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Central America's first VPA? Perspectives on FLEGT in Honduras

Introduction

In early April 2011, and following some initial contacts between Honduras and the European Union (EU) in mid-2010, a series of meetings and workshops were held in Honduras with the objective to explore the potential negotiation of a Voluntary Partnership Agreement (VPA) between both parties. Further progress is expected in the coming months.

This briefing provides information about progress achieved so far, and reflects on the opportunities for and challenges to successful negotiation – and implementation – of a VPA. It is aimed at stakeholders both in Honduras and the EU, as well as the international community working on VPAs in other countries around the world.

Key Messages

Before official negotiations between the Honduran government and the EU start, it is essential to guarantee that:

- The VPA focuses on improving forest governance by fostering lasting, progressive forest sector reform.
- Capacity building for those stakeholders needing it is funded and provided, so they are able to participate in a meaningful way. This should include support for local voices to be articulated and heard at the EU level lobbying work during the negotiation – and subsequent implementation – of the VPA.
- Civil society, including local communities and indigenous peoples, is fully engaged in the whole process through clear mechanisms that include giving them a seat – and a say – at the decision-making table. Transparency, a clear flow of information and open dialogue must underpin the negotiations. Allowing sufficient time for the process to yield positive results is essential.
- Stringent checks and balances are included in the implementation phase, including civil society oversight that provides transparency, accountability and credibility to the system overall.
- The relevant enforcement authorities charged with protecting the country's forests are strengthened and provided with the necessary resources to perform their duties effectively.
- All forest products and all markets (both domestic trade and exports) are included in the agreement.

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This briefing note is developed by NGOs from European and timber-producing countries involved in or monitoring the implementation of the EU FLEGT Action Plan, and specifically the implementation of the Voluntary Partnership Agreements between the EU and timber producing countries. They intend to provide joint North-South civil society positions.

For information on each VPA see:
www.loggingoff.info or

More detailed recommendations can be found at the end of this briefing.

Terminology

AFE-COHDEFOR	State Forest Administration – Honduran Corporation for Forest Development (<i>Administración Forestal del Estado – Corporación Hondureña de Desarrollo Forestal</i>). The former Honduran forest authority, abolished in 2008 after the new forest law came into force.
AMADHO	Honduran timber association (<i>Asociación de Madereros de Honduras</i>).
CAFTA	US-Dominican Republic-Central America Free Trade Agreement, signed in August 2004 and designed to eliminate tariffs and trade barriers.
CCAD	Central American Commission for Environment and Development (<i>Comisión Centroamericana de Ambiente y Desarrollo</i>), a regional institution that brings together all the Ministers of the Environment.
CONADEH	Honduran Human Rights Commission (<i>Comisión Nacional de los Derechos Humanos de Honduras</i>), the national Ombudsman, who implements the Independent Monitoring Project since 2005.
EIA	Environmental Investigation Agency, an independent campaigning organisation committed to bringing about change that protects the natural world from environmental crime and abuse.
ENCTI	National Strategy Against Illegal Felling and Transport of Forest Products (<i>Estrategia Nacional para el Control de la Tala y el Transporte Ilegal de los Productos Forestales</i>)
EU	<i>European Union</i>
FCPF	Forest Carbon Partnership Facility, a global partnership administered by the World Bank that provides funding to develop systems and policies for REDD.
FERN	An European NGO that campaigns to achieve greater environmental and social justice, focusing on forests and forest peoples' rights in the policies and practices of the EU
FLEGT	Forest Law Enforcement, Governance and Trade. The European Union's Action Plan, set up in 2003, to fight illegal logging through tackling the forest governance problems that are at its cause.
Global Witness	An international NGO that investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses. Global Witness has worked in the forest sector in Honduras since 2005.
ICF	National Institute for Forests, Protected Areas and Wildlife Conservation and Development (<i>Instituto Nacional de Conservación y Desarrollo Forestal, Áreas Protegidas y Vida Silvestre</i>), commonly referred to as Institute of Forest Conservation. The current Honduran forest authority.
IFM	Independent Forest Monitoring. A civil society led initiative to support forest law enforcement and fight illegal logging through field investigations. Global Witness and CONADEH jointly implemented an IFM project in 2005, with CONADEH currently implementing it single-handedly.
MAO	Environmental Movement of Olancho (<i>Movimiento Ambientalista de Olancho</i>). A Honduran civil society umbrella organisation that groups several grassroot organisations in the Olancho Department.
NGO	Non-governmental organisation.
REDD	Reduced emissions from deforestation and forest degradation. An international mechanism under negotiation within the UN climate talks and other international forums which will provide compensation to governments, communities, companies or individuals in developing countries for actions taken to Reduce Emissions from Deforestation and forest Degradation below an established reference level.
VPA	Voluntary Partnership Agreement (also known as FLEGT VPA). A bilateral agreement between a timber producing country and the European Union (EU) to improve forest governance and guarantee that the wood imported into the EU is from legal sources.

