



Healthy forests = equitable livelihoods, inclusive development and a resilient climate

Forest restoration in Nepal

Photo Lewis Davis



Community tenure rights and community forest monitoring help reduce deforestation and improve forest management.

Forests play a vital role in providing livelihoods, protecting biodiversity and mitigating climate change. The European Union (EU) is committed to halting deforestation and forest degradation by 2020 and to protecting and restoring forests to limit global warming to 1.5° Celsius.¹ Yet forests continue to be lost and degraded at an alarming rate. In many countries, illegal logging and deforestation remain rampant, fuelled by poor forest governance. This threatens forest ecosystems, wildlife and forest-dependent communities, while depriving governments of important revenues. 300 million people live in forests and 1.6 billion, particularly women, depend on them for their livelihoods. These communities protect forests and help combat illegal logging and the trade in illegal conversion timber. Evidence increasingly shows that community tenure rights and community forest monitoring help reduce deforestation and improve forest management.

¹ The EU is a signatory to the 2030 Agenda for Sustainable Development, the Paris Climate Agreement, and the New York Declaration on Forests

Endorsing NGOS



The EU has been at the forefront of the fight against illegal logging. A 2016 [independent evaluation](#) of its Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan (including its Voluntary Partnership Agreements (VPA) and the EU Timber Regulation (EUTR)) found that it helps promote legal timber, improves governance and increases forest dependent communities' rights. The European [Commission's 2018-2023 FLEGT Workplan](#) provides an important roadmap, but it has not been made public so stakeholders cannot yet monitor progress.

The EU must strengthen FLEGT's implementation by ensuring adequate financial and political support.

It must also go beyond illegal logging, looking at forest destruction caused by large-scale agriculture, mining, and agricultural development. **We urge the EU to build on governance gains from existing VPAs for timber in order to halt deforestation and human rights abuses caused by forest risk commodities.** The undersigned organisations recommend that the European Commission, in cooperation with EU Members States:

1. Reinvalidate support for VPAs and EUTR implementation
2. Uphold human rights including gender equality in VPAs
3. Adopt additional regulatory measures to tackle the deforestation crisis and protect rights
4. Strengthen linkages between FLEGT and the climate and Sustainable Development Goals agendas
5. Use trade as a lever to support human rights and protect forests

Reinvigorating broad support for VPAs and the EUTR

VPAs are the core of EU efforts to tackle the trade in illegal timber. By establishing a timber tracking and legality verification system, they verify that timber exported to the EU complies with the exporting country's laws. **They also instigate reform of issues such as land tenure, stakeholder participation and transparency.** This mix of legality verification and governance reform; of bilateral discussions and multi-stakeholder participation; and of partnerships makes the VPAs a unique trade agreement and a much-hailed tool to improve forest management.

The Commission should therefore continue to support governance in tropical forested countries, using trade and development cooperation as levers.

Stronger governance and credible licensing go hand in hand

Corruption and lack of transparency enable the illegal timber trade. Over the past decade, civil society monitoring has exposed the scale of the problem, the actors involved, and the methods used. **Corruption will not be tackled unless the EU and Member States raise it as a key issue, support multi-stakeholder dialogues to reform laws, and encourage countries to devote resources to enforcement.** FLEGT's effectiveness cannot be measured by the number of licenses alone.

VPA countries commit to improving access to information, establishing independent forest monitoring, and in some cases including forest sector revenues in their national Extractive Industries Transparency Initiative process. However, there is still limited information, particularly around revenues, contracts, and the shared benefits of logging. **The government and companies must meet their transparency obligations and allow constructive public debates.**

The participation and inclusion of indigenous and community groups could improve in all countries. In Central Africa and South East Asia, environmental defenders and whistle-blowers have faced harassment and intimidation. Fear of government retaliation also leads to self-censorship. **Civil society groups and community representatives must have space to express their opinions freely and independently. Reports of restrictions on civil society representatives in VPA countries should be addressed by the relevant EU and VPA country authorities.**

Leaving no country behind

VPA countries are at different stages of the process. Much work has been done to build infrastructure and capacity to develop timber traceability and legality verification procedures. Governments are striving to mobilise resources to support the process. **However, fixing persistent governance problems is key if the VPA is to succeed.**

In **Cameroon**, CSOs are fighting to keep their seat at the table, as effective participation of communities and especially women remains a challenge. Stakeholders are concerned about wide-spread corruption, poor access to information, and weak law enforcement and land governance. The EU should address these concerns in VPA discussions and in high-level political dialogue on trade, climate and development policies.

