# Procedure file

Basic information					
NLE - Non-legislative enactments Directive	2006/0263(NLE)	Procedure completed			
International Tropical Timber Agreement, 200	06				
Subject 3.10.11 Forestry policy 3.70.01 Protection of natural resources: faun countryside; biodiversity 3.70.20 Sustainable development 6.20.05 Multilateral and plurilateral economic relations 6.40.13 Relations with/in the context of interr OSCE, OECD, Council of Europe, EBRD	and trade agreements and				

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	INTA International Trade		16/03/2011
		S&D MOREIRA Vital	
		Shadow rapporteur	
		PPE FJELLNER Christofer	
	Former committee responsible		
	INTA International Trade		09/10/2007
		Verts/ALE <u>LUCAS Caroline</u>	
	Committee for opinion	Rapporteur for opinion	Appointed
	DEVE Development	The committee decided not to give an opinion.	
	Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
	Former committee for opinion		
	DEVE Development	The committee decided not to give an opinion.	
	Former committee for opinion on the legal basis		
	JURI Legal Affairs		19/12/2007
		PPE-DE PANAYOTOPOULOS-CASSIOTO Marie	<u>ou</u>
Council of the European Union	Council configuration	Meeting	Date
	Economic and Financial Affairs ECOFIN	3122	08/11/2011
	Agriculture and Fisheries	2819	26/09/2007
European Commission	Commission DG	Commissioner	

Development

events			
18/07/2007	Legislative proposal published	11964/2007	Summary
11/10/2007	Committee referral announced in Parliament		
15/07/2008	Vote in committee		Summary
17/07/2008	Committee report tabled for plenary, 1st reading/single reading	A6-0313/2008	
23/09/2008	Debate in Parliament	<b>T</b>	
24/09/2008	Results of vote in Parliament		
24/09/2008	Decision by Parliament	T6-0453/2008	Summary
02/12/2009	Additional information		Summary
14/02/2011	Amended legislative proposal for reconsultation published	05812/2011	Summary
02/03/2011	Formal reconsultation of Parliament		
13/07/2011	Vote in committee		Summary
18/07/2011	Committee report tabled for plenary, reconsultation	A7-0280/2011	
13/09/2011	Decision by Parliament	T7-0351/2011	Summary
08/11/2011	Act adopted by Council after consultation of Parliament		
08/11/2011	End of procedure in Parliament		
12/11/2011	Final act published in Official Journal		

Technical information	
Procedure reference	2006/0263(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Directive
Legal basis	Treaty on the Functioning of the EU TFEU 218-p6a; EC Treaty (after Amsterdam) EC 300-p3-a1; Treaty on the Functioning of the EU TFEU 207; EC Treaty (after Amsterdam) EC 133; EC Treaty (after Amsterdam) EC 175; EC Treaty (after Amsterdam) EC 300-p2-a1; Treaty on the Functioning of the EU TFEU 192-p1
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	INTA/7/05490; INTA/6/54235

Documentation gateway					
Legislative proposal		11964/2007	18/07/2007	CSL	Summary

Document attached to the procedure		12640/2007	25/09/2007	CSL	
Committee draft report		PE396.733	07/11/2007	EP	
Specific opinion	JURI	PE398.712	20/12/2007	EP	
Amendments tabled in committee		PE398.411	24/06/2008	EP	
Committee report tabled for plenary, 1st reading/single reading		A6-0313/2008	17/07/2008	EP	
Text adopted by Parliament, 1st reading/single reading		T6-0453/2008	24/09/2008	EP	Summary
Commission response to text adopted in plenary		SP(2008)6073	17/10/2008	EC	
Amended legislative proposal for reconsultation		05812/2011	14/02/2011	CSL	Summary
Committee draft report		PE467.066	08/06/2011	EP	
Amendments tabled in committee		PE469.731	30/06/2011	EP	
Committee final report tabled for plenary, reconsultation		A7-0280/2011	18/07/2011	EP	
Text adopted by Parliament after reconsultation		T7-0351/2011	13/09/2011	EP	Summary

#### Final act

<u>Decision 2011/731</u> <u>OJ L 294 12.11.2011, p. 0001</u> **Summary** 

#### International Tropical Timber Agreement, 2006

PURPOSE: to conclude, on behalf of the EC, the ?International Tropical Timber Agreement, 2006.?

PROPOSED ACT: Council Decision.

BACKGROUND: in 1994 the EC became a party to the ?International Tropical Timber Agreement?, which was renegotiated in January 2006 under the aegis of UNCTAD (United Nations Conference on Trade and Development). The newly negotiated Agreement replaces the 1994 Agreement, which will remain in force until the entry into force of the 2006 Agreement.