1. Background

The importance of forests in Honduras cannot be overstated. They are home to and the basis of the livelihoods of local people, especially in the poorest areas of the country. They also protect the highly vulnerable water sources and act as a natural barrier preventing landslides and mitigating the effects of the natural disasters that often swiipe the region. Despite this, forests have been relentlessly disappearing over the last decades, with illegal logging and poor governance marring attempts to bring the sector under control.

1.1. Exposing illegality: examples from international organisations

In the opening years of the new millenium, a research project coordinated by the Overseas Development Institute (ODI) estimated that illegal forest production could range from 75 to 85 per cent of total harvest in broadleaf forests and from 30 to 50 per cent in pine forests.¹ Based on a series of undercover investigations, in 2005 the Environmental Investigation Agency (EIA) published a report that showed how illegal forest operations are deeply ingrained in the local political economy of the country, involving a wide range of actors that include some of the country's largest timber companies and high level political figures.²

As a follow up to several Independent Forest Monitoring investigations (see Box 1), in 2009 Global Witness published a report exposing how poor governance failed to stop illegal logging of more than 8,000m³ of CITES-listed big-leaf mahogany (*Swietenia macrophylla*) in the country's largest protected area.³

1.2. Community and local civil society engagement in the Honduras forest sector

A Forest Social System has existed in the country since 1974 with the aim to promote participation of rural populations in the conservation and management of forest resources.

There are currently many active community forestry groups in Honduras, typically organised as cooperatives or other forms of partnerships.



Forests are the home of local people and rural communities across Honduras, who directly depend on them for their survival. Image: Global Witness.

The Forest Social System is an attempt to address rural poverty and forest degradation, and has been maintained in the new forest law. However, while some of these groups have worked successfully for years, others have struggled to remain functional or have been co-opted by vested interests⁴.

On the other hand, Honduras has a strong civil society, including urban-based non-governmental organisations (NGOs) as well as grassroots organisations in rural areas. Despite facing significant resistance, constant threats and in some cases violence for speaking out, many civil society groups have traditionally been very vocal in forest debates and policy making. Their participation was key for the approval of a new forest law, after years of delays due to limited political will. Many individual grassroots and civil society organisations, as well as the umbrella organisation Honduran Alliance for Conservation and Forest Development (*Alianza Hondureña para la Conservación y Desarrollo Forestal*) played an important role in ensuring the law drafting process remained open to civil society scrutiny.

However, the political crisis in mid-2009 has shaken the local reality and been the sole focus of attention of many organisations. Interest in forest-related issues has suffered as a result as civil society coalitions that advocated for the approval of the new forest law have decreased their work on the issue. As the country's political situation normalises, it is unclear whether and to what extent these organisations will be able and willing to reorganise themselves in order to actively participate in a potential VPA negotiation.

Box 1: Independent Forest Monitoring: a building block for a VPA

In May 2005, the Honduran Human Rights Commission (CONADEH) and Global Witness jointly initiated a project to independently monitor the forest sector. Locally known as the Independent Forest Monitoring (IFM) project, it aims to support law enforcement, improve governance and increase transparency within the forest sector. Despite limited resources, the project – currently implemented entirely by CONADEH – continues to operate, and has gradually grown in staff and geographical scope (though it has experienced recurrent funding problems, which at times has significantly curtailed its activity).