Ghana will be the second country to issue FLEGT licenses. Now more than ever, CSOs, industry, the EU, and the

Ghanaian government need to work together to ensure the licensing system is robust and transparent.

In **Guyana**, despite persistent resistance from the negotiating parties through most of the process, the VPA text contains references to the Constitution and applicable international laws. Indigenous communities persistently called for these legal standards' inclusion, to ensure respect and protection for their rights to lands and resources – including the right to give or withhold their free, prior and informed consent to logging concessions on their ancestral lands. However, since the final VPA text doesn't include these references in the legality definition matrices, their legal effect remains to be seen.

Indonesia was the first country to obtain FLEGT licensing and is now undertaking the periodic evaluation. Indonesia's VPA commits the country to strengthening implementation of its Timber Legality Assurance System through a multi-stakeholder process. The EU and Indonesia need to speed up the implementation of commitments.

In **Liberia**, the economic crisis could threaten the stability of the forestry sector and the VPA. Yet in challenging times, local and international actors continue to survey and improve the forest sector. The EU must support CSOs and government forest governance mechanisms, such as Libertrace.

CSOs in the **Central African Republic** (CAR) work to keep the VPA alive despite the conflict and humanitarian crisis. They continue to report forest illegalities and push for greater recognition of communities' rights. The EU must clarify whether the VPA and forest governance is part of efforts to rebuild CAR.

In the **Republic of Congo**, CSOs expect faster progress on forest law reform. They require greater accountability from public authorities and companies to address illegalities and support local communities to participate in VPA structures, and effective support for community forestry.

In **Vietnam**, CSOs need space to scrutinise the VPA's implementation. This includes being able to recommend how to improve forest governance, set up a timber legality assurance system and put in place an effective complaint mechanism. Vietnam needs to revise laws to deliver on Annex V of the VPA. Vietnam and the EU must also combat illegal timber imports.

Despite affirming the relevance of the VPA, both the **Democratic Republic of the Congo** and **Gabon** are facing negotiation hurdles. The EU must continue to actively engage in the process, highlighting its benefits for other activities such as Reduced Emissions from Deforestation and Degradation (REDD+).

In **Honduras** and **Laos**, negotiations are picking up pace. A key question is how to ensure that the VPA process strengthens CSO participation, includes indigenous groups, and listens to their aspirations for more equitable benefits from forestry and access to land.

The EU has also initiated talks with **Myanmar**, and these could provide the basis for tackling the multiple challenges faced by the forest sector, including the intra-regional trade in illegal timber.

Better connecting the EUTR with VPAs

The EUTR is a key reason that countries negotiate VPAs, yet slow enforcement, non-harmonised penalties and implementation delays have hindered its effectiveness. **Members States must urgently address enforcement challenges.** The EU and Member State Competent Authorities could also encourage CSO participation as it is difficult for CSOs in timber producing countries to see how information they give leads to enforcement. To strengthen transparency and CSO monitoring, **the EU should create an easily accessible coordinated EUTR information system, complete with a tip line and complaint mechanism, and indicate when enforcement actions are taken.**

Upholding human rights and gender equality in VPAs

The FLEGT Action Plan describes illegal logging as timber harvesting in violation of national laws. In most cases this has meant that legality definitions omit compliance with the international human rights law obligations of producer states, including forest peoples' right to own, occupy, use and manage their lands and resources.² **National land and timber concession laws and systems are not enough as they often fail to recognise indigenous communities' pre-existing collective rights and the obligation to obtain free, prior and informed consent.**

