

Jakarta, 4 May 2011 Ref: D(2011)837EN

Conclusion of Negotiations for a Voluntary Partnership Agreement (VPA) between Indonesia and the European Union (EU) on Forest Law Enforcement Governance and Trade (FLEGT)

Today, H.E Zulkifli Hasan, Minister for Forestry of the Republic of Indonesia and H.E Karel De Gucht, Trade Commissioner for the European Union, issued a Joint Statement on the conclusion of negotiations for a Voluntary Partnership Agreement (VPA) on Forest Law Enforcement Governance and Trade (FLEGT). They agreed to start procedures for the signature and ratification of the Agreement as well as preparations for its implementation.

The conclusion of negotiations of VPA underlines the commitment of Indonesia and the European Union to jointly respond to the problem of illegal logging and related international trade by linking the implementation of an Indonesian timber legality assurance system (SVLK/TLAS) with the Forest Law Enforcement Governance and Trade policy of the EU for timber and timber products. In his congratulatory speech Commissioner De Gucht, who is in Jakarta to promote EU-Indonesia trade relations and to attend the EU-ASEAN business summit, noted that: 'Indonesia is not only the first Asian country to conclude VPA negotiations with the EU, it is also by far the largest timber exporter that has entered into such an agreement until now'.

Meanwhile, Minister Zulkifli Hasan stated that after four years of negotiations, the parties made a significant breakthrough to conclude the FLEGT–VPA and that the agreement will be the first time an Asian country has confirmed with the EU how to offer assurance of the legality of its timber product exports in line with the new EU Timber Regulation. This new regulation prohibits the first sale illegal timber on the EU market.

The Joint Statement brings to a close a long process during which Indonesian stakeholders from civil society, trade and government developed an Indonesian timber legality assurance system. This led to the start of negotiations for a Voluntary Partnership Agreement with the EU in January 2007.

The Agreement lends support to the efforts of Indonesia to strengthen good governance, law enforcement and accountability in its forest sector. Indonesia intends to audit all of its 4500 producers, processors and exporters for legality with a view to ensuring the legality of all timber, paper and pulp products exported to the EU and other markets. Indonesian civil society has been accorded a key role in the monitoring the performance of the timber legality assurance system.

The EU for its part will guarantee free and unrestricted access for all FLEGT licensed timber products coming from Indonesia and will seek to increase the visibility of FLEGT licensed products in the EU.

Indonesia and the EU aim to commence FLEGT licensing procedures at the beginning of 2013 ahead of the entry into operations of the EU Timber Regulation in March 2013.

The conclusion of the negotiations with Indonesia follows on the VPA agreements concluded with Ghana, Congo, Cameroon and the Central African Republic. VPA negotiations are currently on-going with Liberia, the Republic of Congo, Gabon, Malaysia and Vietnam. A number of other countries have signalled their interest in opening FLEGT talks.

For further information, contact:

- Ministry of Forestry, Directorate General of Forest Management
- EU Delegation to Indonesia and Brunei Darussalam
- For a detailed description of the Indonesian Voluntary Partnership Agreement, please refer to the Country Briefing Paper published by the European Forest Institute: http://www.euflegt.efi.int/files/attachments/euflegt/briefing note indonesia en .pdf