The 94 IFM reports published as of May 2010 document a wide range of illegal activities, including the illegal titling of national forest areas in favour of large landowners, a critical challenge in Honduras. Other breaches of the forest regulations documented include logging outside the authorised areas, logging a greater volume than authorised, the fraudulent use of timber transport permits, and the processing of undocumented timber in sawmills, among others. IFM work has also focused on broader thematic issues, such as the review of a policy aimed at regulating abandoned timber, which, due to state mismanagement, fuelled illegal logging in the largest protected area in the country.

The IFM experience in Honduras illustrates a history of serious systemic failures which are directly relevant to – and will have to be dealt with within – a FLEGT context. Under a VPA, a civil society led monitoring system has the potential to continue supporting the government by providing them with evidence of illegalities in the sector, while supporting both parties (Honduras and the EU) in their efforts for better governance. This could be done by pushing for action to be taken on reported cases. It is an essential challenge to overcome, as past IFM experience has often faced inaction from the relevant authorities.

2. A new legal framework: the 2008 Forest Law

In the late 1990s, increasing recognition at a national level of the continued destruction of forests in Honduras, and how this was linked to an ineffective legal and institutional framework, led to the development of a new forest law.⁵ Taking over eight years of public discussions, it was approved by the Honduran National Congress in September 2007. The law was published in February 2008 and came into force in March 2008. It is generally perceived as an important milestone in the history of the country's forest sector, especially as it is the result of a process that opened spaces for Honduran civil society to engage and sit at the table with members of the Congress to discuss the text.⁶ Among many other reforms, the new law abolished the previous forest authority (AFE-COHDEFOR)⁷ and created a new one, the Institute for Forest Conservation (ICF), which was officially established in June 2008 and is now the institution in charge of the protection and management of forests in Honduras. It also created new participatory bodies at local, regional and national levels.⁹

It is still too early to objectively assess the effect of the 2008 Forest Law in improving how forests in Honduras are managed. Also, whether the new law will improve the situation for forest communities remains to be seen. Some local actors¹⁰ believe that the situation has not improved significantly and may have even worsened since 2008. Several factors, some linked to lack of law enforcement, are mentioned to support this perception:

- The political crisis triggered by the ousting of President Zelaya in June 2009 has been virtually the sole focus of attention in the country, reducing the level of government control, media coverage and civil society oversight over forest operations.
- The creation of the ICF saw a major overhaul of staff as new personnel were appointed. While this may have been justified on the grounds of tackling entrenched corrupt practices, some argue that it deprived the new institution of key experienced staff to tackle governance problems. Additional staff changes have followed the ousting of the President, which has raised further concerns.
- The 2007 forest law established a new funding mechanism for the ICF. While the previous forestry authority received most of its funds through selling timber from public forests, the ICF is allocated an annual budget from the Secretary of Finance. However, the political and economic crisis of recent years has meant that the ICF has only received part of the annual budget requested, which has in turn reduced its capacity to enforce the new law.
- Finally, due to the lack of funds, CONADEH's independent monitoring project has been virtually inactive for the past year, depriving the forest sector of a key function in maintaining public attention on illegalities and wrongdoings in the forest sector.

Box 2: What are FLEGT Voluntary Partnership Agreements

- Legally binding bilateral trade agreements which set out the commitments and action that the EU and timber exporting countries will take to tackle illegal logging.
- The VPA process is undertaken by two parties: the EU on behalf of all its Member States and the government of the timber exporting (and producing) country.
- VPAs set out the commitments and action of both parties to tackle illegal logging.
- VPAs are required to have the buy-in of national stakeholders, including NGOs, local communities, indigenous peoples, and the timber industry.

The forest law mandated the ICF to write and implement a National Strategy Against Illegal Logging and Transport (ENCTI after its Spanish name). Recently finalised, it aims to protect forest ecosystems and foster sustainable management, and includes among its main principles, citizen participation, transparency and the equitable redistribution of benefits.

3. Increasing global markets' appetite for legal timber

Despite its small role in the international timber trade, the importance of external timber markets for Honduras deserves mentioning. Honduras' interest in marketing their products internationally is reflected in the willingness of the country to respond to the fairly new – and steadily growing – international demand for 'legal' timber.

Honduras' exports go primarily to the United States of America (USA) and the Caribbean. While some of the wood exported to Caribbean islands is later re-exported to the US or Europe, much of it remains in the region as construction material primarily for the tourism industry.

