

FLEGT : INDUSTRY and NGO STATEMENT

Common European rules for fair competition and sustainable markets

We, the undersigned organisations, in our capacity of producers, purchasers or retailers of timber and wood products, are deeply concerned by the problem of illegal logging and the continuing import of illegally sourced wood products into the European Union.

Illegal logging contributes to deforestation, causes loss of biodiversity and erodes the rule of law. It undermines responsible forest management, encourages corruption and tax evasion and reduces the income of producer countries. It also has serious economic and social implications for the poor and disadvantaged.

Cheap imports of illegal timber and forest products, as well as the non-compliance of some players with basic social and environmental standards, destabilise international markets, and threaten jobs. This unfair competition based on widespread illegal practice harms those European companies, particularly small and medium sized businesses, who do behave responsibly and attempt to play by the rules.

As responsible organisations dealing in timber products, we believe that concerted political and trade action is needed to tackle this problem in order to create a level playing field for timber that has been legally acquired. Legal logging does not mean sustainable logging and we see the taken measures as a crucial first step towards sustainability. It is essential to start a political dialogue with producer countries focused on forest sector reform, increasing transparency, strengthening land tenure and access rights, and reducing corruption

We therefore broadly support the European Union's FLEGT (Forest Law Enforcement, Governance and Trade) initiative to eliminate illegal timber from their sector.

However, we acknowledge that self-regulation and voluntary measures alone are not sufficient to tackle this problem.

Without a clear European legal framework' companies that want to answer consumer-driven demand and benefit from investment in sustainable practices will always be disadvantaged.

We urge the European Commission and governments to take immediate action, and as recommended in the Action Plan, we call upon them to:

New EU legislation:

- Adopt new EU legislation which makes it illegal to import all illegally sourced timber and forest products into the European market;
- Ensure that this regulation relies on national laws of producer countries and international law, and allow EU enforcement officials to seize illegally sourced forest products and prosecute those that trade in them;
- Use Article 175 (Environment) of the Nice treaty as the legal basis for this new EU regulation to ensure equal power to Parliament and Council in adopting the Regulation;
- Ensure that the regulation covers all wood products;
- Allow common interest groups to bring cases and participate as third parties

EU partnership agreements and licencing schemes:

- Ensure that partnership agreements contribute to better forest management based on real commitment to reform from national governments
- Ensure that the licencing scheme is based on independent, third party verification of legality and credible chains of custody, which includes civil society participation in the development and implementation of the monitoring

Signatures :

Friends of the Earth, Netherlands/Milieudefensie

Greenpeace Netherlands

WWF Netherlands

ICCO Netherlands

Dutch Timber Trade Federation (Vereniging van Nederlandse Houthandelaren)

25th June 2004