

Governance reforms through trade agreements

Kate Dooley
FERN

Bonn, May 23, 2012

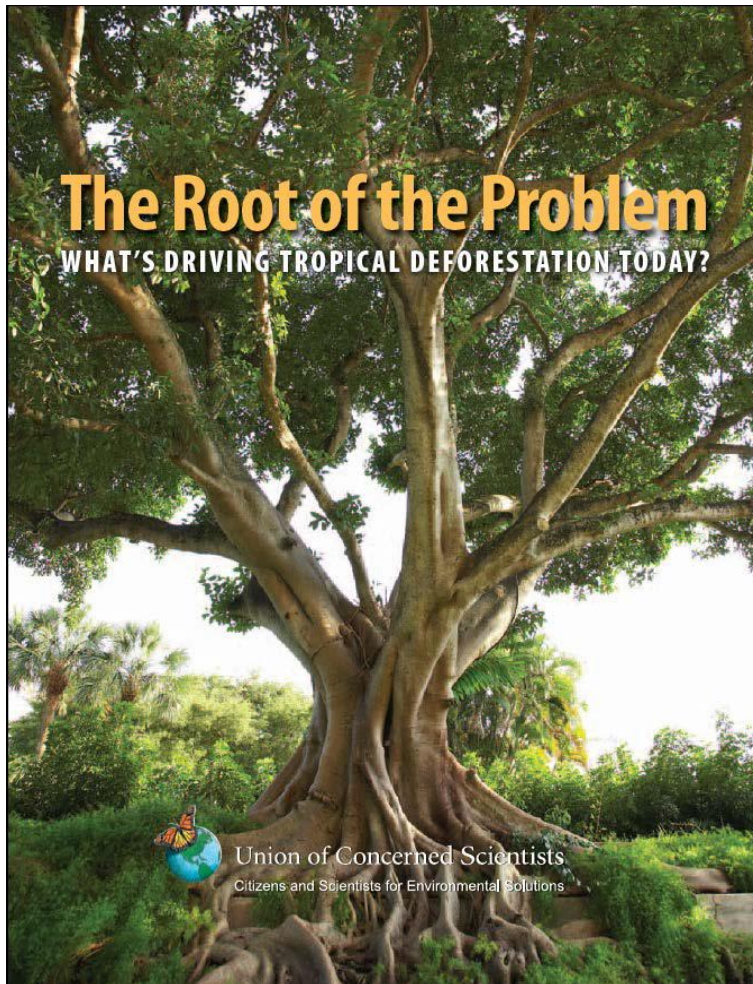


Une ONG œuvrant pour une plus grande justice sociale et environnementale, en se focalisant sur les forêts et les droits des populations de ces régions au sein des politiques et des pratiques de l'Union européenne.

Outline

1. Underlying drivers to forest loss
2. The need for governance reform
3. Models for private sector engagement: lessons from the EU FLEGT Action Plan
4. Conclusions

Underlying drivers to forest loss have shifted



- Global demand, in markets in both developed and developing countries, drives deforestation
- Commercial agriculture and forestry – especially soybeans, beef cattle, palm oil and timber – are now the major drivers