4. The Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan

EU efforts to address the illegal timber trade go beyond procurement policies and the illegal timber regulation. In 2003, the EU agreed on the FLEGT Action Plan, an ambitious initiative that includes a comprehensive set of elements to address the illegal timber trade: procurement policies, a regulation prohibiting the placing on the EU market of timber harvested illegally, systems to address financial due diligence and negotiating agreements with timber producing (and exporting) countries. These agreements are known as VPAs – they are voluntary for countries to sign onto, but legally binding once they are agreed – and constitute the central plank of the plan. Each VPA sets out the commitments and action that the EU and timber exporting country will take to tackle illegal logging.



Logging pine wood in the Department of Olancho, the main timber-producing area in the country. Image: Global Witness.

The overall aim of VPAs, as defined by the EU Council, include “to instigate forest sector governance reforms, more specifically to: strengthen land tenure and access rights especially for marginalised, rural communities and indigenous peoples; strengthen effective participation of all stakeholders...; increase transparency in association with forest exploitation operations... (and) reduce corruption”.¹¹ To achieve this and ensure ownership by all actors, VPAs must be developed through an in-country multi-stakeholder process where civil society and local communities are represented via a self selection process.¹²

At the time of writing, six VPAs between the EU and timber producing countries have been finalised¹³ and are at different stages in the ratification process.¹⁴ Four more agreements are under negotiation,¹⁵ and because of the trade regulations in place that are increasingly making it a criminal offence to place illegally-sourced timber on major timber markets, many countries are finding it even more attractive to join the VPA process.¹⁶

Until May 2011, little discussion about VPAs had taken place in Latin America compared to Africa and Asia. Despite several exchanges and information sessions between the EU and Latin American countries on FLEGT issues over the last few years, none has led to a VPA process. This may change in the light of new expressions of interests by Central America.

In a letter to Mr. Piebalgs, European Commissioner for Development Cooperation, dated March 2011, the Central American Commission for Environment and Development (CCAD) underlines its interest in exploring regional dialogue to support potential bilateral VPA discussions in the region. The letter is written on behalf of the Environment Ministers of the Central American region, and goes on to note that the FLEGT process combines their interest in ensuring good forest governance with the EU’s aim to encourage sustainable consumption of forest products. So far, El Salvador, Guatemala, Honduras and Nicaragua¹⁷ have expressed interest in exploring the potential advantages of VPA negotiations with the EU.

Box 3: Civil society participation in other VPA countries

Multi-stakeholder engagement, including that of civil society, in the development and implementation of VPAs is a requirement of the FLEGT Action Plan. There is international recognition that to manage forests in a way that it ensures long term environmental, social and economic benefits, all forest stakeholders should be involved in the development and implementation of laws and governance systems. Despite this, many national and international processes to date have failed to ensure ownership by all actors, and have not paid due attention to central issues such as strengthening local people’s tenure rights, increasing transparency, and opening spaces that allow for civil society participation.

VPAs have raised the bar and set a new precedent: they have shown that it is possible to develop trade agreements through an in-country, multi-stakeholder process where civil society and local communities are represented via a self-selection process, and they have shown that, given the space to engage, civil society groups find ways to improve their capacity and provide meaningful and constructive inputs. To date, all finalised VPAs have included civil society and local community representatives in their advisory bodies and the steering committees which guide negotiating teams. In essence, these are the only trade agreements worldwide that have the full support of the government, private sector and civil society.

5. The FLEGT process in Honduras so far

Honduras started expressing an interest in the possibility to negotiate a FLEGT VPA with the EU in mid 2010. A workshop on legality, forest management and trade, held in September 2010 in Siguatepeque, was a key event to raise awareness about the ongoing changes in the international timber markets.¹⁸ In April 2011, the Government of Honduras (GoH) organised two further workshops to discuss the challenges and opportunities that a VPA process could imply for Honduras. The two workshops, called “Consultation on Legality, Governance and Trade in the Forest Sector”, were well attended and saw the participation of a broad spectrum of actors, including small community enterprises, NGOs, local and central government institutions, and industry.