CONTENT: the purpose of this proposal is to conclude, on behalf of the EC, the 2006 International Tropical Timber Agreement.

The objective of the Agreement, amongst others, is:

- to provide an effective framework for consultation, international cooperation and policy development regarding the world timber economy;
- to provide a consultation forum in order to promote non-discriminatory timer practices;
- to contribute to sustainable development and to poverty alleviation;
- to enhance members? capacity to export tropical timber and timber products from sustainably managed sources;
- to promote improved understanding of long term trends in the tropical timber market;
- to improve forest management and wood utilisation research;
- to improve market transparency;
- to encourage tropical timber reforestation and restoration of degraded forest land (taking the needs of local communities into account);
- to improve the collection of timber statistics:
- to encourage the development of national policies that seek to conserve timber producing forests and that maintain an ecological balance;
- to strengthen forest law enforcement, governance; and
- to address the problem of illegal logging of tropical timber.

The Agreement also details the organisation and administration of the International Tropical Timber Organisation; its membership, voting rights, powers and functions as well as its composition.

### International Tropical Timber Agreement, 2006

The Committee on International Trade adopted a report drafted by Caroline LUCAS (Greens/ALE, UK) and made some amendments to the proposal for a Council decision on the conclusion on behalf of the European Community of the International Tropical Timber Agreement, (ITTA) 2006.

The main amendments were as follows:

- the legal bases are Articles 133 and 175 of the Treaty, read in conjunction with the first sentence of the first subparagraph of Article 300(2) and the second subparagraph of Article 300 (3) (rather than the first) subparagraph. Members argued that the agreement establishes a specific institutional framework by organising cooperation procedures:
- the objectives of the new Agreement should be consistent with both the common commercial policy and environmental and development policies. The committee noted that as it stands, the ITTA 2006 is not consistent with the EC's environment and development policies. The Agreement's primary objective remains to promote the expansion and diversification of international trade, with sustainable use only mentioned as secondary.

The following new recitals are inserted into the text:

- the Commission should submit to the European Parliament and the Council an annual report with an analysis of the implementation of the International Tropical Timber Agreement, 2006 and of measures to minimise the negative impact of trade on tropical forests, including bilateral agreements concluded pursuant to the Forest Law Enforcement, Governance and Trade (FLEGT) programme. Article 33 of the ITTA 2006 provides for an evaluation of the implementation of this Agreement five years after its entry into force. In the light of this provision, the Commission should forward to the Parliament and the Council a review of the functioning of the International Tropical Timber Agreement, 2006 by the end of 2010;
- when drafting the negotiating mandate for the revision of the ITTA 2006, the Commission should propose that the current text be revised, placing the protection and sustainable management of tropical forests and the restoration of forest areas that have been degraded at the heart of the agreement, stressing the importance of education and information policy in the countries affected by the problem of deforestation in order to enhance public awareness of the negative consequences of exploiting timber resources in an abusive manner. Trade in tropical timber should only be encouraged to the extent compatible with these prior objectives;
- in particular, this mandate for the revision of the ITTA 2006 should propose a voting mechanism for the International Tropical Timber Council that clearly rewards the conservation and sustainable use of tropical forests;
- the Commission should by mid-2008 at the latest: (a)propose a comprehensive legislative proposal that prevents the placing of timber and timber products derived from illegal and destructive sources on the market; (b)present a Communication determining the EU's involvement and support for current and future global funding mechanisms for promoting forest protection and reducing emissions from deforestation under the United Nations Framework Convention on Climate Change (UNFCCC)/Kyoto Protocol. The Communication should outline the EU's commitment to provide funds to help developing countries protect their forests, finance a network of protected areas and promote economic alternatives to forest destruction. In particular, in order to ensure real benefits for the climate, biodiversity and people, it should outline the minimum principles and criteria that these instruments should adhere to. It should also identify priority actions and priority areas which should receive immediate funding under these incentive mechanisms.

The committee noted that the public consultation of the European Commission on additional options to combat illegal logging showed that a large majority of respondents prefer binding legislation that requires that only legally harvested timber and timber products are placed on the EU market.

#### International Tropical Timber Agreement, 2006

The European Parliament adopted, by 606 votes to 8 with 13 abstentions, a legislative resolution making some amendments to the proposal for a Council decision on the conclusion on behalf of the European Community of the International Tropical Timber Agreement, (ITTA) 2006. The report had been tabled for consideration in plenary by Caroline LUCAS (Greens/ALE, UK) on behalf of the Committee on International Trade.

