## FLEGT Voluntary Partnership Agreement Between Liberia and the European Union

## Briefing Note

May 2011





Common efforts to ensure and promote legal timber trade and good stewardship of the forest sector



Illegal logging has a devastating impact on some of the world's most valuable remaining forests and the people that live in them and rely on the resources they provide.

The European Union's response to tackle illegal logging is set out in the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan in 2003. The cornerstone of this policy is the FLEGT Voluntary Partnership Agreement (VPA).

#### **WHAT IS A VPA?**

The FLEGT Voluntary Partnership Agreement (VPA) is a bilateral agreement between the European Union (EU) and wood exporting countries, which aims to improve forest governance and ensure that the wood imported into the EU has complied with the legal requirements of the partner country.

Although there is no obligation for any country to enter into a VPA with the EU, once agreed they are legally binding on both parties, committing them to trading only in wood products that can be verified as legal.

Under these agreements exporting countries develop systems to verify the legality of their timber exports to the EU. The EU supports partner countries to establish or improve systems which verify legal compliance.

Image credit: Liberia VPA Secretariat Workshop for technical managers at the Forestry Development Authority

Cover image credit:
Liberia VPA Secretariat
View of part of the forest
estate of Liberia



# The Government of Liberia and the European Union concluded negotiations of the FLEGT Voluntary Partnership Agreement on 9 May 2011

**BACKGROUND** 

Liberia is home to over half the entire rainforest remaining in West Africa, with almost 45% of the country (4.3 million Ha) covered by forest. During Liberia's prolonged civil war, timber revenues were misappropriated and used to sustain the conflict. This led to the UN Security Council imposing sanctions on all imports of timber from Liberia in 2003.

Since 2003, Liberia has made significant efforts to reform the forestry sector, increasing access to timber resources and improving transparency. These efforts include a comprehensive review of the regulatory framework of the sector, development of a national timber traceability system (LiberFor) to track timber production and payment of revenues, and reform of the Forestry Development Authority (FDA).

Liberia was the first country to include timber revenues under the Extractive Industries Transparency Initiative (LEITI), when it became the first African country to achieve EITI compliance in 2008.

In recognition of the progress made, the UN Security Council lifted sanctions in 2006, thus opening the way for Liberia to rebuild its forest sector. The Government of Liberia is committed in building its reforms to work with the EU in a Voluntary Partnership Agreement to implement strong systems for control and verification of legal timber harvesting, production for international and domestic markets develops.

Image credit: Tim Lewis, Handcrafted Films View of Monrovia city centre



## VPA OBJECTIVES AND PRODUCT SCOPE

The Voluntary Partnership Agreement (VPA) aims to strengthen governance and law enforcement in the forestry sector and, through a licensing system, provide the assurance that its timber has been legally produced. It also demonstrates the Government of Liberia's commitment to improving accountability and transparency in the sector. As a result of poor management of forest resources and illegality in the sector in the past, Liberian timber did not have a good reputation in international markets. The VPA is intended to offer clear assurances to international markets that Liberian timber products are from verified legal sources.

The negotiation of the VPA involved a wide range of stakeholders and it is envisaged that in its implementation stakeholders will continue to be involved thus improving governance in the sector. The VPA will help Liberia to develop its capacity in forest management amongst government agencies, and forest users including commercial

operators and communities. It will introduce stronger monitoring and oversight of forestry activities by an independent auditor. Although the focus of the VPA is on trade with the EU market, its scope is much broader than this. Liberia has decided to apply the same Legality Assurance System (LAS) to timber products destined for all international markets and to timber products sold in Liberia as well.

#### THE VPA PROCESS

The VPA negotiations between Liberia and the EU were launched in March 2009 and have taken over two years to reach conclusion. The process has involved a wide range of stakeholders in Liberia, including several Ministries and government agencies, civil society, the private sector, and community representatives. Throughout the negotiations, there have been efforts to involve and inform stakeholders through workshops, consultation events and the implementation of a national communications strategy. These have been coordinated by a Liberian VPA Secretariat established specifically to support the negotiation process.

On the EU side, the negotiations were led by the European Commission, with active participation of Member States, particularly the UK, which has provided resources to Liberia to support stakeholder involvement in the negotiations.