As a result of these two workshops, the GoH has designed a preliminary ‘road map’ for engaging in a VPA process, with the following key points:

- In mid-2011, the ICF, with the support of Tegucigalpa-based civil society platform *Agenda Forestal Hondureña*,¹⁹ will carry out a dissemination and outreach exercise aimed at collecting the views and concerns of a broad spectrum of national stakeholders regarding a possible FLEGT VPA, including groups and actors that did not participate in the two workshops.
- Based on the responses from this effort, in the second half of 2011 the GoH will communicate to the EU whether it is interested in starting official FLEGT negotiations.
- If it decides to engage in such negotiations, the GoH will also establish a Negotiating Committee.

The two workshops held in Honduras in April 2011 included working group sessions to encourage discussions on the main challenges and opportunities associated with a potential VPA process for the country. Potential challenges discussed included:

- The complexity linked to an agreed definition of legally-produced timber, in particular considering that ‘legal’ forestry operations are often carried out on public forest lands fraudulently titled in favour of private landowners – a problem associated with long-standing disputes among government institutions that will not be easy to overcome.
- Concerns about the financial investment implications of setting up and implementing a Legality Assurance System at a time when the country is struggling to emerge from a political and economic crisis.
- The risk that a licensing scheme might become yet another barrier for community organisations to access more profitable export markets, and instead favour the country’s industrial sector which has the financial resources and political connections to deal with bureaucratic procedures.
- The risk that a VPA may harm the reputation of the country’s forest sector should problems with its implementation arise.
- The risk of increasing production and export costs, with the associated loss of competitiveness in less eco-sensitive export markets.

As for opportunities, these include:

- Improving overall governance in the Honduran forest sector, and driving lasting positive change.
- Effectively involving stakeholder participation in decision-making processes, thereby strengthening democracy.

- Opening new spaces for dialogue and consensus building among stakeholders.
- Strengthening the capacity of local governments to effectively enforce the forest law and policies.
- Empowering civil society (for example, through social audits, which are already being established and tested in the country).²⁰
- Ensuring access to export markets, which would protect forest sector employment.
- Potentially establishing synergies with voluntary initiatives for sustainable forest management.
- Capitalising synergies with legality requirements from the market in the USA.

Box 4: Other international processes: Reduced Emissions from Deforestation and forest Degradation (REDD) and free trade agreements

A potential VPA negotiation in Honduras would not be the first – or indeed the last – effort to bring the country’s forest sector under control. A number of processes are currently at different stages of development in the country. It will be important to acknowledge progress and difficulties related to these, so that a VPA builds on existing efforts, ensures synergies between initiatives, and avoids repeating mistakes that have marred other processes in the past.

Two particularly relevant initiatives are:

- **REDD:** Honduras is a participant country under the World Bank’s Forest Carbon Partnership Facility (FCPF). In December 2008, it presented a Readiness Plan Idea Note (R-PIN), required at the time to access funding to prepare for REDD. However, the political crisis in 2009 brought this process to a halt, and the R-PIN was never approved. In addition, the document that countries are required to submit – now called Readiness Preparation Proposal or R-PP – has significantly changed in format and content since then, so should Honduras want to seek funding from the FCPF, they would have to produce an R-PP as a first step. The R-PP template includes matters of direct relevance to FLEGT, such as those pertaining to governance, stakeholder engagement and participatory monitoring systems.
- **The EU-Central American association agreement:** after a lengthy negotiating process, in May 2010 the EU and Central America signed an association agreement,²¹ which has been heavily criticised by many civil society organisations in the region and internationally. Organisations were already unreceptive to the idea after the earlier experience with the US-Dominican Republic-Central America Free Trade Agreement (CAFTA).²² While it is too soon to assess the impact of this agreement on the ground, the fact that a large proportion of civil society is hostile to it does not bode well for an implementation that delivers on equity, transparency and accountability, and not just trade. The agreement includes some language specifically aimed at the forest sector. There is specific commitment among parties to “...work together to improve forest law enforcement and governance and to promote trade in legal and sustainable forest products through instruments that may include, inter alia: effective use of CITES with regard to endangered timber species; certification schemes for sustainably harvested forest products; regional or bilateral Forest Law Enforcement Governance and Trade (“FLEGT”) Voluntary Partnership Agreements”.²³ This written commitment should be translated into concrete action.

Recommendations

The workshops held in Honduras have resulted in good progress in identifying and discussing some of the challenges and opportunities to bear in mind when negotiating a VPA.

