## Basic information

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|---|---|
| **2018/0272M(NLE)**<br>NLE - Non-legislative enactments | Procedure completed |
| EU/Vietnam Voluntary Partnership Agreement on forest law enforcement, governance and trade<br><br>Accompanying procedure 2018/0272(NLE)<br><br>**Subject**<br><br>6.20.03 Bilateral economic and trade agreements and relations<br>6.40.08 Relations with Asian countries<br><br>**Geographical area**<br><br>Vietnam | |

## Key players

### European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| INTA International Trade | HAUTALA Heidi (Verts /ALE) | 29/08/2018 |
| | Shadow rapporteur<br>PROUST Franck (PPE)<br>ARENA Maria (S&D)<br>ZAHRADIL Jan (ECR)<br>LALONDE Patricia (ALDE) | |

| Committee for opinion | Rapporteur for opinion | Appointed |
|---|---|---|
| DEVE Development | ZAHRADIL Jan (ECR) | 16/11/2018 |

### Council of the European Union

### European Commission

| Commission DG | Commissioner |
|---|---|
| Trade and Economic Security | MALMSTRÖM Cecilia |

## Key events

| Date | Event | Reference | Summary |
|---|---|---|---|
| 25/10/2018 | Committee referral announced in Parliament | | |

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|---|---|---|---|
| 19/02/2019 | Vote in committee | | |
| 27/02/2019 | Committee report tabled for plenary | A8-0093/2019 | Summary |
| 11/03/2019 | Debate in Parliament |  | |
| 12/03/2019 | Decision by Parliament | T8-0141/2019 | Summary |
| 12/03/2019 | Results of vote in Parliament |  | |
| 12/03/2019 | End of procedure in Parliament | | |

## Technical information

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| **Procedure reference** | 2018/0272M(NLE) |
| **Procedure type** | NLE - Non-legislative enactments |
| **Procedure subtype** | Motion for a resolution under consent procedure |
| **Amendments and repeals** | Accompanying procedure 2018/0272(NLE) |
| **Legal basis** | Rules of Procedure EP 107-p2 |
| **Other legal basis** | Rules of Procedure EP 165 |
| **Stage reached in procedure** | Procedure completed |
| **Committee dossier** | INTA/8/14681 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Committee draft report | | PE632.005 | 19/12/2018 | |
| Committee opinion | DEVE | PE630.528 | 25/01/2019 | |
| Amendments tabled in committee | | PE633.070 | 25/01/2019 | |
| Committee report tabled for plenary, single reading | | A8-0093/2019 | 27/02/2019 | Summary |
| Text adopted by Parliament, single reading | | T8-0141/2019 | 12/03/2019 | Summary |

**European Commission**

| Document type | Reference | Date | Summary |
|---|---|---|---|
| Commission response to text adopted in plenary | SP(2019)444 | 30/08/2019 | |

## Additional information

| Source | Document | Date |
|---|---|---|
| European Commission | EUR-Lex | |

# EU/Vietnam Voluntary Partnership Agreement on forest law enforcement, governance and trade

2018/0272M(NLE) - 12/03/2019 - Text adopted by Parliament, single reading

The European Parliament adopted by 631 votes to 13 with 23 abstentions, a non-legislative resolution on the draft Council decision on the conclusion of the Voluntary Partnership Agreement between the European Union and the Socialist Republic of Viet Nam on forest law enforcement, governance and trade.

Vietnam became the third country in Asia to enter into negotiations on a forest law enforcement, governance and trade (FLEGT) Voluntary Partnership Agreement (VPA) in 2010, after Indonesia and Malaysia. Negotiations were concluded in May 2017 and the agreement was signed on 19 October 2018.

The VPA's objective is to provide a legal framework aimed at ensuring that all timber and timber product imports from Vietnam into the EU covered by the VPA have been produced legally.

VPAs are generally intended to foster systemic changes in the forestry sector aimed at sustainable management of forests, eradicating illegal logging and supporting worldwide efforts to stop deforestation and forest degradation.

*Policy coherence*

Recalling that sustainable and inclusive forest management and governance is essential to achieve the objectives set in the 2030 Agenda for Sustainable Development and the Paris Agreement, Parliament called for the EU to ensure the coherence of the VPA with all its policies, including in the fields of development, the environment, agriculture and trade. It strongly support the FLEGT process with Vietnam given the country's role in the timber processing sector, whilst noting, at the same time, that that the full implementation of the VPA will be a long-term process and that FLEGT licencing can start only once Vietnam has demonstrated the readiness of its Timber Legality Assurance System. Members took note of the challenges represented by coordination between the national and provincial levels.

*Implementation*

The implementation of the VPA must complement EU commitments to environmental protection and ensure coherence with commitments to prevent mass deforestation.

In this regard, Members called on the Commission and the European External Action Service (EEAS) to:

- allocate adequate human resources to the implementation of this VPA;

- assist the Vietnamese authorities and civil society, including by making satellite images available to them.

The EU was also called on to direct its efforts towards the strengthening of Vietnam's legal framework and institutional capacity by addressing the technical and economic challenges that impede the effective implementation and enforcement of existing national and international regulations.

The Government of Vietnam, for its part, should:

- adopt a due diligence system with all necessary steps to be enforced by the competent national authorities through sound and systematic checks on individual companies, and providing for requirements on third party auditing and public reporting by companies;

- provide for adequate, dissuasive and proportionate penalties for infringement of legislation implementing TLAS, which would in the case of imports include a full prohibition of the placing on the Vietnamese market of illegal timber, alongside the seizure of such timber.

Members welcomed the entry into force of the new Forestry Law on 1 January 2019, which includes a prohibition on imports of illegally produced timber into Vietnam. They urged the Vietnamese authorities to enforce this prohibition and to swiftly adopt implementing measures if necessary, with a view to bridging the gap until the Timber Legality Assurance System becomes operational.

