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Commissioner for Development and Humanitarian Aid

**Statement on the adoption of certain
measures against illegal logging
(FLEGT)**

Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

Commission meeting

Strasbourg, 20 July 2004

- In October last year member states endorsed our comprehensive action plan on Forest Law Enforcement Governance and Trade – also known as FLEGT. The objective: To put an end to a business that robs transition and developing countries of an estimated €10-15bn in lost revenue every year and that is responsible for vast environmental damage.
- Since October we have been busy giving life to this action plan. And today we have adopted an important package of decisions – namely: A Recommendation for a mandate to negotiate such partnership agreements with wood producing countries, and a proposal for a Regulation to implement the voluntary timber import licensing scheme.
- This is important for several reasons:
 - First of all it is important – even crucial – that the EU engages itself wholeheartedly in the fight against illegal logging. While we know that illegal logging happens well outside our own borders, we – and other parts of the rich world – provide a market and profit incentive for this illicit and destructive harvest. We therefore share a responsibility for bringing it to an end. Our decisions today show that we are prepared to shoulder that responsibility. I strongly encourage other major markets for timber to join us, and put an effective end to the trade in illegal timber.
 - Our decisions today are also important because of the approach that we have chosen. It is an approach where we **work together with the wood-producing countries. Not in opposition to them.** If we are to effectively break the cycle of corruption and unlawful actions that are the engines of illegal logging we need to rely on effective and on-going control of timber harvests in the wood-producing countries. This can only be achieved if these countries take the full ownership. We are therefore proposing a system of partnership agreements which will be providing support for the wood-producing countries to design licensing schemes that will make it possible to clearly distinguish illegal timber from legal timber. And to implement the necessary control systems to guarantee the credibility of the licensing schemes.
 - At the same time we propose a licensing scheme to close our markets to illegal (non-licensed) timber from our partnership countries in order not to undermine their efforts.
 - Our approach is based on voluntary agreements with the wood-producing countries. Some have argued that this is not enough, that wood-producers will not sign up. Instead they are demanding a unilateral EU ban on the imports of illegal timber:
 - Well first of all let's be clear. Without the full co-operation of partners our customs authorities will not have the means to verify the legality of timber. And a unilateral approach would not allow us to play the positive role in fostering governance in these countries, which at the end of the day will make the difference between success and failure.
 - And will producing countries join in? I think they will. Estimates show that major producing countries in Africa could increase timber revenues by as much as 65% through collecting taxes on logs that are currently stolen from their forests. The incentives are obvious.

- It is only by working together that we will succeed. Wood-producing countries must introduce the necessary reforms to laws, policies and practices to make it harder to profit from illegal activities. And consumer country governments must ensure that home demand does not undermine these difficult reforms by continuing to encourage illegality.
- That is the exciting new approach we have adopted today. I firmly believe it has potential to make a real and meaningful difference.