

Evaluation of the FLEGT Action plan



European Parliament
Joint INTA-DEVE-ENVI meeting, 16 June 2016





FLEGT Action Plan in a nutshell (1)

- EC proposal to combat illegal logging & associated trade endorsed by EP & Council (2003): <u>FLEGT Action Plan</u>
- Joint endeavor: EC (DEVCO & ENV), EU MS & Partner countries
- Blends measures in producing and consuming countries to improve forest governance, facilitate trade in legal timber, and eliminate illegal timber from trade with the EU.





FLEGT Action Plan in a nutshell (2)

- A process and a package of policy and regulatory measures, complemented by traditional development cooperation
- Action Areas:
- Governance, Capacity building, Legality verification
- PPP, Private Sector initiatives, Financing & investment
- Voluntary Partnership Agreements & EU legislation
- International cooperation, Existing legislation, Conflict timber
- Main components & Major Achievements: EUTR & VPAs





Evaluation of FLEGT Action Plan

- No legal obligation; necessary after 11y of implementation
- Scope: all actions areas; links to ECA audit
 - * EUTR: coordinated with separate Review process
- Duration: late 2014 June 2016
- <u>Deliverables</u>: Consultant report & Staff Working Document
- <u>Limitations</u>: lack of data on illegal logging & trade, and on governance achievements





Methodology & deliverables

- External consultant
- Better Regulation Q: relevance, coherence, EU added value,
 sustainability, efficiency, effectiveness
- Steering Committee: EC (DEVCO, ENV, SG, GROW,) UK, NL
- Consultant's Report : published May 2016
- <u>SWD</u>: adoption by EC expected June 2016





Consultant's report: FLEGT strengths

- <u>Innovation</u>: hard- & soft law measures, trade agreements, development cooperation, stakeholder engagement
- Highly <u>Relevant</u> & enjoying broad <u>support</u>
- Sustainable changes: forest governance improvements & reduced demand for illegal timber
- Good Cost benefit in view of generated benefits
- <u>EU Added Value</u>: trade & political leverage, aid coordination





Consultant's report: FLEGT successes

- 6 <u>VPAs</u> under implementation & 9 VPAs under negotiation
 - * Indonesia ready to export FLEGT-licensed timber: end 2016
- <u>EUTR</u> → incentivise responsible sourcing policies & VPAs uptake
- <u>PPP:</u> >80% of EU MS → positive effect on the market
- <u>Problem profile raised</u>: bilateral dialogues (BCM), legislative reforms (US), INTERPOL, PPP in producing countries





Consultant's report: FLEGT drawbacks

- Weak planning & monitoring
- Coordination inefficiencies
- VPAs: complex, resource-intensive & variable political commitment in partner countries
- Private sector insufficiently engaged
- Work on Financing & Investment not extensive
- Context changes: drivers of Deforestation, declining role of EU in global timber trade, emerging markets





Consultant's report: Recommendations

- Tailor action geographically & thematically to increase effectiveness
- Strengthen monitoring & implementation to improve efficiency
- Contribute to addressing deforestation to increase relevance
- Collaborate with CC initiatives to improve complementarity
- Cooperate with exporting countries to achieve objectives





Staff Working Document

- Based on evaluation findings & conclusions
- Backward-looking
- Main message: FLEGT AP is fit for purpose and delivers at proportionate cost the changes it aims at effecting yet, identified inefficiencies & inconsistencies should be addressed to increase relevance & effectiveness





Next steps

- SWD adoption: June 2016
- Reflect on evaluation (also ECA report & EUTR Review)
 findings to improve performance of FLEGT AP
- Consider options to address drivers of Deforestation: feasibility study underway





Thank you

Veronique Lorenzo, Head of Unit C2, DEVCO

Veronique.LORENZO@ec.europa.eu

