

The shipment test for anticipated FLEGT licensed timber for export from Indonesia to the European Union

Briefing Note

November 2012

1. Context

The EU and Indonesia concluded the negotiation of a Voluntary Partnership Agreement (VPA) in April 2011, as an action to combat illegal logging and related trade within the framework of the EU FLEGT Action Plan. Central to this bilateral agreement is a timber legality assurance system (TLAS, known in Indonesian by the abbreviation SVLK). The system will ensure that timber products from Indonesia are produced and exported in compliance with the relevant laws and regulations of Indonesia. The timber legality assurance system is described in the VPA and, once the VPA is operational, will be a keystone in the future issuance of FLEGT licences.

As stipulated in the VPA, a formal assessment of the TLAS will take place before the FLEGT licensing scheme becomes operational. In parallel, the legislative process for the EU-Indonesia VPA is moving forward: signature and ratification of the agreement are expected in 2013.

As part of the VPA implementation process, the EU and Indonesia prepared a shipment test to identify and document any issues hindering the processing of export and import documents or the flow of FLEGT licensed wood products from Indonesia to several countries in the EU. Since the Indonesian FLEGT licensing scheme is not yet operational, the test run relies on proxy FLEGT licences.

The procedures to be followed in the EU are described in detail in the FLEGT Regulation and FLEGT Implementing Regulation: <http://ec.europa.eu/environment/forests/flegt.htm>

2. Scope and objectives of the shipment test

The shipment test includes consignments from 17 Indonesian exporters and 29 EU importers. The export consignments are due to leave Indonesia between mid-October and end of November 2012.

The export consignments are scheduled to arrive in November or early December 2012. Five countries have agreed to accept test shipments: Cyprus, Denmark, Germany, the Netherlands and the United Kingdom. The products in the consignments include plywood, joinery, mouldings, paper and furniture.

The shipment test has four main aims.

- Document and analyse the effectiveness of FLEGT licence issuance in Indonesia.
- Document and analyse the effectiveness of the flow of information and licence documentation between Indonesia and the EU.
- Document and analyse the effectiveness of FLEGT licence handling by importers, competent authorities and customs in the EU.
- Document feedback and recommendations for improvements from stakeholders involved in the shipment test. These stakeholders may include: licensing authorities; exporters

and licensees; independent forest monitors and civil society groups in Indonesia; the Licence Information Unit of the Ministry of Forestry of Indonesia; the Indonesian ministries of Trade, Industry and Foreign Affairs; Indonesian Customs officials; importers in the EU, FLEGT competent authorities; and customs officials of countries in the EU.

3. The shipment test in the EU

In the European Union, FLEGT competent authorities, customs officials and importers and forwarding agents will be visited because they play an important role in the success of the shipment test. Three EU countries will be visited during the shipment test: Germany, the Netherlands and the United Kingdom.

For a list of FLEGT competent authorities with contact information, see this official list:

<http://ec.europa.eu/environment/forests/pdf/LIST%20of%20CAs.pdf>

For the importers

The Indonesian exporters participating in the shipment test will forward you three copies of the proxy FLEGT licence ('Original', 'Copy for EU Customs Authority' and 'Copy for Importer'). We request that you handle this proxy licence as defined by the scheme for importing FLEGT licensed timber into the EU:

- Forward the 'Original' and 'Copy for EU Customs Authority' to the FLEGT Competent Authority for verification of the validity and authenticity of the licence (see the list of Competent Authorities attached to this note)
- Insert 'FLEGT' and the licence number in box 44 of the 'Single Administrative Document' for customs declaration

For FLEGT competent authorities

- Verify the validity and authenticity of each proxy FLEGT licence in accordance with your own procedures.
- Where necessary, physically check the shipment in accordance with your own procedures to establish whether it conforms to the information provided in the proxy FLEGT licence. (In some instances you may delegate physical checks to customs.)
- Contact the Indonesian Licence Information Unit to test the communication link. (See Section 4).
- Ensure that the customs authority receives their copy of the proxy FLEGT licence that has been approved by the competent authority.

For customs officials

- Verify that the import consignments included by this test run are accompanied by proxy FLEGT licences. (Information on the test shipments will be provided separately.)

- Verify that the FLEGT competent authority in your country has approved the proxy FLEGT licence.
- Release products for free circulation after approval of the proxy FLEGT licence.

A consultant who is assisting in the shipment test will contact importers, FLEGT competent authorities and customs officials to provide further information and document the process on the EU side.

4. Key contacts

Indonesia

The Indonesian authority to be contacted for information on the shipment test is:

Indonesia Licence Information Unit (LIU)

- Mariana Lubis, Ministry of Forestry, Republic of Indonesia
annalubis(at)yahoo.com
+62 21 573 0269, +62 21 573 0268

Other contacts in Indonesia

- Andy Roby, Co-Director
Multistakeholder Forestry Programme
andyroby2001(at)yahoo.com
+62 21 570 1107
- Een Nuraeni, consultant
enuraeni1(at)gmail.com
+62 21 570 1107, +62 811 117 1573

European Union

- Xavier Rossi
The EU FLEGT Facility of the European Forest Institute (EFI)
xavier.rossi(at)efi.int
+34 93 515 32 11
- Gunther Hentschel, EFI consultant
Ghentschel(at)fastmail.fm
+49 151 212 466 23