#### LIBERIA'S LEGALITY DEFINITION

Liberia developed its definition of legal timber through a participatory process of consultations and discussions. Forest stakeholders comprising communities, civil society organisations, public and private sector agreed a legal standard to underpin the implementation of the VPA. The legality definition forms the basis of Liberia's Legality Assurance System. It outlines the legislative and regulatory requirements to be systematically verified to ensure that timber products have been legally produced - a requirement for a FLEGT license to be issued in Liberia. Given Liberia's commitment and near unanimity among Liberian stakeholders, the definition covers all sources of timber, including timber and timber products from chain saw milling and community forests.

The Liberian legality definition is based on eleven principles, which follow the key steps of timber production, processing and export as well as broader social and environmental principles. The principles are: Legal Existence / Recognition and Eligibility to Operate in Forestry Sector: Forest Allocation; Social Obligations and Benefit Sharing: Forest Management Operations and Harvesting; Environmental Obligations; Timber Transportation and Traceability: Transformation and Timber Processing; Workers Rights. Health. Safety and Welfare: Taxes, Fees and Other Payments; Export, Processing and Trade Requirements; and Transparency and General Disclosure.

Image credit:
Liberia VPA Secretariat
Liberian logs marked to
ensure they can be tracked
from stump to port



## LIBERIA'S LEGALITY ASSURANCE SYSTEM

Liberia's Legality Assurance System (LAS) will ensure the legality of harvesting, transportation, processing and selling of timber, based on the national legislation in force and existing governmental control systems. The Liberian LAS has been designed through a multi-stakeholder process, in order to ensure a system which is both comprehensive and workable. It consists of the following five elements:

- 1. Legality Definition
- 2. Verification of compliance with the Legality Definition
- 3. Chain of Custody System, based on the existing LiberFor system
- 4. FLEGT Licensing, which will apply to all exports irrespective of destination
- 5. Independent Audit of the LAS

The LAS will apply to all timber harvested, processed, sold in or exported from Liberia, including timber imported from 3rd countries. It covers production from all types of forest holding and by all operators.

During the negotiations stakeholders identified areas for further legislative reform to streamline and clarify requirements. These reforms will address such topics as social agreement procedures, community forestry regulations, procedures for auctioning seized and abandoned logs, and the maintenance of the debarment list by the Public Procurement Concessions Commission to name a few. The entire list of reform commitments are outlined in an Annex to the VPA.

Liberia faces significant challenges in implementing the LAS and will require international support in the development both upgraded systems and capacity. In the initial years, the functions of legality verification and the chain of custody system will be outsourced to a service provider, overseen by the Forestry Development Authority (FDA). In due course, these functions will be transferred to the FDA. The entire LAS will be developed and implemented over the next few years, with the intention that the first FLEGT licenses will be issued in 2014.

Image credit:
Tim Lewis,
Handcrafted Films
Liberian logs marked to
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from stump to port



#### **VPA IMPLEMENTATION**

The implementation of the VPA will be overseen by a Joint Implementation Committee (JIC), comprising representatives from both parties to the agreement. It will meet at least twice a year, and its reports will be made public. The VPA also establishes the role of an Independent Auditor to ensure that there is oversight of the entire LAS by an independent third party. Reports of the Independent Auditor will be submitted to the JIC for review before being made public.

In addition, Liberia will establish a national multi-stakeholder committee to monitor implementation. This forum will include government agencies, representatives of civil society, industry and communities. It will ensure that the process of stakeholder consultation and involvement, which has been a key feature of negotiating the Agreement, is continued during implementation.

## COMMITMENT TO TRANSPARENCY AND INFORMATION EXCHANGE

Liberia has a strong commitment to transparency in the forestry sector, and the VPA builds on this. The Agreement and its Annexes will be published once the VPA has been ratified, and a series of reports monitoring implementation of the Agreement, including those of the JIC and the Independent Auditor, will also be made available.

The Liberia Extractive Industries
Transparency Initiative (LEITI) was the first
to include revenues relating to timber and
so this information is already published
annually. In addition, a large volume of
information relating to the forestry sector is
available to members of the public through
the Freedom of Information Act. These
commitments are reflected in a dedicated
Annex of the VPA.

During VPA negotiations, Liberia developed and implemented a national communications strategy, and in the latter half of 2011 it will develop a comprehensive communications strategy to promote information-sharing and dialogue in relation to VPA implementation.

