# Raising the bar

Strengthening EU biodiversity and climate leadership through FLEGT and Forest Partnerships

This statement summarises the views of civil society organisations from Asia and the Pacific, the Americas, Europe, and West and Central Africa, engaged in addressing key challenges threatening forests around the world, including the ongoing trade in illegal timber and commodity led deforestation. It proposes lasting solutions that would help to deliver EU and global policy commitments. To strengthen forest governance and protect and restore forests, our key recommendations are:

- 1 Use the FLEGT Fitness Check to strengthen the FLEGT Action Plan and the EUTR and address the persistent obstacles that hamper their effective implementation.
- 2 Provide tailored support to VPA countries, ensuring CSOs, local communities and Indigenous groups have the space and capacity to participate, and maintain the integrity of the VPAs.
- 3 Develop ambitious, inclusive, and rights-based Forest Partnerships that respond to the partner countries' needs, and that support them to comply with new EU supply chain regulations.



#### **Our vision for forests**

The European Union (EU) is a major importer of timber and other forest risk commodities such as soy, beef, coffee, palm oil, and cocoa. The EU also provides important development aid to increase the sustainability and socioeconomic benefits of these products. The EU showed leadership by launching key environmental initiatives such as the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan (2003) and its Voluntary Partnership Agreements (VPAs),<sup>1</sup> which aim to halt illegal logging and the associated trade. More recently, the EU committed to 'greening' its partnerships with third countries through the European Green Deal<sup>2</sup> (2019). This includes a Biodiversity Strategy,<sup>3</sup> proposing strong external actions to ensure that trade, development, biodiversity, and climate policies have a positive global impact on natural ecosystems, including forests, and local peoples' rights.

To stop further depletion of natural resources and the erosion of local people's rights, the EU and partner countries need to change how they produce and consume. To build more ecological and inclusive partnerships, the EU needs to tackle the governance challenges and policy gaps that fuel forest destruction and greenhouse gas emissions. This requires the involvement and full buy-in from civil society groups, and Indigenous Peoples and local communities including youth and women, in and outside the EU.

Tropical forested countries are affected by and will increasingly suffer from the impacts of climate change, deforestation, and biodiversity loss including deteriorating ecosystems, flooding, rising prices for food and energy, and threats to communities, gender challenges and Indigenous Peoples' livelihoods and land rights. Civil society



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organisations (CSOs) and forest dependent communities play a meaningful role in improving forest governance systems and therefore in tackling deforestation. Improving forest governance also strengthens human rights, democracy, the rule of law, the fight against corruption and environmental protection. Unfortunately, however, civic space is under pressure. CSOs, including those who cooperate with the EU, are facing a backlash for defending forest governance and forest peoples' rights. The COVID-19 crisis has served as an excuse to reduce their participation.

We welcome the <u>continued dialogue</u><sup>4</sup> with decisionmakers from EU institutions including the European Commission, the European External Action Service, and the European Parliament on forest governance, and new regulatory and funding measures to protect and restore international forests and the biodiversity supported by them.

<sup>1</sup> See Council Regulation (EC) No 2173/2005 of 20 December 2005 (the FLEGT Regulation), https://eur-lex.europa.eu/legal-content/EN/TXT/2qid=1584107319512&uri=CELEX:02005R2173-20200101, and Commission Implementing Regulation (EC) No 1024/2008 of 17 October 2008, https://eur-lex.europa.eu/legal-content/EN/TXT/2rii=CELEX:32008R1024.

<sup>2</sup> Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions (COM (2019) 640 final), <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019DC0640">https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019DC0640</a>.

<sup>3</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – EU Biodiversity Strategy for 2030 – Bringing nature back into our lives' (COM(2020) 380 final), https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1590574123338&uri=CELEX%3A52020DC0380.

