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Proposal for a
REGULATION OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL
laying down the obligations of operators who
place timber and timber products on the
market
A status report

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We've come a long way...

Ignition key:

1998 G8 Foreign Ministers 'Action Programme on Forests'
WSSD Johannesburg 2003

Timeline EU FLEGT Action Plan:

2003 Adoption of EU FLEGT Action Plan

2005 Adoption of EU FLEGT Licensing Scheme

2008 First VPA negotiations finalized with Ghana





EU and FLEG(T) III Development in Europe

EU FLEGT Action Plan:

Supply	Consumption
Improved Governance and capacity building	Reducing consumption and investment of EU
Voluntary Partnership Agreements on licencing schemes and related issues	Private sector initiatives for voluntary commitments
	EU Member States: adopt Green Public Procurement Policies





We've come a long way...

Timeline EU legislation on illegal timber:

2003 ment. as potential additional option in EU FLEGT Action Plan

2004 NGOs present proposal for legislation to EU

2006 Public consultation on additional options

2008 proposal presented by European Commission (Oct)

2009 Parliament presents its position (April)

2009 European Council presents its partial agreement (Dec)





Position of the European Commission

- **The EU is a big importer of timber and has to address the problem of illegal logging on a legal basis**
- **A prohibition on placing of illegal timber and timber products on the EU market is not possible**
- **The trade in illegal timber should be addressed by a system based approach (due diligence systems)**





Proposal for additional legislation by EC

Main principles

- **Due diligence (companies need to prove that they did their best to exclude illegal timber)**
- **Timber or timber products accompanied by FLEGT or CITES licence are automatically legal**
- **Difference between low risk and high risk countries**
- **What the countries need to do exactly will be debated later (in Comitology), the law only gives the broad framework**





Position of the European Parliament

- **Deforestation increases (or does not stop) and the EU has to take responsibility for its actions**
- **An EU law has to effectively stop the trade in illegal timber (products)**
- **Measures should not cause too high burdens but have to be strict enough to stop the trade in illegal timber**
- **The law has to level the playing field in the EU**





Position of the European Parliament

- **Illegal logging and deforestation are a problem**
- **No high administrative burden, no red tape, no market disadvantages**
- **No disadvantages for SMES or small scale forest owners , „take special care of them“**
- **Illegal logging a big problem outside the EU**





Where are we now?

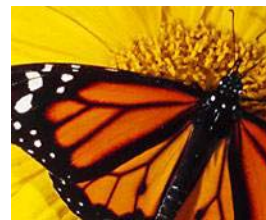
- **Environment Committee of the European Parliament presented its view on the Council Common position on 4th of May, reiterating most of its amendments from 1st reading**
- **Parliament, Council and Commission are now in the so called „trialogue“ – bilateral negotiations between the different EU institutions to find a second reading agreement – if it is not found, the dossier will enter into the so called „conciliation“.**





NGO thoughts

- 1. Legislation should apply to all operators as the risk of illegal logging is not necessarily reduced further up the supply chain**
- 2. The exemption of certain woodproducts opens loopholes, especially, when these exemptions (as for recycled material) are not clearly defined**
- 3. The recognition of monitoring organisations should be harmonized to reduce additional burden to operators and to level the playing field within the EU**





NGO thoughts

5. A harmonized framework for penalties and sanctions will provide the same conditions for all operators irrespective of the Member State they want to operate in
6. Applicable legislation should not be reduced to the harvesting process only but incorporate as well payment of taxes, indigenous and local people's rights, welfare and labour legislation etc.



NGO demands	EU Council Position March 2010		EU Parliament Environment Committee May 4	
Prohibition for placing illegal timber on the EU market	Due diligence system sufficient	-	All operators are responsible	+
Due diligence system	Clear rules are important, but SMEs and small forest owners are disadvantaged	+	Everybody needs to be covered by the systems, and small forest owners can be addressed in other manner	+
Traceability along the supply chain	Burden too high on operators	-	Traceability of timber important to determine point of entry of illegal products, all operators share responsibility	+
Penalties and sanctions	Member States have to decide what they consider as appropriate	-	Penalties are Member State responsibility, but penalties have to be proportionate to damage	+/-
Accreditation of monitoring organisations at EU level	Accreditation of Member States at EU level or at Member State level	-	Accreditation of Member States at EU level	+
Definition of applicable legislation	Laws related to timber harvesting	-	Laws related to forest management	+
No product exemptions	No print products, no small products etc	-	All products covered	+



...and we will keep holding on...

Thank you

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