- the legal bases are Articles 133 and 175 of the Treaty, read in conjunction with the first sentence of the first subparagraph of Article 300(2) and the second subparagraph of Article 300 (3) (rather than the first) subparagraph. Members argued that the agreement establishes a specific institutional framework by organising cooperation procedures;
- the objectives of the new Agreement should be consistent with both the common commercial policy and environmental and development policies.

The following new recitals are inserted into the text:

- the Commission should submit to the European Parliament and the Council an annual report with an analysis of the implementation of the International Tropical Timber Agreement, 2006 and of measures to minimise the negative impact of trade on tropical forests, including bilateral agreements concluded pursuant to the Forest Law Enforcement, Governance and Trade (FLEGT) programme. Article 33 of the International Tropical Timber Agreement, 2006 provides for an evaluation of the implementation of this Agreement five years after its entry into force. In the light of this provision, the Commission should forward to the Parliament and the Council a review of the functioning of the International Tropical Timber Agreement, 2006 by the end of 2010;
- when drafting the negotiating mandate for the revision of the International Tropical Timber Agreement, 2006, the Commission should propose that the current text be revised, placing the protection and sustainable management of tropical forests and the restoration of forest areas that have been degraded at the heart of the agreement, stressing the importance of education and information policy in the countries affected by the problem of deforestation in order to enhance public awareness of the negative consequences of exploiting timber resources in an abusive manner. Trade in tropical timber should only be encouraged to the extent compatible with these prior objectives.

In particular, this mandate for the revision of the International Tropical Timber Agreement, 2006 should propose a voting mechanism for the International Tropical Timber Council that clearly rewards the conservation and sustainable use of tropical forests;

- the Commission should by October 2008 at the latest:
- (a) propose a comprehensive legislative proposal that prevents the placing of timber and timber products derived from illegal and destructive

sources on the market;

(b) present a Communication determining the EU's involvement and support for current and future global funding mechanisms for promoting forest protection and reducing emissions from deforestation under the United Nations Framework Convention on Climate Change (UNFCCC)/Kyoto Protocol. The Communication should outline the EU's commitment to provide funds to help developing countries protect their forests, finance a network of protected areas and promote economic alternatives to forest destruction. In particular, in order to ensure real benefits for the climate, biodiversity and people, it should outline the minimum principles and criteria that these instruments should adhere to. It should also identify priority actions and priority areas which should receive immediate funding under these incentive mechanisms.

The European Parliament also adopted a joint resolution concerning the International Tropical Timber Agreement (ITTA) 2006 and proposed by the Committee on International Trade (refer to RSP/2008/2579).

# International Tropical Timber Agreement, 2006

The Lisbon Treaty, which entered into force on 1 December 2009, amended the EU's two core treaties, the Treaty on European Union (TEU) and the Treaty establishing the European Community (EC Treaty). The latter was renamed the Treaty on the Functioning of the European Union (TFEU).

These changes had various consequences for many ongoing procedures. First of all, the articles of the TEU and of the old EC Treaty that constitute the legal basis of all the proposals founded on those Treaties were renumbered in accordance with the table of equivalences mentioned in Article 5 of the Lisbon Treaty.

In addition, some proposals underwent a change to their legal basis going beyond a mere change to their numbering, and this resulted in changes to the type of procedure.

The Lisbon Treaty also introduced new concepts of decision-making procedure. The old "codecision procedure" was extended to new areas and renamed the "ordinary legislative procedure". A new "consent procedure" replaced the old "assent procedure". New interinstitutional procedures were also set up for the adoption of certain non-legislative acts, for example the conclusion of some international agreements.

The ongoing proposals concerned by these changes were formally modified by the Commission in a Communication published on 2 December 2009 (COM(2009)0665).

In the case of the proposal for a Council Decision on the conclusion on behalf of the European Community of the International Tropical Timber Agreement, 2006, the entry into force of the Lisbon Treaty had the following impacts:

 the proposal, which had previously fallen under the old consultation procedure (CNS), was classified as an interinstitutional non-legislative procedure (NLE).

# International Tropical Timber Agreement, 2006

PURPOSE: to conclude the 2006 International Tropical Timber Agreement on behalf of the EU.

PROPOSED ACT: Council Decision. .

BACKGROUND: on 27 January 2006 the negotiating conference established under the aegis of the United Nations Conference on Trade and Development (UNCTAD) approved the text of the 2006 International Tropical Timber Agreement ("the 2006 Agreement"). The 2006 Agreement has been open for signature since 3 April 2006 and will remain so until one month after its final entry into force.