<sup>4</sup> Declaration of civil society organisations from forested tropical countries, October 2019, https://www.fern.org/fileadmin/uploads/fern/Documents/2019/2019\_statement\_CSOs\_forested\_tropical\_countries-EN.pdf



Photo by Axel Fassio DRC/CIFOR

## Implementation of the FLEGT Action Plan is needed to achieve the European Green Deal objectives

According to recent <u>research</u>,<sup>5</sup> and <u>independent</u> <u>evaluations</u>,<sup>6</sup> the FLEGT Action Plan remains a relevant and innovative response to the challenge of illegal logging. It has improved forest governance in partner countries and has put the issue of illegal logging at the forefront of policy concerns. It is strengthening legal and institutional frameworks, and increasing multi-stakeholder dialogue and participation, and transparency in partner countries. FLEGT has also created a level playing field and <u>reduced demand</u><sup>7</sup> for illegal timber in the EU. Specifically, VPAs have directly and positively impacted forest management, and helped timberproducing countries and companies to improve their environmental practices and reputation. VPA processes have fostered law reforms to improve forest governance and have inspired better governance in policy areas outside the forest sector including land use planning.<sup>8</sup> However, the FLEGT Action Plan recognises that there is no silver bullet to address the complex issue of illegal logging, which requires a holistic approach including demand and supply side measures.

In 2020, the EU Commission launched a <u>Fitness</u> <u>Check (or evaluation) of the EU Timber Regulation</u> (EUTR) and the FLEGT Action Plan<sup>9</sup> to help them assess whether they are still fit for purpose. The results are also intended to contribute to the parallel study on demand-side measures against deforestation associated with products and commodities placed on the EU market. The EU Commission's final evaluation report is still due, along with potential proposals for change. We expect that the results will provide a balanced and comprehensive assessment of both regulations that includes the views of stakeholders, such as CSOs, both in the EU and in partner countries.

The EU's response will provide an opportunity to strengthen FLEGT and the EUTR, while maintaining the integrity of VPAs to encourage the legal timber trade and more inclusive socio-economic benefits for producing countries. Lowering the bar on measures to curb illegal logging and the associated trade or revoking existing measures would send the wrong message to partner countries. These countries have invested considerable resources in cleaning up their forest sector and have shaped ambitious reforms in consultation with concerned authorities, private sector, civil society, and local communities. Unilaterally making changes would compromise the EU's leadership on climate and the environment, raising concerns among other major markets that the EU is weakening its position.

9 See https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/11630-Illegal-logging-evaluation-of-EU-rules-fitness-check-

<sup>5</sup> Cerutti, P., Goetghebuer, T., Leszczynska, N., Newbery, J., Breyne, J., Dermawan, A., Mauquoy, C., Tabi, P.P., Tsanga, R., Ploeg, L., & Wathelet, J. (2020). Collecting Evidence of FLEGT-VPA Impacts for Improved FLEGT Communication, https://ypa-library.cifor.org/assets/publications/Synthesis\_FLEGT\_VPA\_impacts.pdf.

Evaluation of the EU FLEGT Action Plan (Forest Law Enforcement Governance and Trade) 2004–2014: Final Report - Volume 1, <u>https://ec.europa.eu/environment/forests/pdf/FLEGT%20Eval%20Consultant%20Report%20EN.pdf</u>.
Serge, Piabuo & Minang, Peter & Tieguhong, Julius & Tita, Divine & Frankline, Nghobuoche. (2021). Illegal logging, governance effectiveness and carbon dioxide emission in the timber-producing countries of Congo Basin and Asia. Environment Development and Sustainability, <u>https://link.springer.com/content/pdf/10.1007/s10668-021-01257-8.pdf</u>

<sup>8</sup> See CAFI and EU join forces for the future of Central African Forests, 4 November 2019, https://www.cafi.org/content/cafi/en/home/all-news/cafi-and-the-eu-join-forces-for-the-future-of-the-central-africa.html

We recommend that:

- The EU continues to invest in VPAs in line with the recommendations of the 2016 FLEGT evaluation, ensuring that challenges are fully addressed, and that gains and lessons learned can inform future supply-side measures and partnership approaches on deforestation, forest degradation, the destruction of other ecosystems and biodiversity, and human rights abuses.
- The EU keeps FLEGT licensing as a key element of VPAs and confirms to the EU market that the sector is fully reformed, and systems are functioning across all forests and companies. Obstacles to the issuance of FLEGT licences--including capacity gaps, lack of resources, weak governance, and insufficient political support--must be tackled holistically and effectively.
- The EU strengthens enforcement of the EUTR to tackle risks in its timber supply chain and stimulate progress in producer countries. This includes providing more guidance to EU operators, increasing resources for enforcement, taking corrective action against non-compliant Member States, and stepping up coordination between Member States and authorities in VPA countries.

