VPAs offer an approach by which legally produced timber exported to the EU can be identified using licences issued by FLEGT Partner Countries. This scheme, which requires an EU regulation, would enable customs agencies to allow verified legal timber from Partner Countries to enter the EU, while excluding unidentified (and potentially illegal) timber.

Initially, the scheme would cover only roundwood and rough sawnwood, because of the complexities of ascertaining the origin of processed timber products (see **Briefing note 6**).

3.3 Reducing consumption and investment that encourages illegal logging

The Action Plan also includes measures to promote the use of legally sourced timber within the EU (see **Briefing note 2**). These include:

- encouraging Member States to refer to recently revised EU **public procurement legislation**, which clarifies the options for promoting the use of legal and sustainable timber;
- encouraging **private sector initiatives** based on the principles of corporate social and environmental responsibility;
- encouraging banks and financial institutions to take environmental and social factors into account when conducting **due diligence assessments** for forestry investments.

4. Options for the future

The EU will continue its dialogue with other important timber-trading countries, thereby exploring the development of a more comprehensive framework to restrict trade in illegal timber. The European Commission will also review further measures to support the objectives of the Action Plan, including the feasibility of legislation to control imports of illegally harvested timber into the EU.

REFERENCE

- [1] FLEGT Proposal for an EU Action Plan, 21 May 2003. Communication from the Commission to the Council and the European Parliament.