Image credit:
Liberia VPA Secretariat
Luis Riera, Director of the
Directorate General of
the European Commission,
and Honorable Minister
Florence Chenoweth,
Minister of Agriculture
of the Government of the
Republic of Liberia, at
the close of the Fourth
Negotiating Session
in Brussels



#### INDEPENDENT MONITORING

The Agreement introduces independent third party audits of the entire Legality Assurance System. This aims to ensure credibility through checks that the system is being implemented properly and delivering the expected results: that only legally verified timber is being sold on local markets and for export. The audits will also help to strengthen the functioning and efficiency of the system. The Independent Auditor, who will be selected through a documented and transparent procedure, will provide regular public reports.

Throughout the VPA negotiations both Liberia and the EU have recognized the important role for civil society in monitoring the forestry sector. The Agreement indicates that civil society will contribute to monitoring the VPA and the LAS. . To this end, it stresses through a dedicated Annex Liberia's commitment to provide access to information that will allow civil society to carry out this role effectively.

#### **SUPPORTING MEASURES**

A recent review of ability of government services, private sector operators and civil society to fulfill their regulatory and law enforcement functions points to a large gap between intended function and actual capacity. The VPA relies on these functions as the basis for managing the forestry sector and providing evidence of legality of timber. The effective operation of the Legality Assurance System therefore requires building the capacity of core regulatory functions alongside upgrading systems to meet the requirements of international markets for legality assurance.

A VPA annex outlines the Supporting Measures needed to establish both core regulatory functions and the additional functions required in order to operate the LAS and issue FLEGT licenses. It includes measures to enable government agencies, private sector operators, communities and civil society to fulfill these roles. A number of international partners, including the EU and its Member States are working in Liberia to support development of the forestry sector, and it is hoped that by coordinating this support and securing additional resources Liberia will establish a fully operational LAS over a five year time frame, with FLEGT licences issued for exports from 2014, and domestic market controls integrated later.

## FREQUENTLY ASKED QUESTIONS

#### 1. Why has Liberia signed the Agreement?

The FLEGT VPA provides a way by which Liberia can simultaneously address the problems associated with illegal logging, improve its forest management, and strengthen market opportunities for its timber products in European and other markets. It is part of the Liberian Government's commitment to law enforcement and transparency in the natural resource sector. The VPA provides a framework for a broad reform agenda, involving a range of stakeholders, to help ensure that revenues realized from the timber sector will be distributed fairly.

Next to the desire of the Liberian Government to enhance governance and strengthen law enforcement in its forest sector, Liberian exporters have become aware that their customers are increasingly looking for verified legal and certified sustainable timber products. In the US and the EU this trend has recently been strengthened by the adoption of legislation that prohibits the sale of illegally harvested timber and products made from illegal timber. Other consumer markets are expected to follow, making legality verification an important part of the global marketing of timber products.

#### 2. Is Liberia the only country to have signed the FLEGT VPA?

Four other countries in Africa have signed a FLEGT VPA with the EU: Ghana, Cameroon, Congo and Central African Republic. Indonesia is initialing a VPA with the EU five days before Liberia, on 4th May 2011. Several other countries in Africa and Asia are negotiating VPAs.

Each VPA is different, as it reflects the national legislative framework, the challenges and the different nature of the timber industry in each country, but all the VPAs have the same objectives of improving governance and law enforcement in the forestry sector.

#### 3. Did the process involve other stakeholders, and if yes, who?

The process to negotiate the VPA has taken just over two years and involved a wide range of stakeholders. The formal structure established in Liberia to advise the VPA negotiations was the VPA Steering Committee, which included representatives from various Government agencies, civil society, and the private sector. Thus far unique to Liberia was the inclusion of community representatives in this committee. Furthermore, the detailed proposals for negotiations were developed by a number of different working groups which included active participation of different stakeholders. In addition, the Negotiating Team included observers from civil society and the private sector.

## 4. What is the relationship between the FLEGT VPA and REDD in Liberia?

FLEGT and REDD are complementary policy instruments. Implementing a FLEGT VPA can assist forested countries in meeting REDD policy goals.

FLEGT aims to enhance the overall governance, transparency and law enforcement of the forest sector in order to make sure that timber production takes place in accordance with the laws and regulations of a country. REDD aims to create incentives to halt deforestation. REDD+ refers to policy approaches and positive incentives to reduce emissions from deforestation and degradation (REDD) and to support conservation of existing forest carbon stocks, sustainable forest management and enhancement of forest carbon stocks (+) in developing countries.

