

July 2017

The European Commission has prepared a workplan for 2017-2020, describing how it will implement the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan. It reflects recommendations from recent independent evaluations, and political guidance from EU Member States. The workplan is intended to improve strategic planning for the effective implementation of FLEGT, including priority actions. It is being developed in the context of broader debates on how to deliver EU action on deforestation.

We believe the objectives and priority actions of the workplan are broadly relevant, and support its increased focus on governance objectives. The workplan incorporates several recommendations from civil society stakeholders. These include strengthening support to forest law enforcement, governance, and legal reforms and timber supply chains in timber producing countries. Such an increase in support would be in accordance with the thematic priorities established in the FLEGT Action Plan including multi-stakeholder participation, transparency and accountability, capacity, and coherence of regulatory frameworks.

The proposed emphasis on ensuring better synergies between EU Timber Regulation (EUTR) implementation and FLEGT support to timber producing countries, and stepping up cooperation with other major consumer and processing countries is also a step in the right direction.

Fern and its Southern civil society partners ask that all relevant stakeholders are involved in monitoring and evaluating progress with the European Commission workplan at EU level and that proper follow up consultations on the future of Voluntary Partnership Agreements (VPA) are conducted at country level.

In addition, Fern has the following key recommendations for the European Commission:

1. Supply side measures and collaboration with timber producing countries

- Forest governance
- Law enforcement in timber producing countries
- National VPA country reforms
- Capacity building
- Inclusive participation of civil society

- The EU should support the development of VPA workplans that include specific, time-bound **governance milestones** for developing and implementing coherent, human rights compliant legal reforms. They should also have milestones for implementing transparency measures; addressing findings from independent audits and independent forest monitoring reports; ensuring effective functioning of VPA structures; and guaranteeing local stakeholder participation. These governance milestones should be assessed by countries through regular joint progress reports, accompanied by high-level multi-stakeholder dialogues to address any gaps and delays.
- The EU should support VPA country authorities to combat **corruption**, including through active involvement and oversight of anti-corruption bodies. The aims should be to bring about environmentally and socially responsible **forest management**, reflected in coherent, human rights-compliant laws. In addition, the EU should support greater **involvement and capacity building of judicial and oversight bodies** to ensure fair and proper law enforcement, and corruption monitoring.
- The EU should continue to support effective and meaningful **participation** of diverse and independent groups **of civil society actors** (including direct participation of representatives of local and indigenous communities) **in VPA processes** through enabling **access to adequate resources and information**¹ and **capacity building**.
- The EU should help ensure there is effective **space for civil society** and community representatives to **express** their **opinions** freely and independently. Civil society representatives in VPA countries should be able to **report** and discuss potential or actual **restrictions**, and the EU and VPA countries should address these reports.
- The EU should support **effective independent forest monitoring by civil society** organisations and communities. This would include acknowledging the risks taken by independent forest monitoring

¹ e.g. effective implementation of transparency commitments made in VPA texts, information available in languages and accessible to the general public.

	<p>bodies and ensuring they can conduct their work in safety; that they have the financial and technical capacity to do the job; and that findings are discussed freely and publicly by stakeholders, and recorded in annual country progress reports to assess gaps and deliver corrective actions.</p> <ul style="list-style-type: none"> - The EU should ensure that VPA legality work is explicitly aimed at achieving national policy reforms and legal frameworks that guarantee the conservation and sustainable management of forests. FLEGT should be used to strengthen forest sustainability. - The EU should strengthen its support for legal and governance reforms that embed international human rights,² environmental, and anticorruption standards; and have a bearing on forests and forest peoples' rights. This could include stepping up collaboration and coordination between the EU and Interpol, relevant United Nations agencies, and VPA countries through national VPA structures, and other relevant EU and international fora.
<p>→ FLEGT VPAs and Licensing scheme</p>	<ul style="list-style-type: none"> - The EU should support reliable and strengthened timber legality assurance systems (TLAS) - in VPA countries. They should cover all timber sources and their complete chains of custody - and ensure immediate and credible responses from EU competent authorities in cases of non-compliance. - The EU should ensure that FLEGT licensing does not come at the expense of completing the necessary governance reforms and improving law enforcement, and that clear timelines exist. - The EU should ensure effective independent market monitoring under the VPA. Such monitoring would demonstrate the EU market incentives and support (or lack thereof) for FLEGT licensing, and encourage producer countries to improve the governance of their timber sector. - The EU should encourage the development of VPA compliant public procurement policies in support of effective VPA implementation.

