

# FLEGT VPA Scope

- 1. Products**
- 2. Market Destination**
- 3. Timber Sources**

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## Product Scope

- The VPA annex on product scope identifies the range of timber and timber products covered by a Voluntary Partnership Agreement (VPA). The annex, therefore, determines the parts of the private sector a VPA will affect and what their responsibilities under a VPA will be.
- All VPAs must include logs, sawn wood, veneers, plywood and railway sleepers, but a VPA can also include additional products. To date, in order to cover all of their timber exports to the EU, all VPA partner countries have included additional products, as shown in the next slide.
- The VPA annex on product scope identifies each product by a 'HS' code, in line with the World Customs Union's system for classifying products. HS codes enable customs authorities in the EU to identify the product category to which imports belong.

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## Variation in VPA annexes on product scope

Country	Products covered in addition to logs, sawn wood, veneers, plywood and railway sleepers
Cameroon	Furniture, fuel wood and wooden tools
Central African Republic	Furniture, fuel wood, wooden tools and wooden packing material
Ghana	Furniture
Indonesia	Furniture, fuel wood, wooden tools, wooden packing material, wood pulp, paper and paper products, and kitchen and tableware
Liberia	Furniture, fuel wood, wooden tools, wooden packing material and rubber wood chips. Charcoal will be included at a later stage
Republic of the Congo	Furniture, fuel wood, wooden tools, wooden packing material and charcoal

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## Experiences from other VPA's

- Some VPAs have a two-part annex on product scope. The second part lists timber species and/or products that are illegal to export. In the Indonesian VPA, for example, part A lists the products covered by the Indonesian FLEGT-licensing scheme. Part B lists four classes of products that are prohibited exports under Indonesian law and, therefore, cannot be FLEGT licensed.
- So far, all VPA partner countries have included all timber exports in the scope of VPAs, not only exports to Europe. The scope of all VPAs, except the Central African Republic VPA, includes domestic as well as export markets. The Central African Republic has committed to developing appropriate legislation for community forests and artisanal permits to address domestic market products before including them in the VPA.

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## Scope -Product

- Products listed in the Annex of the Regulation, including:
  - CN 4403 Wood in the rough, CN 4407 Sawn wood, CN 4408 veneer, CN 4410 particle board, CN 4414 wooden frames
  - Pulp and paper of chapters CN 47, CN 48
  - Wooden furniture e.g. CN 9403 30, CN 9403 40
- Some products are not covered, e.g. musical instruments, lamps and lighting fittings, seats
- Printed materials and recycled materials are also exempted
- Note that the annex can be amended and more products will be included in the coming years
- <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:295:0023:0034:EN:PDF>

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## Exemption: recycled materials

- Timber products that have completed their lifecycle, and would otherwise be disposed of as waste are excluded from the scope of the Regulation.
- Example: furniture made from timber recovered from demolition of houses
- Exemption does not apply to:
  - By-products from a manufacturing process e.g. wood chips and sawdust as a by-product of sawmilling



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## 1. Scope (Products)

### **Advantages of a wide product scope**

- More options and flexible for market demand
- Wide control for domestic use Example: Use of charcoal
- Possible future development for wood industry

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## 2. Scope -Market Destinations





EU market is mandatory, potential to achieve positive impact by including other export markets and domestic markets is high

### **Advantages for a wide market (including domestic market)**

- Uniform regulation for all export markets and domestic market
- Independence from regional market demand changes
- Cost/benefit ration for TLAS is better
- International image of Lao legal timber products

Special safeguards for local small companies are needed in order to avoid disadvantages for them

### 3. Scope - Timber Sources

- Production forest  ✓
- Conversion area  ✓
- Plantation  ✓
- Village use forest ( ✓)
  - at the moment this timber is only allowed for internal use of villagers but the future commercial use under a sustainable management plan for unclassified land should be further analyzed

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### Group 1 – Product scope

- Brainstorm the advantages for a wide product scope
- Prepare 5 key messages for approval of wide product scope by national steering committee

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## Group 2 Market destination

- Brainstorm the advantages for all export markets and domestic market
- List three safeguards how to ensure that small scale companies are not affected negatively by the VPA
- Prepare 5 key messages for approval of all markets by national steering committee

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## Group 3 Timber Sources

- What are the benefits to include Village Forests into the Timber sources
- What are the legal restrictions an the moment?
- How can be the focus on un-categorized land for Village Forests be the solution?
- Give recoomendation for the next steps to assess the potential of including Village Forests as a Timber Source under FLEGT/VPA.

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