### Procedure file

Basic information		
NLE - Non-legislative enactments Decision	2011/0160(NLE)	Procedure completed
EU/Liberia Voluntary Partnership Agreement: forest law enforcement, governance and trade in timber products to the EU (FLEGT)		
Subject 3.10.11 Forestry policy 6.20.03 Bilateral economic and trade agreements and relations 6.30 Development cooperation		
Geographical area Liberia		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	INTA International Trade		11/10/2011
		PPE KÖSTINGER Elisabeth	
		Shadow rapporteur	
		S&D MARTIN David	
	Committee for opinion	Rapporteur for opinion	Appointed
	DEVE Development	rapported for opinion	15/06/2011
	Bevelopment		10/00/2011
		Verts/ALE SARGENTINI Judith	
	ENVI Environment, Public Health and Food Safety	The committee decided not to	
		give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Agriculture and Fisheries	3165	14/05/2012
European Commission	Commission DG	Commissioner	
	Development	PIEBALGS Andris	

Key events			
17/06/2011	Preparatory document	COM(2011)0371	Summary
18/07/2011	Legislative proposal published	11104/2011	Summary
15/09/2011	Committee referral announced in Parliament		
27/03/2012	Vote in committee		
29/03/2012	Committee report tabled for plenary, 1st reading/single reading	A7-0081/2012	Summary

19/04/2012	Results of vote in Parliament		
19/04/2012	Decision by Parliament	<u>T7-0132/2012</u>	Summary
14/05/2012	Act adopted by Council after consultation of Parliament		
14/05/2012	End of procedure in Parliament		
19/07/2012	Final act published in Official Journal		

Technical information	
Procedure reference	2011/0160(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the EU TFEU 207-p4; Treaty on the Functioning of the EU TFEU 207-p3; Treaty on the Functioning of the EU TFEU 218-p6a; Treaty on the Functioning of the EU TFEU 218-p7
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	INTA/7/06304

Documentation gateway					
Preparatory document		COM(2011)0371	17/06/2011	EC	Summary
Legislative proposal		11104/2011	18/07/2011	CSL	Summary
Document attached to the procedure		11101/2011	18/07/2011	CSL	
Committee draft report		PE480.599	20/01/2012	EP	
Committee opinion	DEVE	PE480.770	29/02/2012	EP	
Committee report tabled for plenary, 1st reading/single reading		<u>A7-0081/2012</u>	29/03/2012	EP	Summary
Text adopted by Parliament, 1st reading/single reading		<u>T7-0132/2012</u>	19/04/2012	EP	Summary

Additional information	
National parliaments	<u>IPEX</u>
European Commission	EUR-Lex

#### Final act

Decision 2012/373

OJ L 191 19.07.2012, p. 0001 Summary

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

enforcement, governance and trade (FLEGT) in timber products to the European Union.

PROPOSED ACT: Council Decision.

BACKGROUND: in May 2003 the Commission published an <u>EU Action Plan</u> 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 Liberia on forest law enforcement, governance and trade in timber and derived products to the European Union needs to be concluded (after similar agreements with Ghana, the Republic of the Congo, Cameroon, the Central African Republic and Indonesia)..

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 particularly 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.

Governance: the Voluntary Partnership Agreement (VPA) focuses on governance and law enforcement and, by means of the licensing system, provides the assurance that Liberia?s timber is legally produced. It exemplifies Liberia?s commitment to improving accountability and transparency. As a legacy of past malpractice, Liberian timber does not have a good reputation on international markets. The FLEGT licence will reassure international markets that Liberian timber products are from verified legal sources. The VPA will support on-going regulatory reforms that will strengthen the legal framework, in order to promote sustainable management of forests and to strengthen the involvement of local communities in decision-making processes. The Agreement clearly indicates the areas where reforms are needed and sets out a time frame for these.

Legal compliance: Liberia has developed a comprehensive framework for monitoring legal compliance for all types of title holdings, whether trees from community forests, large concessions or privately owned trees on farms, and embracing all aspects of timber production, including allocation of harvesting rights, application of forest management and environmental standards, sharing of benefits, workers? rights and taxes.

Control: compliance will be monitored by the new legality assurance system, which builds on and expands an existing chain of custody system. In addition, Liberia will work with an independent auditor, who will provide regular, public reports on the effectiveness of the system. Civil society will monitor the VPA as a whole, sharing findings with the government, national stakeholders and the Joint Implementation Committee responsible for oversight.

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 exported timber products, including wood chips, a common by-product of commercial agriculture concessions. Liberia is committed to establishing a system that will provide assurance to the EU that all timber products from Liberia are legally produced. It covers all exported timber products, including wood chips, a common by-product of commercial agriculture concessions. Liberia is committed to establishing a system that will provide assurance to the EU that all timber products from Liberia are legally produced and so contribute positively to Liberia?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 Liberia?s FLEGT licence, which uses the format prescribed in the above-mentioned Implementing Regulation;
- FLEGT licenses for timber exports destined to other international markets and an EU-specific numbering system will be introduced to distinguish readily timber exports destined for the EU
- 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 Liberia will further revise and complete its regulations governing the sector, strengthen its regulatory and information management system, upgrade supply chain controls to cover processing facilities 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 IMPACT: the proposal has no impact on the EU?s budget.

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

PURPOSE: to conclude a Voluntary Partnership Agreement between the European Union and Liberia on forest law enforcement, governance and trade in timber products to the European Union (FLEGT).

PROPOSED ACT: Council Decision.

BACKGROUND: in May 2003, the Commission adopted a <u>Communication</u> entitled "Forest Law Enforcement, Governance and Trade (FLEGT): Proposal for an EU Action Plan" which called for measures to address illegal logging by developing voluntary partnership agreements with timber-producing countries. Council conclusions on that Action Plan were adopted in October 2003 and the European Parliament adopted a resolution on the subject on 11 July 2005.