*Illegal trade*

Condemning the illegal timber trade taking place across the Cambodian border, Parliament urged the Vietnamese authorities to immediately categorise timber from Cambodia as 'high risk' and to make sure Cambodian legislation on the harvest and export of timber is respected, in line with VPA commitments. They also urged the Vietnamese authorities to investigate, remove from function and bring to justice those responsible for having authorised and managed the illegal trade from Cambodia. The same measures should be applied to imports from other supplier countries where similar concerns exist or may arise, notably those in Africa, such as the Democratic Republic of Congo.

*Regional dimension*

The resolution stressed the need to address the regional dimension of illegal logging and the transport, processing and trade of illegal timber throughout the supply chain. It called for this regional dimension to be included in the VPA evaluation process in the form of an assessment of the link between the existence of weaker enforcement mechanisms in other countries of the region and the increase of exports from such countries to the EU.

Members stressed that poor governance and corruption in the forestry sector accelerate illegal logging and forest degradation and emphasises the fact that the success of the FLEGT initiative also depends on tackling fraud and corruption throughout the timber supply chain.

Work should be carried out to stop widespread corruption.

*Monitoring*

Parliament called on the Commission to pay particular attention to trade in timber and timber products during the implementation of the FTA and to monitor trade flows closely in order to make sure that additional trade liberalisation does not entail additional risks of illegal trade. It asked the Commission to report to Parliament annually on progress made by Vietnam in implementing the VPA, and to foster dialogue and promote the EU Timber Regulation with the major importing countries in the region and major EU trading partners such as China and Japan.

# EU/Vietnam Voluntary Partnership Agreement on forest law enforcement, governance and trade

2018/0272M(NLE) - 27/02/2019 - Committee report tabled for plenary, single reading

The Committee on International Trade adopted the report by Heidi HAUTALA (Greens/EFA, FI) containing a motion for a non-legislative resolution on the draft Council decision on the conclusion of the Voluntary Partnership Agreement (VPA) between the European Union and the Socialist Republic of Viet Nam on forest law enforcement, governance and trade.

Vietnam became the third country in Asia to enter into negotiations on a forest law enforcement, governance and trade (FLEGT) Voluntary Partnership Agreement (VPA) in 2010, after Indonesia and Malaysia.

Negotiations were concluded in May 2017 and the agreement was signed on 19 October 2018.

The VPA’s objective is to provide a legal framework aimed at ensuring that all timber and timber product imports from Vietnam into the EU covered by the VPA have been produced legally.

VPAs are generally intended to foster systemic changes in the forestry sector aimed at sustainable management of forests, eradicating illegal logging and supporting worldwide efforts to stop deforestation and forest degradation.

*Policy coherence*

Recalling that sustainable and inclusive forest management and governance is essential to achieve the objectives set in the 2030 Agenda for Sustainable Development and the Paris Agreement, Members called for the EU to ensure the coherence of the VPA with all its policies, including in the fields of development, the environment, agriculture and trade. They strongly support the FLEGT process with Vietnam given the country’s role in the timber processing sector.

They took note of the challenges represented by the coordination between the national and provincial levels, which is necessary in order to adequately and consistently enforce the VPA throughout the country and called on the Government of Vietnam to ensure such coordination.

*Implementation*

The implementation of the VPA must complement EU commitments to environmental protection and ensure coherence with commitments to prevent mass deforestation.

In this regard, Members called on the Commission and the European External Action Service (EEAS) to:

- allocate adequate human resources to the implementation of this VPA;

- assist the Vietnamese authorities and civil society, including by making satellite images available to them.

The EU is also called on to direct its efforts towards the strengthening of Vietnam’s legal framework and institutional capacity by addressing the technical and economic challenges that impede the effective implementation and enforcement of existing national and international regulations.

The Government of Vietnam, for its part, should provide for adequate, dissuasive and proportionate penalties for infringement of legislation implementing TLAS, which would in the case of imports include a full prohibition of the placing on the Vietnamese market of illegal timber, alongside the seizure of such timber.

Members welcomed the entry into force of the new Forestry Law on 1 January 2019, which includes a prohibition on imports of illegally produced timber into Vietnam. They urged the Vietnamese authorities to enforce this prohibition and to swiftly adopt implementing measures if necessary, with a view to bridging the gap until TLAS becomes operational.

*Illegal trade*

Members urged the Vietnamese authorities to investigate, remove from function and bring to justice those responsible for having authorised and managed the illegal trade from Cambodia and elsewhere. They urged the Vietnamese authorities to immediately categorise timber from Cambodia as ‘high risk’ and to make sure Cambodian legislation on the harvest and export of timber is respected, in line with VPA commitments. The two countries

are called on to foster and improve dialogue, cross-border cooperation, exchange of trade data and information on risks related to illegal timber trade and the respective legislation in force, and encourages them to involve the EU in facilitating this dialogue.

*Regional dimension*

The report stressed the need to address the regional dimension of illegal logging and the transport, processing and trade of illegal timber throughout the supply chain. It called for this regional dimension to be included in the VPA evaluation process in the form of an assessment of the link between the existence of weaker enforcement mechanisms in other countries of the region and the increase of exports from such countries to the EU.

Members stressed that poor governance and corruption in the forestry sector accelerate illegal logging and forest degradation and emphasises the fact that the success of the FLEGT initiative also depends on tackling fraud and corruption throughout the timber supply chain.

Work should be carried out to stop widespread corruption.

*Monitoring*

The Commission is asked to report to Parliament annually on progress made by Vietnam in implementing the VPA and to put in place instruments to facilitate best practice exchanges between Vietnam and other countries that have already concluded VPAs with the EU.