² In this respect, it is important that the actions and priorities outlined in the Human Rights Action Plan are explicitly integrated and mainstreamed in the implementation of the FLEGT Action Plan.

<p>→ FLEGT VPAs and SMEs</p>	<ul style="list-style-type: none"> - The EU should strongly encourage VPA countries to include the domestic market in their Legality Assurance Systems. VPA negotiations should include at least one representative from “chainsaw loggers”. The domestic timber markets is the hardest sector to regulate, but also the most important in terms of reducing illegality and bringing long-lasting socioeconomic benefits. - The EU should consider implementing measures to assist small and medium enterprises (SMEs) and community based forestry practices to comply with the requirements of the VPA. For example they could simplify supply chain control systems for less valuable sources, allow for time-bound exceptions within the TLAS, and exclude SMEs from complying with some obligations of the legality definition for a limited period of time (without, however, undermining the TLAS’ credibility). - The EU should provide funding to actively support VPA-country SMEs, chainsaw loggers, and community forests and encourage them to develop collective rules and sustainable logging practices. They should also support organisations of chainsaw loggers and community forests to take on later-stage processing activities (e.g. production of wood boards or even furniture) and help build European supply chains for chainsaw loggers, community forests and SMEs in VPA countries. .
<p>→ Political will and high level dialogue</p>	<ul style="list-style-type: none"> - The EU should reinvigorate political will at the highest level for VPAs. This includes integrating ‘forest diplomacy’ into the climate diplomacy efforts of the European External Action Service (EEAS) and EU delegations. The aim would be to ensure that forests are a strategic priority in policy dialogues with forested tropical countries, and to achieve effective and inclusive VPA implementation processes. Another aim would be to encourage important actors such as China to engage in the VPAs and other forest governance processes. It is important that the EU ensures that VPAs and forests are mainstreamed in high-level political dialogues with partner countries. This would mean both the EU and VPA countries committing the necessary resources for effective implementation. - The EU must proactively engage with regional bodies on VPAs beyond bilateral approaches and encourage them to provide political support to the process and monitor implementation.
<p>→ Potential future VPAs</p>	<ul style="list-style-type: none"> - The EU should ensure that all future VPAs address the threat from increasing commercial demand for land, and promote security of tenure for communities as a fundamental principle of land governance. Efforts to tackle illegal logging and deforestation can only be successful if local peoples’ land rights are strengthened and secured.

	<ul style="list-style-type: none"> - The EU should favour the continuation of VPA processes, only opting for other types of engagements as a last resort. Such a decision should be taken transparently and consistently, and in consultation with relevant stakeholders, bearing in mind the possible negative impact on prior governance gains of ‘downgrading’ or terminating a VPA. Non-VPA options should uphold and prioritise the core principles of good forest governance including respect for human rights, inclusiveness and coordination, capacity, transparency, and accountability.
→ Conflict timber	<ul style="list-style-type: none"> - The EU and VPA signatories should set out measures in VPA annexes addressing the risk of conflict timber. - The EU should develop procedures which foresee the possible suspension of a VPA where there is an outbreak of conflict in a VPA country (such action should only be triggered in consultation with key stakeholders). - The EU should establish measures to avoid the risk that in transition or immediate post-conflict environments, forest concessions are allocated in violation of national and international laws.
→ Conversion timber	<ul style="list-style-type: none"> - The EU should use existing FLEGT policy instruments to their full potential including addressing conversion in the VPA annexes. - The EU should adopt measures to address conversion timber as part of an action plan to protect forests and respect rights.
→ Finance and investment	<ul style="list-style-type: none"> - The EU must introduce regulatory requirements that all institutional investors have to undertake due diligence of new and ongoing financial relationships to ensure that they “know their project” in terms of identifying and mitigating land tenure and deforestation risks. - EU Member States should require investors to regularly and publicly disclose their exposure to land tenure and deforestation risks and outline the engagement strategies they have employed with investee companies to manage and reduce them.
→ Green Public Procurement	<ul style="list-style-type: none"> - The EU and Member States must set themselves the target of 100% green procurement of timber and wood products, ensuring that all public timber procurement comes from sustainable sources, based on the highest sustainability standards and covering all wood products, all administrative