A future REDD mechanism requires clarity over land and forest ownership and use rights as well as the capacity to prevent indiscriminate and illegal logging. The VPA process helps to clarify forest related legislation and identify the roles of different government institutions and private sector bodies. It also enables countries to address underlying problems with regard to other users' use and tenure rights. In doing so it enhances forest law enforcement and assists countries in putting their forest sectors on a more sustainable footing. One important difference with RFDD is that the FLEGT VPA is unlikely to influence land use decision making outside the forest sector.

Image credit: Tim Lewis, Handcrafted Films Workers at a logging



#### FLEGT LICENSING AND TRADE

#### 5. What products are covered under the Agreement?

The Agreement covers all products produced in Liberia and this includes a wide range including sawn timber, wood chips and wooden furniture. A full list is included as Annex I of the Agreement. Liberia has decided that the Legality Assurance System will cover products destined for all markets whether for Europe, exported elsewhere, or for the domestic market.

#### 6. How important is the EU as an export market for Liberian timber?

The Liberian timber industry is rebuilding following the lifting of timber sanctions in 2006. As such, no reliable trade statistics exist to indicate how significant the EU market will be for Liberian timber exports. In the past, trade with Europe has been significant and in 2010 and 2011 there have been shipments to several European countries.

From 3rd March 2013, the EU Timber Regulation will come into effect, requiring all companies placing timber on the EU market to demonstrate that they have carried out due diligence in ensuring it has been legally harvested. Through the VPA, Liberia will be issuing FLEGT licenses which meet this requirement. From EU operators' point of view, this may give timber coming from Liberia a competitive advantage over timber from other sources that are not able to provide such credible assurance of legality.

#### 7. Isn't the VPA just another form of trade restriction for the country?

VPAs and the EU Timber Regulation aim to facilitate legitimate trade in timber products and provide a level playing field for all market participants. International timber markets are changing because consumers and companies do not want to be associated with criminal activities that have grave consequences for the forest environment and forest-dwelling populations. The introduction of purchasing policies which require legality verification and sustainability certification for both public agencies and the private sector is a response to these market signals. But companies that play by the rules don't want to be undercut by those who sell illegally-sourced and cheaper products.

Liberia is entering a VPA voluntarily because it sees benefits in doing so. The VPA will enable Liberia's timber industry to respond to changing market requirements, strengthen its market position and develop new commercial opportunities in the EU and other timber consuming markets, while improving its capacity to sustain the country's forest resources.

The EU Timber Regulation does not discriminate between timber imported into the EU and that which is produced within the EU. Both are subject to the prohibition of illegally harvested timber and due diligence requirements.

#### 8. Are markets other than Europe changing?

All major consumer markets have passed or are developing policies or regulations aimed at excluding illegally harvested timber.

The European Union and the United States have prohibited the sale of illegally harvested timber while Japan's Green Purchasing Law requires its government agencies to buy legal timber products. The adoption of the EU Timber Regulation in 2010 was preceded by a 2008 amendment to the US Lacey Act, which made it an offence to market, process or transport illegally harvested timber in the United States. Australia has released draft legislation, the "Illegal Logging Prohibition Bill 2011", which prohibits the importation of regulated timber products that contain illegally logged timber. China, a major importer of timber and exporter of timber products, and also a fast-growing consumer market, is considering a system to verify the legality of its timber imports and exports. A number of other countries are expected to follow suit.

# 9. If timber exports to Europe will soon require a FLEGT license, what will prevent the Liberian private sector from simply choosing to export to other markets?

Liberia has decided to include all timber exports under its system. There is agreement amongst stakeholders that the Legality Assurance System will offer a mechanism for the Government to enforce law and maintain oversight of the forestry sector. Therefore all timber produced, processed, sold in or exported from Liberia will be covered by the LAS, and all exports complying with the legal requirements will be issued a FLEGT license.

## 10. Can FLEGT-licensed timber only be exported to the EU?

Liberia has decided that all timber exports that meet the legality definition will be issued with a FLEGT License. Licenses that are issued to exports for EU destinations will be numbered differently to those for non-EU destinations, so that it is easier to reconcile shipments of timber sent by Liberia and received by the EU for reporting purposes under the VPA. In all other respects, the licensing will be the same for exports to EU or non-EU destinations.