The narrow approaches to legality means that timber can be licenced and treated as "legal" (and thus could be imported to the EU) despite being linked to the dispossession of communities' land, resources and livelihoods. **For timber to be deemed legal, traders should need to demonstrate compliance with all applicable laws in the producer country and the EU.**

There have been few attempts to promote gender equality through VPA processes. However, the enforcement of national laws is likely to affect women and men differently

² Perram A, *Human Rights and Timber Supply Chains: A rights-based analysis of EU FLEGT VPAs* (2016) https://www.forestpeoples.org/sites/fpp/files/publication/2016/02/fpplegalcomparativestudyforweb_0.pdf

(for example criminalising informal sectors, changing forest management practices within concessions under customary use, and changing employment norms).

To address these issues and meet its commitment to deliver development, investment and trade policies that respect the international human rights of indigenous peoples, **the European Commission should listen to the European Parliament³ and update the timber legality definition in the FLEGT Action Plan to encompass all applicable national, international and customary laws.** The Commission should also implement recommendation six of the 2016 FLEGT Evaluation and assist countries that have signed a VPA to transpose their international human rights obligations into national legislation. We also urge the EU to **include gender analysis in VPA assessments and promote the participation of women, and particularly marginalised women, in all VPAs.**

Adopting additional regulatory measures

Eighty per cent of deforestation is caused by production of commodities such as soy, beef, palm oil, cocoa and rubber. Voluntary efforts to tackle deforestation and human rights abuses have not dealt with the problem and highlight the need for a binding regulation. The European Commission's feasibility study on stepping up action against deforestation concluded that regulation would have the greatest impact. **The EU must go beyond existing policies and tools and adopt an ambitious EU Action Plan to Protect Forests and Respect Rights (including demand and supply side measures).** The plan should include a Human Rights Due Diligence Regulation to control the import and financing of and investment in agricultural commodities that cause human rights abuses. It should be based on the principles of the High Carbon Stock approach and integrate lessons learned from FLEGT.

Linking FLEGT to global objectives

Strengthening forest peoples' rights so as to protect and restore forests, would help countries meet both the Paris Climate Agreement, and the Sustainable Development Goals (SDGs). Research increasingly shows that recognising community forest rights helps maintain and protect healthy

³ European Parliament Resolution of 11 September 2018 on transparent and accountable management of natural resources in developing countries: the case of forests (2018/2003(INI)), para 16, http://www.europarl.europa.eu/doceo/document/TA-8-2018-0333_EN.pdf



Interviewing a forester in Republic of Congo. Increased transparency is one of the benefits of VPAs.

Photo: Michel Peremans

forests, thereby ensuring their continued role in removing and storing carbon. Forest communities are the best forest stewards as they depend on them for food, livelihoods, and culture. **The EU should promote FLEGT as a tool to meet climate and development objectives and support community forestry and forest restoration as part of its commitments to eradicate poverty.** This could be done through bilateral policy discussions and targeted funding to promote coherence between complementary objectives.

Supporting human rights and protecting forests through trade

From laws stopping conflict minerals and illegally sourced fish from entering its markets, to FLEGT which uses VPAs and the EUTR to tackle the root causes of illegal logging, the EU shows commitment to upholding environmental and social standards. Most EU trade deals do not, however, have the same aims and are not negotiated in a participatory way. The EU is currently in trade discussions with highly-forested countries including Indonesia, Malaysia, the Philippines and and has just concluded a huge trade deal with the Mercosur bloc. Care must therefore be given to the impact that increased trade may have on these precious ecosystems. If the EU is to achieve its global social and environmental commitments, working out how to include them in trade deals should be a strategic priority of the next Commission. Options include **developing binding and enforceable provisions in Free Trade Agreements to control deforestation**, respect customary tenure rights, implement the Paris Agreement, and requiring companies to act in line with international obligations. The EU should also **strengthen civil society participation in trade negotiations**, making them more transparent, inclusive and deliberative.