

EUROPEAN COMMISSION - PRESS RELEASE

Milestone agreement to prevent illegal wood imports to EU from Central African Republic and to boost the country's timber sector

Brussels, 28 November 2011 - By 2014, all shipments of wood products to the European Union from the Central African Republic will be required to carry a licence certifying their legal origin, after a Voluntary Partnership Agreement (VPA) was signed today between the EU and the Central African Republic.

The agreement also provides European consumers with the assurance that wood products imported from the Central African Republic, including furniture and wood chips used for bio-fuel, are of legal origin. The Agreement comes as a result of the strong mutual commitment to eradicate illegal logging and to bring more transparency to the timber trade. Besides ensuring the legality of its timber exports, the agreement will also promote the sustainable management of forests in the country.

Development Commissioner, Andris Piebalgs, said: "Today's agreement will be a significant step forward in the Central African Republic's journey towards an improved legal and business environment for the timber trade." He added: "This agreement also contributes directly to poverty reduction by supporting the timber sector which is the country's biggest private employer".

Emmanuel Bizot, Minister for Water, Forestry, Fishing, Hunting and Environment in the Central African Republic said: "We are pleased to sign this Voluntary Partnership Agreement, since it represents the commitment of both the European Union and the Central African Republic to the issue of sustainable management of forests, and their governance. This is one important aspect of tackling climate change, with the added benefit of boosting trade to improve the livelihoods of forest communities through the development of environmental services".

With 31% of the country covered by tropical forests, forestry activities are the third most important source of GDP of the Central African Republic, second in terms of exports and government revenue collection. As the country's main private sector employer, the forest sector contributes 4% of GDP, and 40% of the country's total export revenues.

Under the agreement, in which local stakeholders, such as timber companies and NGOs, have been involved, the Central African Republic intends to set up a national system to ensure legal compliance in timber production, covering all wood products destined for the EU as well as those sold on the domestic market and to non-EU markets. At the same time, the EU will guarantee unrestricted access to its markets for all wood products from the Central African Republic. These stronger control systems will also enable the Central African Republic to stop illegal deforestation and environmental degradation that contribute to climate change.

Contacts :

<u>Catherine Ray</u> (+32 2 296 99 21) <u>Wojtek Talko</u> (+32 2 297 85 51)

Background

The Central African Republic is a landlocked country, ranked among the world's 22 poorest nations, with 62% of the population living below the poverty line (determined at \$1.25).

This Agreement will help to conserve the country's tropical forests and to maintain much-needed jobs in the timber industry. Some 1.8 million hectares (ha) – of a total 3.6 million ha – of tropical forests are currently commercially explored by 11 timber companies. By increasing the law compliance in different areas - including social and economic areas - the Agreement will also enhance community development. In concrete terms, thanks to the legality assurance system, the Central African authorities will be able to better control taxes incomes and the respect of the labour laws. Moreover, an independent auditor will be recruited to check if the system is fully operational.

The Central African Republic is the fifth country in Africa to engage with the European Union in a FLEGT Voluntary Partnership Agreement, after Ghana, Cameroon, the Republic of Congo and Liberia.

For more information:

MEMO/11/278 – Update: Frequently asked questions on illegal logging

More information about the Forest Law Enforcement Governance and Trade initiative:

Website of EuropeAid Development and Cooperation DG:

http://ec.europa.eu/europeaid/index_en.htm

Website of DG Environment:

http://ec.europa.eu/environment/forests/flegt.htm

See also <u>MEMO/10/474</u> – Frequently asked questions on illegal logging

Website of Commissioner Piebalgs:

http://ec.europa.eu/commission_2010-2014/piebalgs/index_en.htm#news_navigation