Essential overall aspects which should be guaranteed before official VPA negotiations start are presented in the executive summary that appears at the beginning of this briefing. In addition, a potential Honduras-EU VPA will need to take into account country-specific issues, which include the following:

The broader context of illegal logging

- **Illicit activities:** governance challenges in the Honduras forest sector include links with other illicit activities, no least drug trafficking and related money laundering, which hamper law enforcement efforts, especially in remote areas. There are concerns that the timber sector may provide a useful mechanism that facilitates these activities. The forest sector is rightly perceived as dangerous territory to engage in. Perhaps it is no coincidence that it is common for military forces to be used to bring the sector under control. A deeper understanding of these linkages is required so attempts to secure legality in the forest sector are not undermined by extra-sectoral – and economically more powerful – factors.

Legal and policy framework

- **The 2008 forest law:** the law is now facing its biggest challenge: achieving effective implementation. The space for participation included in it needs to be operationalised, and this requires, among other things, the allocation of adequate resources. Existing experiences piloted by CONADEH and others to establish social audits can provide useful lessons. Equally, the ENCTI needs to be fully supported and effectively implemented. It is important to remember that legal does not always equate sustainable (or just). This is an essential aspect to address when reforming existing regulations through a VPA.



Logging in steep slopes increases the vulnerability to land slides during the rainy season.

Image: Global Witness.

- **The forest sector in a wider context:** forest initiatives in Honduras have often lacked an understanding of the reality of the sector, which is not isolated from other sectors. Forest, agricultural and livestock practices often overlap in the same areas, and merely trying to address the challenges stemming out of the forest sector will fail to deliver effective protection. A broader approach is needed.
- **Land titling:** forest tenure, especially on public land, needs to be clarified, including existing conflicts that go beyond the forest sector itself. Warnings that the National Agrarian Institute may have been titling lands in an illegal way need to be taken very seriously, and addressed as a matter of urgency.²⁴

Participation and engagement

- **Community forestry:** forest community groups need to be supported so they can participate directly in the development and implementation of the VPA, and not left in a disadvantageous position under the agreement. The VPA could in fact provide a good opportunity to strengthen community forestry in Honduras.
- **Civil society engagement:** the current priorities of civil society groups that have traditionally been more active in forest-related policy initiatives need to be identified, as well as whether they are able and willing to participate in a VPA negotiation – and the subsequent implementation of the VPA. The VPA negotiations could provide a good opportunity to foster the increase of forest-related work within civil society organisations. The recent experience of the process leading to the approval of the new forest law provides valuable lessons regarding the opening of spaces for engagement.

Learning from other VPA processes

- **Concluded VPAs:** the six VPAs that have been signed at the time of writing provide good insights into how effective civil society participation can be achieved and help to strengthen the position of the timber producing country and the quality of the agreement. Understanding how participation processes worked in other countries could provide tips to Honduras on how to move on issues such as ensuring the representation of communities from forest areas.
- **Independent Monitoring:** there has been some progress on the role that independent monitoring systems play in the context of forest governance. The VPAs for Cameroon, Central African Republic, Indonesia, Liberia and Republic of Congo all include reference to the role of monitors and its benefits. This should be looked at in detail when establishing a model for Honduras, as an addition to existing experiences of IFM in the country. Likewise, Honduras could also provide valuable lessons to other VPA countries in the form of tools such as IFM and social audits.
- **Country specificity:** the relatively low volume of Honduran forest product exports to the EU means that the VPA with Honduras is likely to follow a different dynamic to those in most of the countries with which the EU has negotiated VPAs. Furthermore, the political instability of the country means that broad participation is even more necessary in order to ensure that the VPA process is sustained through different administrations. A VPA has the potential to serve as a tool to help rebuild constructive dialogue and coordination among stakeholders. This is an essential first step in improving forest governance and promoting participatory democracy through shared decision-making.