## 11. What is the connection between VPAs and the EU Timber Regulation?

The EU Timber Regulation prohibits the sale of illegally harvested timber and products manufactured from such timber. It obliges traders who first supply timber or timber products in the EU to exercise 'due diligence' to minimise the risk of selling illegal timber.

The EU Timber Regulation explicitly recognises that the legality of FLEGT-licensed timber has been verified through a FLEGT partner country's control systems agreed under the VPA, and therefore an operator who places FLEGT licensed timber on the EU market fulfils its due diligence obligation

## 12. Will FLEGT-licensed timber attract a price premium in the European market?

Buyers' response to FLEGT-licensed products is difficult to determine, as none is yet available on the international market. However, while the European Commission does not anticipate significantly higher prices, the combination of government timber procurement policies in markets of importance to Liberia and the Timber Regulation are expected to increase demand for FLEGT licensed timber products.

Government procurement contracts represent between 5% and 25% of total timber consumption, depending on the country. Procurement policies in several EU member states stipulate that timber products purchased by central government agencies must at least be verified legal and the European Commission has encouraged European Member States to accept FLEGT licenses as proof of legality in public procurement.

The EU Timber Regulation specifically recognises FLEGT-licensed timber supplies as meeting its requirements. This will provide assurance of compliance with the Regulation's provisions.

#### **ASSURING LEGALITY**

#### 13. What is the basis for defining legality in the VPA?

The legality definition included in the VPA is based entirely on existing Liberian legislation. The definition was developed through a participatory process, by a working group that included representatives from government agencies, civil society, communities and industry, supported by a legal consultant. In developing the definition, areas were identified where greater clarity or further regulation is required. These legal reforms will be taken forwards during VPA implementation.

#### 14. What will change in the legality assurance system?

The legality assurance system builds on the existing national wood tracking system, LiberFor, which has been operating in Liberia since 2008. It relies on the outputs of regulatory controls and law enforcement framed in the management of the forest sector, it introduces additional verification and reconciliations of data to ensure that the timber production has complied with the relevant legislation. Operators that harvest, process, transport, import or export timber in Liberia will need to work with the new system. As part of VPA implementation, operators will be trained in the new requirements.

A major change that stakeholders will notice is that for all timber products exported from Liberia, once the system is fully operational, operators will apply for a FLEGT license rather than the current system of export permits.

## 15. What happens if someone does not comply with the legality definition?

The legality definition is based on Liberia's law, failure to comply will be dealt with as prescribed in law. Detailed guidance will be developed setting out how non-compliance will be handled. The main principle is that all non-compliances detected will be referred to the relevant government agencies and dealt with in the manner described in existing legislation. There are no new laws or penalties for timber that does not comply with the legality definition, although any timber that does not comply will not be eligible for a FLEGT license, so once the system is fully operational, it cannot be exported or sold in Liberia.

#### 16. What happens to illegal timber?

Any illegal timber detected by the Legality Assurance System will be dealt with under existing procedures and laws set out in Liberian legislation. Illegal timber cannot be issued with a FLEGT License which means that, once the system is fully implemented, it cannot be exported to any destination or sold on the Liberian domestic market.

If an importer attempts to bring timber into the EU with a suspected false FLEGT License, the Liberian authorities will be contacted to confirm the situation. If the timber is found to be illegal, then legislation in the European Member State where it was attempted to import it will determine what happens to the timber. The Liberian authorities will be responsible for investigating the source of the timber and how a fake or invalid FLEGT License came into circulation.

# 17. Under the VPA, all timber harvested in Liberia for export to the EU will be verified legal, but what happens if timber from other countries is processed in Liberia and exported to the EU?

Any timber that is imported into Liberia for processing will need to provide evidence of legality, and will be included in the Legality Assurance System. It can then be issued with a Liberian FLEGT License. Timber coming from other countries, that cannot provide evidence of legality, cannot be entered into the Legality Assurance System and so cannot be processed in or exported from Liberia. Detailed guidance will be developed by Liberia, in cooperation with concerned other governments before the system becomes operational on what sources or types of evidence will be accepted by Liberia as proof of legality.

# 18. What happens to timber coming from another FLEGT-licensed country to Liberia? Will the FLEGT license be from Liberia or the previous country?