In accordance with a Council Decision, the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber products to the European Union was signed, subject to its conclusion.

It is now appropriate to approve the Agreement on behalf of the Union.

IMPACT ASSESSMENT: no impact assessment was carried out.

LEGAL BASIS: first subparagraphs 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 (TFEU).

CONTENT: under this proposal, the Voluntary Partnership Agreement between the European Union and Liberia on forest law enforcement, governance and trade in timber products to the European Union is hereby approved on behalf of the Union.

The text of the Agreement is attached to this Decision

For further details of this Agreement, please refer to the summary of the previous initial legislative document dated 17/06/2011.

BUDGETARY IMPLICATIONS: this proposal has no implications for the Union.

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

The Committee on International Trade unanimously adopted the report drafted by Elisabeth KÖSTINGER (EPP, AT) in which it recommends the European Parliament to give its consent to the conclusion of a Voluntary Partnership Agreement between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber products to the European Union.

However, Members call on the Commission to regularly report to the Parliament on progress in the implementation of existing Voluntary Partnership Agreements (VPAs) and in negotiating and implementing new VPAs.

They stress that both Liberia and the European Commission will need to devote sufficient attention to effective and timely VPA enforcement, including capacity building and participation of local communities, in Liberia.

Moreover, Members stress the need for possible future delegation of powers to fully take into account the Parliament's prerogatives under the regime of Delegated Acts (Article 290 TFEU).

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

The European Parliament adopted a legislative resolution on the draft Council decision on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber products to the European Union.

Parliament gives its consent to conclusion of the Agreement.

In general terms, Parliament calls on the Commission to report regularly to Parliament on progress in the implementation of existing Voluntary Partnership Agreements (VPAs) and in negotiating and implementing new VPAs.

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

PURPOSE: to conclude a Voluntary Partnership Agreement between the European Union and Liberia on forest law enforcement, governance and trade in timber products to the European Union (FLEGT).

NON-LEGISLATIVE ACT: Council Decision 2012/373/EU on the conclusion of the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber products to the European Union.

BACKGROUND: in May 2003, the Commission adopted a <u>Communication</u> entitled "Forest Law Enforcement, Governance and Trade (FLEGT): Proposal for an EU Action Plan" which called for measures to address illegal logging by developing voluntary partnership agreements with timber-producing countries. <u>Council conclusions</u> on that Action Plan were adopted in October 2003 and the European Parliament adopted a <u>resolution</u> 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 Liberia on forest law enforcement, governance and trade in timber and derived products to the European Union needs to be concluded (after similar agreements with Ghana, the Republic of the Congo, Cameroon, the Central African Republic and Indonesia)..

In accordance with Council Decision 2011/475/EU, the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber products to the European Union was signed on 27 July 2011, subject to its conclusion. The Agreement should now be concluded on behalf of the European Union.

CONTENT: under this Decision, the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber products to the European Union is hereby approved on behalf of the Union.

The agreement sets out in particularly 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.

Governance: the Voluntary Partnership Agreement (VPA) focuses on governance and law enforcement and, by means of the licensing system, provides the assurance that Liberia's timber is legally produced. It exemplifies Liberia's commitment to improving accountability and transparency. As a legacy of past malpractice, Liberian timber does not have a good reputation on international markets. The FLEGT licence will reassure international markets that Liberian timber products are from verified legal sources. The VPA will support on-going regulatory reforms that will strengthen the legal framework, in order to promote sustainable management of forests and to strengthen the involvement of local communities in decision-making processes. The Agreement clearly indicates the areas where reforms are needed and sets out a time frame for these.

Legal compliance: Liberia has developed a comprehensive framework for monitoring legal compliance for all types of title holdings, whether trees from community forests, large concessions or privately owned trees on farms, and embracing all aspects of timber production, including allocation of harvesting rights, application of forest management and environmental standards, sharing of benefits, workers' rights and taxes.

Control: compliance will be monitored by the new legality assurance system, which builds on and expands an existing chain of custody system. In addition, Liberia will work with an independent auditor, who will provide regular, public reports on the effectiveness of the system. Civil society will monitor the VPA as a whole, sharing findings with the government, national stakeholders and the Joint Implementation Committee responsible for oversight.

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 exported timber products, including wood chips, a common by-product of commercial agriculture concessions. Liberia is committed to establishing a system that will provide assurance to the EU that all timber products from Liberia are legally produced. It covers all exported timber products, including wood chips, a common by-product of commercial agriculture concessions. Liberia is committed to establishing a system that will provide assurance to the EU that all timber products from Liberia are legally produced and so contribute positively to Liberia'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 Liberia's FLEGT licence, which uses the format prescribed in the above-mentioned Implementing Regulation;
- FLEGT licenses for timber exports destined to other international markets and an EU-specific numbering system will be introduced to distinguish readily timber exports destined for the EU;
- 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.

Implementation time frame: the Agreement sets out a time frame and the procedures for entry into force of the Agreement and for applying the licensing scheme. 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.

Institutional process: the European Union shall be represented by representatives of the Commission in the Joint Agreement Implementation Committee. The Member States may participate in meetings of the Joint Agreement Implementation Committee as members of the European Union delegation.

Amending annexes: for the purpose of amending the annexes to the Agreement, the Commission is authorised, in accordance with the procedure laid down in the FLEGT Regulation on licensing scheme for imports of timber into the European Community, to approve any such amendments on behalf of the European Union.

ENTRY INTO FORCE: the Decision shall enter into force on 14.05.2012. The Agreement shall enter into force as soon as the necessary procedures have been completed.