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

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PURPOSE: to conclude a Voluntary Partnership Agreement between the EU and Cameroon 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 European 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 that Action Plan were adopted in October 2003 and Parliament adopted a resolution on the subject on 11 July 2005.

The Action Plan 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 measures to stop investment in activities that encourage illegal logging. The cornerstone of the Action Plan is the **establishment of FLEGT partnerships between the European Union and timber-producing countries** with the aim of stopping illegal logging. In 2005 the Council adopted Regulation (EC) No 2173/2005 which establishes a licensing scheme and a mechanism to verify the legality of timber imports into the European Union.

It is against this background that the Agreement between the European Union and the Republic of Cameroon on forest law enforcement, governance and trade in timber and derived products to the European Union (FLEGT) is hereby approved on behalf of the Union.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASIS: first paragraphs of Article 207(3) and (4), in conjunction with Article 218(6)(a)(v) and Article 218(7) of the Treaty on the Functioning of the European Union.

CONTENT: the partnership agreement with Cameroon is the third of its kind to be negotiated, after agreements with Ghana and the Republic of Congo.

The Agreement addresses all the elements contained in the Council negotiating directives. In particular, the Agreement **establishes the framework, institutions and systems for the FLEGT licensing scheme**.

It outlines:

- the supply chain controls,
- legal compliance framework;
- independent audit requirements for the system.

These are set out in annexes to the Agreement which provide a detailed description of the structures that will underpin the assurance of legality offered by the issuance of a FLEGT licence.

Cameroon developed its definition of the applicable legislation by means of extensive stakeholder consultations. It includes laws and regulations granting rights to harvest, forest management, environmental, business and labour legislation, fiscal requirements, respect for tenure and use rights of nearby communities and other social obligations laid down in forest laws, as well as regulations governing commercial activity and export trade requirements.

The Agreement goes beyond the limited product coverage proposed in Annex II to Regulation (EC) No 2173/2005 ('the FLEGT Regulation') to cover trade in all timber products and, in doing so, **commits Cameroon to building a system that will provide assurance to the European Union that all forest products from Cameroon are legally harvested and produced** and contributing positively and sustainably to Cameroon's growth.

The agreement also:

- provides for controls on imports at the European Union's borders, as established by the FLEGT Regulation and the associated Implementing Regulation (EC) No 1024/2008;
- includes a description of the Cameroon FLEGT licence which adopts the format laid down in the Implementing Regulation;
- establishes the mechanism for dialogue and cooperation on FLEGT with the European Union, in the form of the Joint Implementation Council and a consultative body known as the Joint Monitoring Committee;
- establishes the principles of stakeholder participation, social safeguards and transparency for monitoring impacts and reporting.

The Agreement sets out a time frame and the procedures for entry into force of the Agreement and for implementing the licensing scheme. Since Cameroon 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 several years to develop and test the new systems and to build capacity on the part of the government, civil society and the private sector for the tasks envisaged. The FLEGT licence scheme is expected to be fully operational by the **beginning of 2012**. The licence scheme will be assessed against defined criteria before the EU begins accepting FLEGT licences. The steps and process for this are defined in the Agreement and its annexes.

BUDGETARY IMPLICATION: this proposal has no implications for the EU budget.