	<p>levels, and all Member States.</p> <ul style="list-style-type: none"> - The EU must also encourage the development of green public timber procurement policies in producer countries and major consumer countries (e.g. the US, China) as an incentive for shifting towards sustainability.
<h2 style="text-align: left; margin: 0;">2. Demand side measures</h2>	
<p>→ EUTR implementation</p>	<ul style="list-style-type: none"> - EU Member States must: <ul style="list-style-type: none"> • implement and enforce the law strictly and consistently, and routinely check on operators; • impose adequate and proportionate sanctions in cases where the law is violated and on companies that do not abide by the due diligence requirement; • provide adequate resources and staff training for EUTR enforcement authorities, and enhance structured cooperation and information-sharing at national, EU and international levels including visits to VPA countries and interactions with independent forest monitors; • investigate substantiated concerns raised by NGOs and other third parties more effectively, and create a mechanism for concerns raised by citizens and NGOs from VPA countries; • increase transparency by providing publicly available and easily accessible information about national checks and resulting enforcement actions; and • ensure other laws designed to control the illegal timber trade (EU Wildlife Trade Regulations and FLEGT Licensing Scheme Regulation) are enforced and consistently applied. - The European Commission must: <ul style="list-style-type: none"> • ensure the complete EU-wide implementation and proper enforcement of the EUTR; • extend the product scope of the EUTR to all products containing wood, such as musical instruments, seating furniture and printed materials; and • issue guidance for Member States on identifying and dealing with the risks of conflict timber.
<h2 style="text-align: left; margin: 0;">3. Multilateral framework</h2>	
<p>→ Major consumer countries</p>	<p>The EU and Member States must intensify their dialogue with China, Japan, Vietnam, India and other countries dependent on timber imports, and encourage them to introduce legislation comparable to the EUTR and the US Lacey Act.</p>

→ CITES	The European Commission should issue guidance to Member States on how to deal with cases of CITES timber.
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→ Building synergies between FLEGT and other processes	<ul style="list-style-type: none"> - The EU should step up efforts to build coherence between FLEGT and REDD+ (particularly in VPA countries actively engaged in both processes). This includes embedding FLEGT governance principles into REDD+ strategies, and using progress on forest governance as a key indicator to trigger financial support for REDD+ investments. - The EU needs to use its aid policies to increase coherence and stimulate linkages between VPAs, the Nationally Determined Contributions, Sustainable Development Goals, and sectorial policy measures including on land-use planning, agriculture, mining and infrastructural development.
4. Operational issues	
<ul style="list-style-type: none"> → Strengthen EU and Member State coordination → Enhance monitoring and reporting → Promote common understanding and improve communications 	<ul style="list-style-type: none"> - EU country delegations and Member States should encourage stronger linkages between VPA and EUTR authorities, and other EU trading partners (e.g. visits by EUTR authorities to VPA and other timber producing countries; regular information exchanges with mandated independent forest monitors and civil society involved in independent forest monitoring). - The EU should monitor, report and assess progress on implementation of the FLEGT Action Plan at the global, EU, and national levels. These monitoring, reporting and evaluation frameworks should assess the extent to which both governance and technical milestones are being met. These frameworks need to have the support of government, companies and civil society, and be inclusive and deliberative. - The EU monitoring framework should take into account reports from independent auditors and independent forest monitors, as well as proxy indicators in areas such as climate investment, corruption, Nationally Determined Contributions, and Sustainable Development Goals. - The EU must step up communications targeting local communities, especially women in these communities, and the public in VPA countries. This should be done in collaboration with

	<p>civil society organisations and environmental journalists' networks, and clearly embedded in VPA workplans.</p>
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