

EU/Central African Republic 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 the Central African Republic 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](#) 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 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 2173/2005](#) which establishes a licensing scheme and a mechanism to verify the legality of timber imports into the EU. Against this background, the Voluntary Partnership Agreement between the European Union and the Central African Republic (Ghana, Congo and Cameroon) on forest law enforcement, governance and trade in timber and derived products to the European Union needs to be concluded.

IMPACT ASSESSMENT: no impact assessment was undertaken.

LEGAL BASIS: 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 EU.

CONTENT: the proposal aims to conclude the Agreement between the European Union and the Central African Republic on forest law enforcement, governance and trade in timber and derived products to the European Union (FLEGT).

The agreement sets out in particular the framework, the institutions and the system for issuing FLEGT licenses. It also sets out:

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

These elements are set out in the annexes to the Agreement and provide a detailed description of the structures that will underpin the assurance of legality afforded by the issuing of a FLEGT licence. The

Central African Republic has developed the legislation applicable by consulting the stakeholder. 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 to Regulation (EC) No 2173/2005 on the FLEGT scheme: it covers all timber and exported timber products. The Central African Republic is thus committed to establishing a system that will provide assurance to the EU that all timber products from the Central African Republic are legally produced and so contribute positively to the Central African Republic's growth.

The Agreement 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;
- a description of the Central African Republic's FLEGT licence, which uses the format prescribed in the above-mentioned Implementing Regulation;
- a mechanism for dialogue and cooperation with the EU on the FLEGT scheme, by means of the Joint Agreement Implementation Committee;
- principles of stakeholder participation, social safeguards and transparency, and the monitoring of and reporting on the Agreement's implementation;

The Agreement sets out a time frame and the procedures for entry into force of the Agreement and for applying the licensing scheme. Since the Central African Republic will adapt 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 licensing scheme is expected to be fully operational by 2014. The licensing scheme will be assessed against the criteria laid down in the Agreement before the EU begins accepting FLEGT licences.

BUDGETARY IMPLICATIONS: the proposal has no implications for the EU budget.