Boucher, et. al. UCS, July 2011



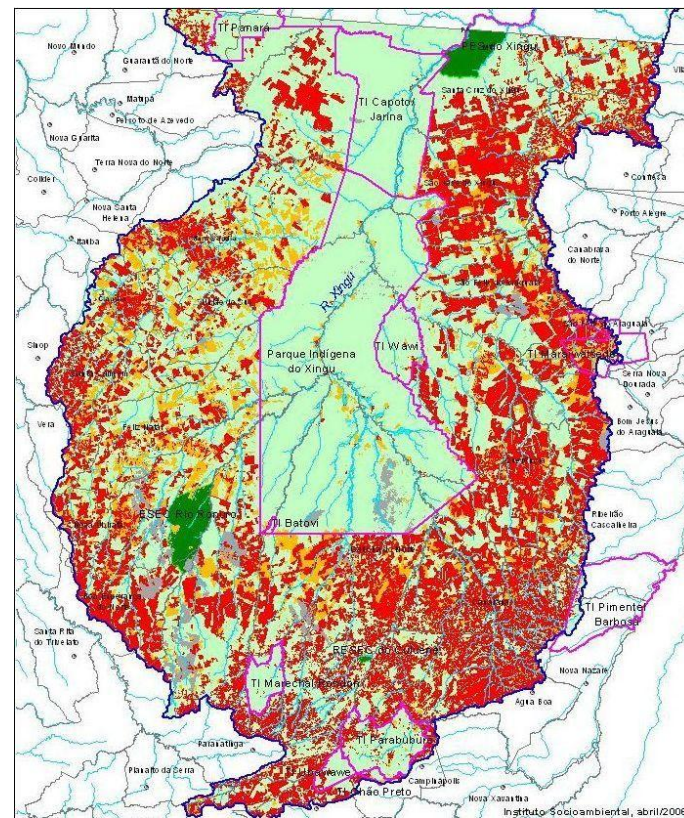
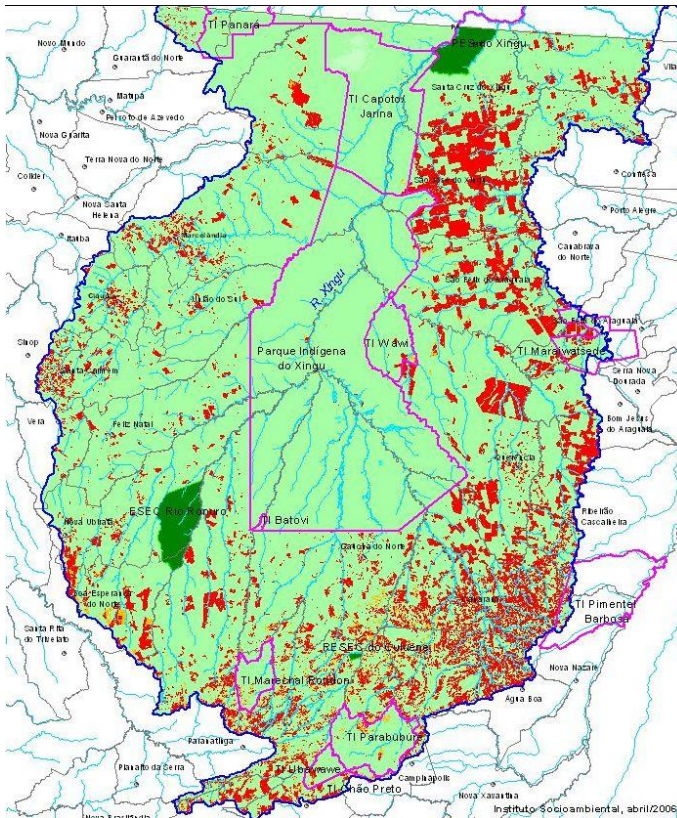
Importance of community forestry

Global studies

- Indigenous territories more effective in Asia and Latin America to limit fires than strictly protected areas (Nelson and Chomitz, World Bank, 2011).
- Community owned forests & local participation in rule making linked to significantly lower carbon emissions in a sample of 80 forests in East Africa, South Asia, and Latin America (Chaatre and Agrawal, PNAS, 2009)

Example: deforestation around Xingú, Brazil

1994 2005



The need to address governance

There is **consensus** that REDD can only work if it improves forest governance

Stern Review; World Bank; ITTO; FAO; WRI; & long etcetera

5 principles of good governance

- Transparency
- Participation
- Accountability
- Coordination
- Capacity



EU FLEGT Action Plan

Forest law enforcement governance and trade



FLEGT licenses (not yet)

