



# Response to the Interim Conclusions from the EUTR and FLEGT Fitness Check

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# The Conclusions

- The “Fitness Check” is a review process conducted by the EU - conducted on the main regulations tackling illegal timber, the EUTR and the FLEGT Regulation.
- Earlier this year Interim Conclusions were published. The Fitness Check is understood to have now been approved by the European Commission’s Regulatory Scrutiny Board. These were the interim conclusions:
- **FLEGT Regulation** shows positive results in stakeholders’ participation and governance, however:
  - **No evidence that VPAs have contributed to reducing illegal logging in the partner countries and the consumption of illegally-harvested wood in the EU.** Slow and very costly processes. After 20 years of negotiations, only one country (out of 15) has an operating licensing system in place. Among the top 10 EU trading partners, there is only one VPA country.
  - Possible way forward: **Alternative support mechanisms to enable partner countries to comply with requirements** (Forest partnerships), without the elements which do not work (licencing in a trade agreement).

# Implications

1. Potentially VPAs Replaced with alternative support mechanisms – no more VPAs.
2. Removal of Licensed Timber from Partnerships.
  - No Trade Incentive.
  - No Green Lane into EU market using national legality system – but everything will need to comply with EUTR, if that is retained.
  - Core element of VPAs removed.
3. Proposed alternative (Forest Partnerships) not established for this purpose – leaves very uncertain what EU's support for improved forest governance will be.

# Evidence for VPAs

- Can't assess efficacy of licensing outside of where we have it – Indonesia only.
- CIFOR Research “Assessment in Cameroon, Ghana and Indonesia” (2020)

“There has been a decrease in illegal logging rates notably in production forests mandated to have a management plan, where those are now better implemented than in the past, and the VPA has contributed positively towards such evolution.”
- Neupane et al (2019)

“Respondents mentioned that the FLEGT-VPA implementation has resulted in the low impact timber harvesting plans, reinforcement of RIL (reduced impact logging), and improved forest product tracking system, which consequently have reduced the negative impacts on ecosystem functions and services.”
- Other positive developments: better participation, recognition of communities.
- This progress must be preserved, and effect of current VPAs must continue.

# Questions for EC

- Have the interim conclusions related to VPAs and FLEGT licencing changed after the response from NGOs and Civil Society?
- How will the EC ensure progress made through VPAs is not lost?
- Without licensing, how will a new system promote reform and governance improvements in forest countries?
- Has the FLEGT/VPA Program been let down by mixed EUTR enforcement? Why is FLEGT to blame for this?
- Can they provide more detail about what will be in the Forest Partnerships? Will they support current programs and preserve progress that has been made?
- What does this mean for current VPAs, including Indonesian VPA which includes FLEGT-licensing, and the recently signed Vietnam VPA?