Timber that is imported into Liberia with a valid FLEGT License is judged to have met the criteria for the Liberian legality definition and will be entered into the Liberian Legality Assurance System. If this timber is later exported from Liberia, it will be eligible for a Liberian FLEGT License.

## 19. Does the VPA address the issue of illegal wood in the domestic market?

Liberia has decided to include the domestic market under the VPA. However this will require significant further consultations with stakeholders as to how this can be carried out in practice and further regulation on chain saw logging, in particular. The domestic market will therefore be phased in later, after the Legality Assurance System has already been established for exports, and once further consultations have taken place.

## LEGALITY AND SUSTAINABILITY, INDEPENDENT CERTIFICATION

## 20. How does the VPA address issues of sustainable forest management?

The VPA Legality Assurance System will improve oversight of forest management and harvesting operations. The LAS will ensure that all the regulations, the social and environmental safeguards that are built into Liberia's legislation to ensure sustainability in forest management are actually put into practice. Therefore, to obtain a FLEGT license and so be able to export or sell the timber, operators will comply with all relevant regulations including requirements for forest management plans, the Liberia Code of Harvesting Practices and social and environmental protection legislation as well as enforcement of social agreements securing local benefits from forest production. Furthermore, the LAS will make it easier for operators in Liberia to obtain SFM certification (such as FSC. PEFC) as the legal requirements, stakeholder obligations, social and environmental safeguards as well as chain of custody requirements will largely be met. However, it is important to note that FLEGT licenses apply to timber from all sources of land use - including trees from agriculture lands and areas designated for change in land use (for farming, infrastructure, etc). Thus while at a national level the FLEGT license system will promote sustainable forest management securing the practical application of policy and law, there may be some FLEGT licensed product that comes from sources where long term forest management is not the land use objective (such as rubberwood plantations, for example). The FLEGT license will always provide assurance that all the legal requirements for the harvesting of timber are complied with.

#### 21. Is independently certified wood accepted as legal under the Liberian VPA?

The Government will assess which certification schemes are compliant with the Liberian system. The process for doing this will be developed as part of the implementation of the legality assurance system. Operators who meet the requirements of an approved independent certification scheme will be able to submit this certificate to the Legality Verification Department as evidence that they are complying with the Liberian legality definition.

#### **REFORMS**

#### 22. What kind of legislative reforms will need to be implemented?

The VPA will reinforce and strengthen the National Forestry Reform Law (NFRL) of 2006 and the Community Forestry Rights Law of 2009 as well as other existing laws relative to the forest sector. The VPA will also implement a system of export licenses to ensure that only legal timber be traded on the European Market and other international markets. An efficient and robust Legality Assurance System and Chain of Custody system as major elements will ensure the implementation.

#### **COMMUNITY IMPACT**

#### 23. What does the VPA say about the rights of communities that depend on the forest?

The rights of communities are strongly articulated in Liberian forest law, both in the national forest law as well as in community forest rights law, the challenge is with implementation. A number of elements of the legality definition deal with the rights of local communities that are potentially affected by forest operations: from the rights associated with the rights allocation processes (to informed consent, to identify forest rights and uses, to benefit sharing),

to those that set out the obligations of operators working in forests nearby affected communities. For example, Principle 3 of Liberia's Legality Definition on 'Benefit Sharing and Social Obligations' focuses on ensuring that government and contract holders comply with their obligations to affected communities. These include provisions to ensure that Social Agreements are agreed and implemented and that fees owed to communities are paid.

In developing the Legality Definition, stakeholders agreed that there are a number of weaknesses in the current regulations and these will be addressed through reforms and development of guidance. In particular, it was agreed to revise guidance on Social Agreements.

#### 24. What provision does the VPA make for social safequards?

Under the terms of the Agreement, Liberia and the EU have committed to monitoring how various stakeholder groups will be affected by implementation of the Agreement and to taking reasonable steps to address these impacts where they are found to be negative. It is important to note however, that representatives of affected communities, NGOs and the private sector have been actively engaged in the negotiation process and so the expectation is that the impacts of VPA implementation will be largely positive.

Image credit: Liberia VPA Secretariat Presenting the legality definition at a community consultation event

#### **IMPLEMENTATION**

## 25. When will the implementation of the VPA start, and when will the first FLEGT licenses be issued?

The Agreement will come into effect after it has been ratified by both parties. In the interim period, preparatory work will be carried out to support implementation of the VPA.