- The EU endorses a fresh approach to the corruption challenge and pushes the issue of corruption up the political agenda with partner country governments. Policies should encourage accountability, transparency, participation, and integrity. Any attempts to cut corners to accelerate the VPA process risks lowering standards.
- The EU steps up forest diplomacy and coordination in VPA countries with other donor agencies and international actors. This implies improving policy coherence between FLEGT and climate and development aid policies as well as EU legislation on corporate accountability, antimoney laundering, and proposed measures to halt deforestation.
- The EU supports effective participation from CSOs of different types, local communities, and Indigenous groups by ensuring there is adequate and inclusive civic space, and dedicated capacity particularly for independent forest monitoring.
- The EU promotes legality as the first step to sustainability since legality and sustainability should complement rather than compete against each other.



## **Strong Forest Partnerships can** be one of the tools to tackle the biodiversity and climate crises

Despite the numerous benefits that forests provide, they continue to disappear.<sup>10</sup> Besides (illegal) logging, the primary causes of forest loss are clearance of land for industrial agriculture and cattle ranching, mining, infrastructure, and demand for fuel and charcoal. Indigenous Peoples and local forest communities are on the frontline of the battle for these forests.

Tackling the dual climate and biodiversity crises and inherent social injustices requires strong international cooperation and ambitious actions, ahead of the 15th Conference of the Parties (COP15) of the Convention on Biological Diversity (CBD), and in line with the Agenda 2030, the Paris Agreement, and global and regional forest commitments. The adoption of the Neighbourhood, Development, and International Cooperation Instrument (NDICI) paves the way for constructive political dialogue between the EU and partner countries to ensure that decisions on aid programming match the EU's commitments under the European Green Deal and related initiatives including the new EU Biodiversity Strategy to 2030 and the Forest Strategy, as well as countries' national climate and biodiversity commitments, and development needs.

We commend the EU's engagement in stopping deforestation and forest degradation by reducing the footprint of EU consumption on land and encouraging the consumption of products from deforestation-free supply chains in the EU. The Commission's Directorate-General for International Partnerships' proposed Forest Partnerships with forest rich developing countries must help to strengthen forest and land governance, ecosystems resilience, biodiversity, and local livelihoods. Where countries are major exporters of forest and ecosystem risk commodities to the EU, Forest Partnerships should include trade elements to ensure meaningful dialogue with producer countries on achieving zero-deforestation supply chains.

For the EU to effectively protect and restore forests globally, we recommend that:

- Each Forest Partnership is developed through a deliberative process to meet the needs of partner countries in consultation with CSOs, Indigenous Peoples, and local communities. Forest Partnerships must contribute to the implementation of relevant national policies and international commitments including nationally determined contributions (NDCs) and National Biodiversity Strategies and Action Plans (NBSAPs).
- Forest Partnerships complement existing agreements such as VPAs to strengthen forests' contribution to resilient natural ecosystems and local livelihoods. This includes supporting community-led forest protection and restoration, and small-scale forestry.
- The EU sets out clear objectives, targets, and activities in all Forest Partnerships for forest protection and restoration, which uphold international human rights law, notably the rights of Indigenous Peoples and local communities with customary tenure systems.
- S Forest Partnerships should be based on a clear Theory of Change, which identifies the roles and responsibilities of different actors. They should include a robust monitoring and evaluation system with a powerful enforcement mechanism.
- EU intervention modalities provide targeted funding to CSOs, Indigenous Peoples, and **local communities**, and support ongoing efforts to improve forest governance. This includes land tenure mapping and monitoring, promoting inclusive community-based forest management, conservation and agroforestry schemes and agroecology.

Where partner countries are major exporters of forest & ecosystem risk commodities to the EU and thus will be significantly impacted by the new deforestation regulation, the Forest Partnership should include a focus on supporting the partner country to meet the requirements of the regulation.