The objectives of the 2006 Agreement are consistent with both the common commercial policy and the environmental policy.

The Community signed the 2006 Agreement on 2 November 2007. All Member States have expressed their intention to ratify it.

The 2006 Agreement should now be approved on behalf of the EU and particularly following the entry into force of the Lisbon Treaty on 1 November 2009.

IMPACT ASSESSMENT: no impact assessment was undertaken.

LEGAL BASIS: Articles 192 and 207 of the Treaty on the Functioning of the European Union (TFEU) read in conjunction with Article 218(6)(a) thereof.

CONTENT: this Decision provides that the 2006 International Tropical Timber Agreement is approved on behalf of the Union. For the content of the 2006 Agreement, please see the summary of the initial proposal dated 8/07/2007.

BUDGETARY IMPLICATIONS: as the compulsory contributions by the consumer members of the International Tropical Timber Organisation are assessed primarily in terms of the volume of tropical timber they import, the Union will contribute to the Administrative Account of the International Tropical Timber Organisation, once the 2006 Agreement enters into force, while Member States, as well as the Union, will be able to make voluntary financial contributions to the planned actions via the voluntary contribution accounts of the Organisation.

#### International Tropical Timber Agreement, 2006

The Committee on International Trade adopted the report by Vital MOREIRA (S&D, PT) in which it recommends the European to give its consent to the conclusion of the 2006 International Tropical Timber Agreement.

The European Parliament adopted a legislative resolution on the draft Council decision on the conclusion, on behalf of the European Union, of the 2006 International Tropical Timber Agreement.

It gave its consent to the conclusion of the Agreement and called on the Commission to provide, whenever requested by Parliament, any relevant information regarding the implementation of this Agreement, namely on action plans and programmes, as well as the decisions taken by the bodies established by the Agreement.

The Commission is also called upon to submit a review of the implementation of the Agreement to Parliament and the Council in the final year of application, before negotiations are opened on the renewal of the Agreement, in particular in relation to the Union's own forest law enforcement, governance and trade instruments.

# International Tropical Timber Agreement, 2006

PURPOSE: to conclude, on behalf of the EC, the "International Tropical Timber Agreement, 2006."

NON LEGISLATIVE ACT: Council Decision 2011/731/EU on the conclusion, on behalf of the European Union, of the 2006 International Tropical Timber Agreement.

BACKGROUND: on 27 January 2006, the negotiating conference established under the aegis of the United Nations Conference on Trade and Development (UNCTAD) approved the text of the 2006 International Tropical Timber Agreement. This Agreement was negotiated to replace the International Tropical Timber Agreement of 1994 as extended, which will remain in force until the entry into force of the 2006 Agreement.

The Community signed the 2006 Agreement on 2 November 2007. All the Member States have expressed their intention to ratify it.

It is now necessary to approve the 2006 Agreement.

CONTENT: with this Decision, the 2006 International Tropical Timber Agreement is hereby approved on behalf of the Union. The objectives of the International Tropical Timber Agreement, 2006 are to promote the expansion and diversification of international trade in tropical timber from sustainable managed and legally harvested forests and to promote the sustainable management of tropical timber producing forests.

More specific objectives of the Agreement are, inter alia:

- to provide an effective framework for consultation, international cooperation and policy development regarding the world timber economy;
- to provide a consultation forum in order to promote non-discriminatory timer practices;
- to contribute to sustainable development and to poverty alleviation;
- to enhance members' capacity to export tropical timber and timber products from sustainably managed sources;
- to promote improved understanding of long term trends in the tropical timber market;
- to improve forest management and wood utilisation research;
- to improve market transparency;
- to encourage tropical timber reforestation and restoration of degraded forest land (taking the needs of local communities into account);
- · to improve the collection of timber statistics;
- to encourage the development of national policies that seek to conserve timber producing forests and that maintain an ecological balance;
- to strengthen forest law enforcement, governance; and
- to address the problem of illegal logging of tropical timber.

As the compulsory contributions by the consumer members of the International Tropical Timber Organisation are assessed primarily in terms of the volume of tropical timber they import, the Union will contribute to the Administrative Account of the International Tropical Timber Organisation, once the 2006 Agreement enters into force, while the Member States, as well as the Union, will be able to make voluntary financial contributions to the planned actions via the voluntary contribution accounts of the Organisation.

ENTRY INTO FORCE: the Agreement will enter into force as soon as the necessary procedures have been completed.