The Issuance of FLEGT Licenses will begin when all of the systems have been developed and are operational. Once these elements have been put into place, the EU and Liberia will commission an evaluation of the Liberian LAS against the set of FLEGT criteria contained in Annex VI to ensure that the system provides a credible guarantee of legality. When the system is found to provide this guarantee, FLEGT Licensing can commence.

It is in the interest of both Liberia and the EU to try and get the FLEGT licensing system implemented and approved as soon as possible. According to the plan that has been developed as part of the VPA, Liberia is expecting that the system can be fully operational and issuing licenses by 2014. From that point, only FLEGT-licensed timber will be exported from Liberia. The licensing system for the domestic market will be phased in later.

#### 26. How will proper verification of forest activities be ensured?

Predicated upon Liberia's desire of ensuring that the LAS is fully complied with by all actors in the VPA process, it will put in place a verification body within the Forestry Development Authority called the Liberia Verification Department (LVD). This department will ensure that all legal requirements – are fully complied with by contract holders prior to issuance of a FLEGT license by the Liberia Licensing Department (LLD) for export of all timber consignments out of Liberia. Additionally, other independent actors will participate in the monitoring and audit processes of the LAS to ensure proper and effective operation of the LAS.

#### 27. Who pays for the Legality Assurance System of the VPA?

In addition to budgetary support from the Government of Liberia, Liberia will seek support from development partners to help build capacities and upgrade control systems.

#### MONITORING AND FOLLOW UP

## 28. How will the implementation of the Agreement be monitored?

The VPA establishes a Joint Implementation Committee (JIC) to facilitate monitoring and review of the VPA implementation. Liberia and the EU nominate their representatives to the JIC. The JIC will ensure effective implementation of the Agreement by means of dialogue and exchange of information. The JIC will report yearly on progress, trade volume with respect to FLEGT licensed product, and complaints arising there from. The VPA puts in place an independent auditor to audit the effectiveness of the FLEGT License scheme as well as the Legality Assurance System which serves as the foundation of VPA. The JIC will also monitor as well report on the VPA.

#### 29. Who will do independent monitoring and how often will it be carried out?

In addition to the monitoring of VPA implementation by the JIC, and of the LAS by an Independent Auditor, the VPA also encourages monitoring of forest governance by independent observers, particularly civil society.

In order to ensure efficient and sustainable forest management, independent monitoring of the forestry sector will be an ongoing process. Reports produced by independent monitors may be shared with the LVD, the national stakeholder committee, the independent auditor, and/ or the JIC.

#### 30. How are stakeholders involved in the VPA following implementation?

There will always be stakeholders' engagement through dialogue, consultation and capacity building. As was done during negotiation of the VPA when the Government set up a multi-stakeholder Steering Committee that provided day-to-day strategic direction and oversight, stakeholders may be involved with the VPA following implementation by serving on the national multi-stakeholder VPA implementation committee to be established to oversee the agreement.

## 31. How will the public be updated on progress and challenges with VPA implementation?

The Joint Implementation Committee (JIC) that will be established by Parties to implement the VPA will have in place reporting and review mechanisms. These will include details on the quantities of timber products exported to the EU under the licensing scheme, actions taken to prevent illegally- produced timber products being exported to non-EU markets or traded on the domestic market, and progress in the achievement of the time-bound actions in the Agreement.

Liberia and the EU agreed to maximise the transparency of information with respect to VPA implementation and performance. In practice this means that the proceedings of the Joint Implementation Committee, as well as the annual report outlining progress with the VPA and the results of monitoring and evaluation processes and the VPA will be made public.

## 32. How can I get a copy of the Agreement?

The text of the agreement, including annexes, will be publicly available following ratification by the two parties. It will be published in the official journal of the European Union and will also be available on the Commission's website and that of the Government of Liberia.

## 33. What is the duration of the Agreement?

The Agreement will last as long as the parties remain committed to adhering to the terms of the agreement and as long as there is no breach that may be injurious to any of the parties.

Image credit: Liberia VPA Secretariat Visit to a forest concession to see logging operations



This information brief has been prepared by European and Liberian experts to inform the public about the VPA. The contents of this brief cannot be taken to reflect the official opinion of the European Union or of the Government of Liberia.

Further information and detail can be found on: http://ec.europa.eu/europeaid/what/ development-policies/intervention-areas/environment/forestry\_intro\_en.htm

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