



## JOINT PRESS RELEASE

### **THE EUROPEAN UNION AND VIET NAM IMPLEMENT AN AGREEMENT ON COMBATING ILLEGAL LOGGING AND PROMOTING TRADE IN LEGAL TIMBER**

Ha Noi, 8 May 2019

**Today, the Delegation of the European Union (EU) to Viet Nam and Viet Nam's Ministry of Agriculture and Rural Development hold a joint meeting to announce the completion of the process of approval and ratification of a Voluntary Partnership Agreement on Forest Law Enforcement, Governance and Trade (VPA/FLEGT). The Agreement will take effect on 1<sup>st</sup> June 2019 in the context of increasing bilateral relationship between the EU and Viet Nam, with both sides preparing to sign a Free Trade Agreement (EVFTA).**

The EU and Viet Nam launched the VPA/FLEGT negotiation in October 2010 and started the negotiation process from November 2011. Over more than 6 years, on 19 October 2018, in Brussels, the Agreement was signed by President of the Council of the European Union, Mr. Sebastian Kurz, together with High Representative of the European Union for Foreign Affairs and Security Policy, Ms. Federica Mogherini, and Minister of Agriculture and Rural Development of Viet Nam, Mr. Nguyen Xuan Cuong.

On 15 April 2019, the Council of the European Union sent a note verbale to the Mission of the Socialist Republic of Viet Nam to the EU to notify it of the completion, by the European Union, of internal ratification procedures after the European Parliament voted to ratify the Agreement on 12 March 2019. On 23 April 2019, the Government of Viet Nam issued the Resolution No. 25/NQ-CP on approving the Agreement. The Agreement will therefore enter into force on 1 June 2019.

The implementation of the VPA/FLEGT marks the beginning of a joint commitment of the EU and Viet Nam to work together to address illegal logging and associated trade. To implement the VPA/ FLEGT, Vietnam will develop a timber legality assurance system (VNTLAS) to ensure that its exports

of timber and timber products come from legal sources, including systems to verify that Vietnamese businesses are only importing timber that has been legally harvested and traded in accordance with the relevant legislation in the country of harvest. This means that illegally harvested timber, as well as those businesses trading with it, will not be able to be a part of supply chains regulated by the timber legality assurance system that Vietnam is putting in place.

The commitments outlined in the Agreement together with provisions of the Forestry Law 2017 regulate that the importation, exportation, harvesting, processing and trading of illegal timber and timber products are prohibited in accordance with Vietnamese legislation and international agreements. To implement the Agreement, Viet Nam is continuing to adopt new legislation in order to harmonize the Agreement's commitments, including the preparation of a Decree on the VNTLAS which will be expected to be promulgated by the Government by the end of 2019.

The both sides agreed to establish a Joint Implementation Committee (JIC) to oversee how the provisions of the Agreement are put into practice, a process that is likely to last several years. JIC will also facilitate dialogue and exchange of information between the both sides, as well as promote activities of Viet Nam's Multi-Stakeholder Core Group on VPA/FLEGT, which is serving as an effective forum for independent monitoring and providing input to the JIC on the implementation of the Agreement.

A joint assessment will be conducted before the start of the FLEGT licensing scheme. The assessment will verify and confirm that all the commitments outlined in the Agreement have met criteria for operational readiness of the VNTLAS in accordance with the Agreement.

The Agreement is fully implemented when the FLEGT licensing scheme starts. At that time, each shipment of timber and timber products from Viet Nam exported to the EU will be accompanied by a FLEGT license. FLEGT licensing will provide certainty of meeting the requirements of the EU Timber Regulation, which prohibits the placing of illegal timber on the EU market. Until FLEGT licensing starts, imports from Vietnam will continue to be subject to the due diligence requirements of the EU Timber Regulation aimed at ensuring that the risk of placing illegal products from Vietnam on the Union market is negligible. On the other side, the EU will promote a favorable position of FLEGT-licensed timber and timber products in the EU market. In addition to the variety of social, economic and environmental benefits associated with

better management of the forestry sector in Vietnam, FLEGT licensing will contribute to increase the credibility of Viet Nam's timber processing industry not only in the EU but also in other export markets, which are increasingly in demand for legal timber.

The Agreement sends a strong signal on Viet Nam's and the EU's commitment towards frontloading the implementation of the 'Trade and Sustainable Development' Chapter of the EVFTA, which includes provisions on sustainable forest management and trade in forest products.

The full text of the Agreement and its annexes are available on the EU's website and Viet Nam Administration of Forestry's website at the link: <http://tongcuclamnghiep.gov.vn/LamNghiep/Index/toan-van-hiep-dinh-vpaflegt-giua-viet-nam-va-eu-ban-dich-3404>

## **Background**

The Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan is the EU's response to illegal logging and trade in global scale. The Action Plan is to reduce illegal logging through enhancing sustainability and legality of forest management, improving forest governance and promoting trade in legally produced timber products. FLEGT contributes to efforts to curb climate change, conserve biodiversity and increase transparency, which is in accordance with Viet Nam's policies and development orientations on sustainable development and Viet Nam Forestry Development Strategy.

The Action Plan sets out measures to remove illegal timber products from the EU market through a number of important actions, including the EU Timber Regulation and the FLEGT licensing scheme which are implemented through the signing of FLEGT Voluntary Partnership Agreements (VPAs) with producing countries.

The EU Timber Regulation prohibits the EU enterprises from introducing illegal timber products into the EU market and enforces them to exercise due diligence to ensure the legality of timber products.

The VPAs are bilateral trade agreements which commit the EU and the partner countries to only trade in legally verified products by implementing the FLEGT licensing scheme through a timber legality assurance system (TLAS) of the partner countries. This involves the development, through a multi-stakeholder process, of credible and robust timber legality assurance systems, as well as

wide range of commitments such as legal and policy reform, independent evaluation, transparency and disclosure of information.

When a VPA country begins FLEGT licensing, the EU member states will no longer allow products listed in Annex 1 of the VPA to enter the EU unless they have a FLEGT licence. Before the start of FLEGT licensing, there will be a period of implementation and assessment to verify that the system put in place meets criteria of the VPA/FLEGT.

Viet Nam is one among countries that are negotiating VPAs with the EU.

Viet Nam places a central position in global timber trade. On the one hand, Viet Nam is importing timber from 80 countries, including African, Asian and South American countries. On the other hand, Viet Nam is exporting timber products to 120 countries and territories, including major markets such as the EU, USA, Japan, China, Korea and Australia.

### **Further information**

[EU FLEGT Voluntary Partnership Agreements](#)

[Questions and answers](#)

[Media room: EU-Viet Nam VPA](#)

[FLEGT.org](#)

[VPA Unpacked](#)