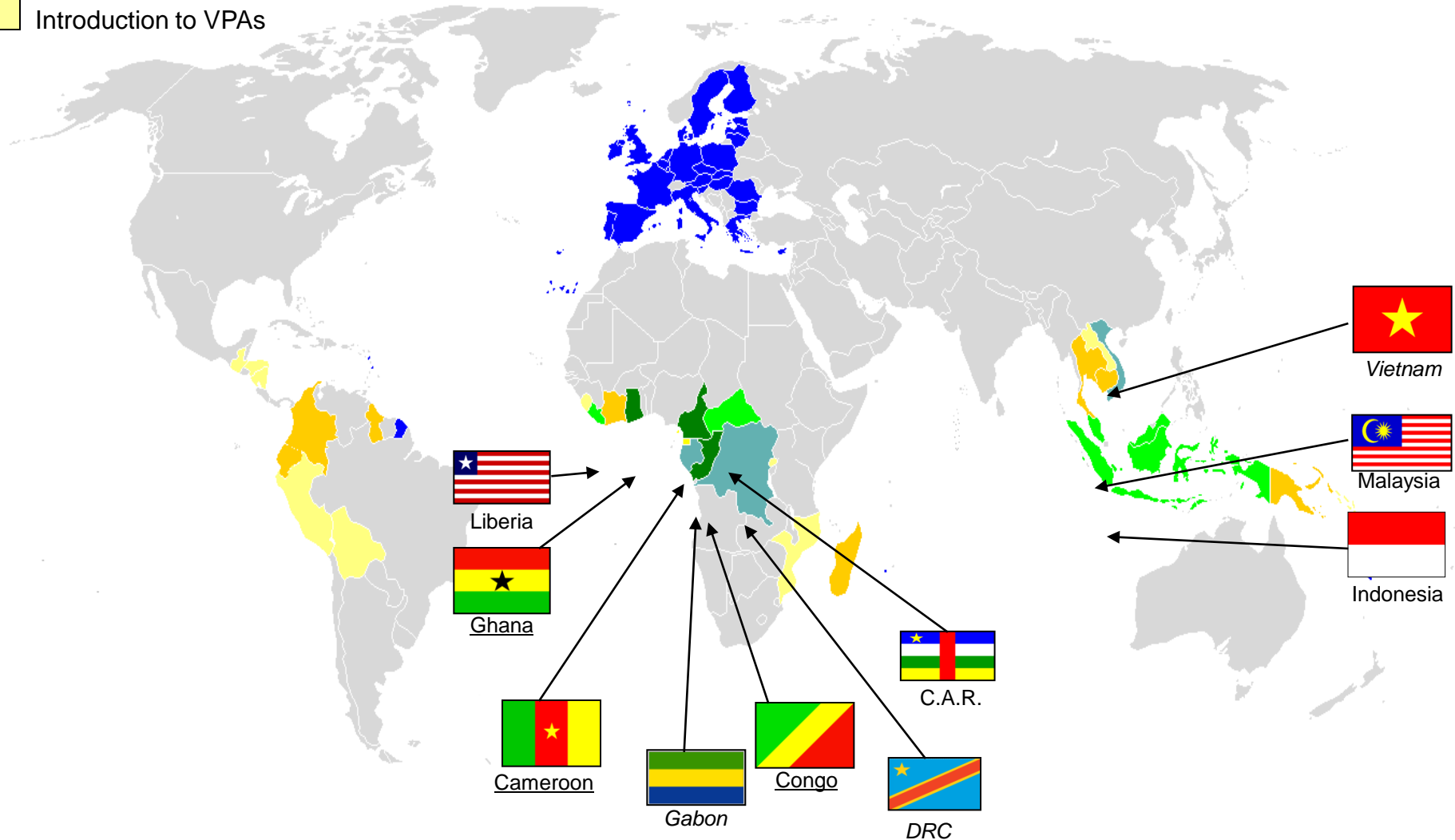
System development

Formal negotiations

Moving to negotiations

Preparation, in-country consensus building

Introduction to VPAs



Vietnam



Malaysia



Indonesia



Liberia



Ghana



Cameroon



Gabon



Congo



C.A.R.



DRC

VPAs – The cornerstone of FLEGT

- **Legally binding bilateral trade agreements** that should have the buy-in of national stakeholders, including NGOs, local communities, indigenous peoples, and the timber industry.
- **VPAs set out the commitments and actions of both parties to tackle illegal logging**, including measures to increase participation of non-state stakeholders and rightsholders, recognise rights of communities to the land and address corruption.

The EU Council conclusions on FLEGT states that VPAs must, among others, “instigate forest sector governance reforms... to:

- **strengthen land tenure and access rights(...);**
- **strengthen effective participation** of all stakeholders... in policy-making and implementation;
- **increase transparency**... including through... independent monitoring;
- **reduce corruption”**



How FLEGT improves governance

- Multi-stakeholder negotiating process
- Full participation of non-state actors in decision making
- Outcomes include commitments to law reform and continued participation in policy reform
- Ongoing processes to share information and build capacity and knowledge on the issue
- Real incentives and sanctions



KEY LESSON and ACHIEVEMENT: law and policy reform is key

- **VPAs** are characterised by a focus on legal review, policy reform and commitment to ongoing participation of non-state actors.
- **REDD** – RPPs are characterised by a focus on technical capacity building for monitoring forest carbon which displaces the commitment to governance reforms.

we can't see the forest for the carbon?

Long term planning for sustainable (economic, social and environmental) development is an essential element of tackling deforestation

You will also find **more information about REDD and FLEGT** and other related issues at

<http://www.fern.org/>

If you would like to receive **further information** about the REDD and FLEGT processes and how they are being implemented, please contact

Kate Dooley

t +32 (0) 2 894 46 98

e kate@fern.org



Une ONG œuvrant pour une plus grande justice sociale et environnementale, en se focalisant sur les forêts et les droits des populations de ces régions au sein des politiques et des pratiques de l'Union européenne.