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<sup>10</sup> FAO and UNEP. 2020. The State of the World's Forests 2020. Forests, biodiversity, and people. Rome. https://doi.org/10.4060/ca8642en

#### Annex - Country recommendations to strengthen VPA implementation and linkages with other forest related processes

- In **Cameroon**, CSOs ask the EU to provide stronger support for independent forest monitors to monitor the agricultural and timber supply chains and provide this information to EU authorities. EU authorities must tighten their checks on timber, timberderived products, and other forest risk commodities imported from Asian markets, as they have become a major provider of processed products for the EU market.
- In **the Central African Republic**, the EU should re-engage financially in the VPA process including helping to operationalise the forest policy, revise the forest code, and set up the timber legality assurance system including for the artisanal sector.
- In **Côte d'Ivoire**, continued support should be provided to CSOs working on forest governance and VPA-related issues. The EU should support the implementation of the national Forest Strategy following a multistakeholder approach. Access to land tenure remains a major challenge for a successful VPA in Côte d'Ivoire. It is important to ensure that community can secure their tenure rights communities by removing the legal and financial obstacles that hinder it.
  - In **the Democratic Republic of Congo**, political will to develop a forest policy and revise the forest code is good news and action must quickly follow. The EU and the government should resume VPA negotiations and ensure that the Central African Forest Initiative (CAFI) is implemented effectively, including consideration of local communities' and Indigenous Peoples' rights and civil society's legitimate request to actively participate in decision-making bodies.

- In **Gabon**, with VPA negotiations at a standstill, EU funding should focus on civil society participation in the ongoing natural resource management processes, including legal reforms, support to sectoral governance, certification initiatives, and CAFI to ensure that the rights of local and Indigenous communities are respected.
- In Ghana, civil society is calling for the EUTR to be enforced across all Member States, and for recognition that FLEGT licensed timber is equivalent to voluntary certification standards within European public procurement policies. Cancelling the FLEGT licence would be a major disappointment to the timber industry who had invested in systems to trade in FLEGT licenced timber, as well as to Ghanaian NGOs and the government who have worked long and hard to ensure they met the requirements of the licence. This would come across as a shifting of the goal posts.
- In **Honduras**, the VPA should prioritise improving forest law enforcement, as well as reinforcing governance and the human rights of environmental defenders, Indigenous Peoples and Afro-descendent communities.
- In **Indonesia**, while the VPA is in the most advanced stage of implementation as compared to other countries, there is still a need to ensure greater awareness on all aspects of FLEGT VPAs. There also needs to be increased awareness of FLEGT licensing in EU Member States.
- In **Laos**, the EU should encourage the government to promote community forest management and ensure that local communities truly benefit from the VPA. The EU should offer continued political encouragement to Lao government agencies to include civil society in the decision-making and reform process.

In Liberia, capacity building and financial support should be increased, and the EU should promote more multi-stakeholder discussions on how to ensure communities are the main managers of community forests, not just receivers of benefits from logging companies. The EU should support incorporation of community forestry into the VPA legality framework. A more proactive approach to holding the government to account is needed, as well as awareness raising on the VPA. Finally, the EU should place greater emphasis on capacity building for and inclusion of women.

In **Malaysia**, the role of CSOs needs to be defined and strengthened in monitoring timber trade to the EU. The EU must also navigate through the ongoing challenges around the negotiation of VPA, particularly in relation to the different stances taken by subnational governments.



In **Papua New Guinea and the Philippines,** the role and rights of Indigenous Peoples needs to be strengthened further, for example through recognition of land tenure and ownership, and enforcement of Free, Prior and Informed Consent. The EU should promote and support operationalisation of these mechanisms.

In **the Republic of the Congo**, the EU should support effective participation of CSOs, communities and Indigenous groups, including women, in the VPA. This will enable them to advocate for stronger and more equitable access to benefits and contribute to forest legal reforms and law enforcement to tackle governance challenges and corruption as these hinder progress towards licensing and could jeopardise other governance initiatives such as CAFI. In **Thailand**, the EU should require the clarification of forest land tenure as a prerequisite to timber legality. It should also discuss how to ensure the durability of CSOs' engagement after VPA negotiations, through multi-stakeholder forums, independent monitoring and VPA impact monitoring.