Endnotes

1. Richards M., A. Wells, F. Del Gatto, A. Contreras-Hermosilla and D. Pommier (2003) *Impacts of illegality and barriers to legality: a diagnostic analysis of illegal logging in Honduras and Nicaragua*. International Forestry Review Vol.5(3), September 2003, Oxford, UK
2. Environmental Investigation Agency (2005). *The illegal logging crisis in Honduras. How the US and the EU imports of illegal Honduran wood increase poverty, fuel corruption and devastate forests and communities*. <http://www.eia-international.org/files/reports112-1.pdf>
3. Global Witness (2009). *Illegal logging in the Río Plátano Biosphere. A farce in three acts*. http://www.globalwitness.org/sites/default/files/pdfs/illegal_logging_in_rio_platano_final_en_low_res.pdf
4. The Forest, Protected Areas and Wildlife Law (*Ley Forestal, Áreas Protegidas y Vida Silvestre*), Decree No. 156-2007.
5. Among other organisations, the Olancho Environmental Movement (MAO) and the Fundación Democracia Sin Fronteras (FDsF) played an important role in this process.
6. State Forest Administration – Honduran Corporation for Forest Development (*Administración Forestal del Estado – Corporación Hondureña de Desarrollo Forestal*)
7. The full name is National Institute for Forests, Protected Areas and Wildlife Conservation and Development (Instituto Nacional de Conservación y Desarrollo Forestal, Areas Protegidas y Vida Silvestre), but is commonly referred to as Institute of Forest Conservation.
8. These are known as Consultative Councils (Consejos Consultivos) and are due to operate at four levels: national, departmental, municipal and community.
9. Comments made to Global Witness by some representatives of community-based enterprises and forest sector experts.
10. <http://procorredor.org/uploaded/content/article/1687268109.pdf>
11. European Council Conclusions on 'Forest Law Enforcement, Governance and Trade (FLEGT) 2003/C 268/01 Official Journal of the European Union 7 November 2003.
12. For further information about what a VPA is and how it works, see <http://www.loggingoff.info/themes/voluntary-partnership-agreements-vpas>
13. In order of conclusion: Ghana, Republic of Congo, Cameroon, Central African Republic, Indonesia and Liberia.
14. For further information about how a ratification process works, see <http://www.loggingoff.info/document/process-ratify-timber-trade-agreements-loggingoff-briefing-note>
15. In alphabetical order Democratic Republic of Congo, Gabon, Malaysia and Vietnam.
16. See http://www.euflegt.efi.int/portal/home/vpa_countries for up to date information on VPA countries.
17. Letter of 17 March 2011 to Mr. Piebalgs, European Commissioner for Development Cooperation, sent by the Central American Commission for Environment and Development (CCAD). CCAD-097-11, San Salvador
18. The workshop was called "The Honduran Forest Sector in a Changing International Context: Legality, Forest Management and Trade, and REDD".
19. The *Agenda Forestal Hondureña* is a multi stakeholder platform that promotes initiatives and coordinates exchange mechanisms to support the sustainable management of Honduran forests. See <http://www.agendaforestal.org/>
20. Since 2007 CONADEH has promoted forest-related social audits, which aim is to improve forest governance at a local level by carrying out participatory monitoring activities with a broad range of local actors (e.g. representatives of local civil society organisations, local and national government officials) to report and take action on forest-related activities that prove harmful to local people.
21. The full text of the agreement can be found here: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=689>
22. The full text of the agreement can be found here: <http://www.ustr.gov/trade-agreements/free-trade-agreements/cafta-dr-dominican-republic-central-america-fta>
23. EU-Central America association agreement. Part IV: Trade. Article 289: Trade in forest products. http://trade.ec.europa.eu/doclib/docs/2011/march/tradoc_147664.pdf
24. See presentation on illegal practices in Honduran pine forests ("*Las practicas ilegales comerciales en los bosques de pino de Honduras*") by Ramón Álvarez Lazzaroni, head of the Honduras Timber Association (AMADHO).

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1C Fosseyway Business Centre
Stratford Road
Moreton-in-Marsh, Gloucestershire
GL56 9NQ UK
t +44 (0)1608 652 895
f +44 (0)1608 652 878

26 Rue d'Edimbourg
B-1050 Brussels
Belgium
t +32 (0)2 894 4690
f +32 (0)2 894 4610

e info@fern.org

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If you would like further information, please contact the authors:

Laura Furones (Global Witness): lfurones@globalwitness.org, Iola Leal (FERN): iola@fern.org
and Filippo Del Gatto (Global Witness): fdelgatto@gmail.com

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