EU/Republic of the Congo Voluntary Partnership Agreement: forest law enforcement, governance and trade in timber and derived products to the EU (FLEGT)

2010/0062(NLE) - 18/06/2010 - Legislative proposal

PURPOSE: to conclude a Voluntary Partnership Agreement between the EU and Congo on forest law enforcement, governance and trade in timber and derived products to the EU (FLEGT)

PROPOSED ACT: Council Decision.

BACKGROUND: in May 2003, the Commission published an EU Action Plan for Forest Law Enforcement Governance and Trade (FLEGT) which called for measures to address illegal logging through the development of voluntary partnership agreements with timber-producing countries. Council conclusions on this Action Plan were adopted in October 2003 and Parliament adopted a resolution on 11 July 2005.

The Action Plan on Forest Law Enforcement, Governance and Trade (FLEGT proposes a set of measures that include support for timber-producing countries, multilateral collaboration to tackle trade in illegal timber, support for private-sector initiatives and also measures to discourage investment in activities that encourage illegal logging. The cornerstone of the Action Plan is the establishment of FLEGT partnerships between the EU and timber-producing countries aimed at stopping illegal logging. In 2005 the Council adopted Regulation (EC) No 2173/2005which establishes a licensing scheme and a mechanism to verify the legality of timber imports into the EU. It was in this context that the voluntary partnership agreement between the European Union and the Republic of Congo on the application on forest law enforcement, governance and trade in timber and derived products is now adopted in the name of the European Union.

IMPACT ASSESSMENT : no impact assessment was undertaken.

LEGAL BASE : the first subparagraph of Article 207(3) and the first subparagraph of Article 207 (4), in conjunction with Article 218(6)(a)(v) and (7) of the Treaty on the Functioning of the EU.

CONTENT: the agreement with the Congo is, after the agreement with Ghana, the second agreement of this kind to be negotiated between a producer country and the Union.

The agreement lays down the framework, the institutions and the FLEGT licensing system.

It sets out:

- the supply chain controls,
- legal compliance framework and
- independent audit requirements of the system.

For further details concerning these various points, please refer to the summary dated 11/05/2010 (detailed description of the structures underpinning the Legality Verification System afforded by a FLEGT license).

Congo has developed its applicable legislation through extensive stakeholder consultations. It includes laws and regulations on the granting of logging rights and the registration of undertakings, forest management, environmental and labour legislation, taxation, social obligations such as involvement of local communities, indigenous people and civil society, other obligations laid down in legislation concerning the transport and marketing of timber, and export requirements.

The agreement goes beyond the limited product coverage proposed in Annex II of Regulation (EC) No 2173/2005 on the FLEGT scheme and covers all exported timber products. Congo is thus committed to establishing a system that will provide assurance to the EU that all forest products from Congo are legally produced and so contribute positively and sustainably to Congo's growth.

The agreement also:

- makes provision for import controls at the EU’s borders as provided for in Regulation (EC) No 2173 /2005 on the FLEGT scheme and Regulation (EC) No 1024/2008 laying down detailed measures for its implementation;
- includes a description of Congo's FLEGT licence, which uses the format prescribed in the Implementing Regulation;
- establishes a mechanism for dialogue and cooperation with the EU on the FLEGT scheme, the Joint Agreement Implementation Committee;
- establishes principles of stakeholder participation, social safeguards and transparency, and the monitoring of and reporting on the agreement's implementation;
- sets out a timetable and procedures for its entry into force and the implementation of the licensing scheme: since Congo will upgrade and redesign its regulatory and information management system, introduce more comprehensive supply chain controls, and establish independent verification of legal compliance, it will take two to three years to develop and test the new systems and to build capacity in the government, civil society and the private sector for the envisaged tasks. The FLEGT licensing scheme is expected to be fully operational by mid-2011. The licensing scheme will be assessed against the criteria laid down in the agreement before the EU begins accepting FLEGT licences.

FINANCIAL IMPLICATIONS: none.