In Vietnam, FLEGT licensing is planned from 2021 and the national authority has issued a decree on the timber legality assurance system (VNTLAS). VNTLAS is applied to all domestic and foreign businesses involved in harvesting, transporting, trading, and processing timber. The Vietnamese NGO FLEGT Network asks that attention be paid to the timber produced by forest-dwelling households and micro-enterprises to make sure it is compliant with the legality requirements, and a greater focus be given to gender equality and social inclusion. The VPA independent monitoring and evaluation framework and bodies should also clarify civil society's role and their responsibility for enabling forest communities to be heard.

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## **National signatories**

- 1. Brainforest, Gabon
- 2. Burung Indonesia
- Centre pour l'Information Environnementale et le Développement Durable (CIEDD), Central African Republic
- Cercle d'Appui à la Gestion Durable des Forêts (CAGDF), Republic of Congo
- 5. Cercle pour la défense de l'environnement (CEDEN), Democratic Republic of Congo
- 6. Civic Response, Ghana
- 7. Commission Episcopale Justice et Paix, Republic of Congo
- 8. Comptoir Juridique Junior (CJJ), Republic of Congo
- 9. Centre de Recherche et d'Appui au Développement (CRAD), Central African Republic
- 10. EcoCare, Ghana
- Femme et Environnement « BATA-GBAKO » du Réseau Femmes Africaines pour le Développement Durable, Central African Republic
- 12. Field Legality Advisory Group (FLAG), Cameroon
- 13. Foder, Cameroon
- 14. Forêt et développement durable (FDD), Central African Republic
- 15. Forum pour la Gouvernance et les Droits de l'Homme (FGDH), Republic of Congo
- 16. Foundation for Community Initiatives (FCI), Liberia
- 17. Fundación Democracia sin Fronteras (FDsF), Honduras
- 18. Haribon Foundation, the Philippines
- 19. Initiative interreligieuse pour les forêts tropicales (IRI), Democrat ic Republic of Congo
- 20. Kaoem Telapak, Indonesia
- 21. Lao CSO FLEGT Network
- 22. Lao Development of Human Resources in Rural Areas Association
- 23. Ligue Congolaise de Lutte contre la Corruption, Democratic Republic of Congo
- 24. Malaysian Nature Society (MNS)
- 25. Monitoreo Forestal Independiente (MFI), Honduras
- 26. Observatoire de la gouvernance forestière (OGF), Democratic Republic of Congo
- 27. Observatoire ivoirien pour la gestion durable des ressources naturelles, Côte d'Ivoire
- 28. Observatoire Congolais Des Droits de l'Homme (OCDH), Republic of Congo



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- 29. Pan Nature, Vietnam
- 30. Plateforme pour la Gestion Durable des Forêts (PGDF), Republic of Congo
- 31. Plateforme pour la Gestion Durable des Ressources Naturelles et de l'Environnement (GDRNE), Central African Republic
- 32. Publiez Ce Que Vous Payez (PCQVP), Coalition Congolaise, Republic of Congo
- 33. Rencontre pour la Paix et les Droits de l'Homme (RPDH), Republic of Congo
- 34. Réseau Ressources Naturelles (RRN), Democratic Republic of Congo
- 35. Sustainable Development Institute (SDI), Liberia
- 36. Sustainable Rural Development (SRD), Vietnam
- 37. Transparency International
- 38. Transparency International, Cameroon
- 39. VNGO FLEGT Network, Vietnam

#### International signatories

- 40. Birdlife International
- 41. Centre for International Development and Training (CIDT)
- 42. ClientEarth
- 43. Environmental Investigation Agency (EIA)
- 44. Fern
- 45. Indigenous Peoples' Documentation Centre (DOCIP)
- 46. Regional Community Forestry Training Center (RECOFTC)
- 47. Réseau des Populations Autochtones et Locales pour la Gestion des Ecosystèmes Forestiers d'Afrique Centrale (REPALEAC)
- 48. Réseau femmes africaines pour le développement durable en Afrique centrale (REFADD)