

FSC Briefing

April 2016

Cameroon Recognizes FSC Forest Management Certification as FLEGT-Compliant: A Welcome Precedent

May 2nd, 2016

Summary

Since 20 January 2016, the government of Cameroon has recognized Forest Stewardship Council (FSC) forest management (FM) certificates granted by Bureau Veritas (BV) as "FLEGT-compliant". This is the first ever formal recognition within the framework of the EU Forest Law Enforcement Governance and Trade (FLEGT) programme that FSC FM certification can serve as verification of legal harvesting. The Rainforest Alliance, currently the only other FSC FM certification body in Cameroon, is also expected to receive the same recognition.

As Cameroon has not completed the timber legality assurance system (TLAS) required by its Voluntary Partnership Agreement (VPA) with the EU, it cannot yet award "FLEGT licenses" to companies for the export of wood or wood products. Such licenses are recognized by the EU as automatic evidence of legal sourcing, which relieves EU importing companies from the due diligence obligations required by the EU Timber Regulation. Nevertheless, the step taken by the government of Cameroon is important as from now on these FM companies will achieve automatic legality confirmation from the authorities. Although this is not an approved FLEGT license, it can be used for due diligence reporting by EU importing companies. This shows clearly that, in practice, FSC FM certification is a reliable tool for verifying legality, and that its alignment with FLEGT VPAs is a possibility.

The government of the Republic of Congo is currently assessing the validity of the FSC Congo National FM standard for the same purpose.

Specifics

Six tropical timber exporting countries currently have a VPA with the EU on FLEGT: Ghana, Indonesia, Cameroon, Central African Republic, the Republic of Congo, and Liberia. Negotiations with several other countries are also on-going.

VPAs include forest legislation reform and enforcement measures, with structural, longterm civil society engagement, and assistance from the EU. Enforcement must be structured through a TLAS which – once completed and approved by the EU – results in the granting of FLEGT licenses





harvesting, and importers in the EU do not need to apply the due diligence required by the EU Timber Regulation. $^{\rm 1}$

Cameroon, Central African Republic, the Republic of Congo, and Liberia all have a clause in their VPA that allows for the approval of private legality or sustainability certification schemes as FLEGT-compliant. In both Cameroon and the Republic of Congo, there is already a national FSC standard which is being used as a basis for actual FSC FM certification. Therefore, in 2013, FSC asked the governments of Cameroon and the Republic of Congo to recognize its national FM standards as FLEGT-compliant. Both governments responded positively and started to develop a methodology for formal recognition. The Cameroon government chose to set up a recognition method for certification bodies which were accredited for FSC FM standards. The Republic of Congo is still working on its method.

In March 2016, the Cameroon government published its decision to recognize FSC FM certificates granted and audited by Bureau Veritas as FLEGT-compliant.² The decision, which is valid for five years, also includes certification through BV's own origin and legality (OLB) verification scheme which covers both FM and chain of custody (CoC) certification.

Being FLEGT-compliant means that the certificate and its related audit procedure are considered to fulfil all the requirements laid down in the Cameroon VPA. So foresters who have a Bureau Veritas FSC FM certificate are regarded to automatically comply with Cameroon's forest legislation.

The recognition applies to FSC FM certificates only, not to FSC CoC certificates. Once the TLAS starts working, exporters will still face controls by the official FLEGT authorities before the exported products can be granted a FLEGT license, unless they choose to combine their FSC FM certification with BV-OLB CoC certification. Whether this can change in the future, so that FSC CoC certificates are also considered FLEGT-compliant, remains to be seen.

The second FSC FM certification body in Cameroon, Rainforest Alliance (RA), is also being assessed by the Cameroon FLEGT authorities.

Consequences

First, Cameroon has now shown how integration of FSC certification into a TLAS is possible in practice.

Second, FSC-certified forest companies in Cameroon can now be certain that their operations are regarded by the Cameroonian FLEGT authorities as compliant with all relevant Cameroonian legislation, which will be proven with a form of automatic legality confirmation these companies will receive from now on. This will certainly help European importers to provide evidence of legality for imported FSC-certified wood and wood products originating from Cameroon.

¹ For more information about VPAs, see the European Forest Institute website.

² Decision 0016/MINFOF/SG.DF of 20 January 2016, available from FSC on request.



Reservations

As long as the Cameroonian TLAS has not been finalized and accepted by the EU, the government's recognition of FSC FM certification cannot replace the due diligence obligations of the EU timber regulation; the recognition will only be assessed by the European Commission as part of its overall assessment of a finalized TLAS. It is only then that FLEGT licenses will be issued. On the other hand, a company importing Cameroonian timber with an FSC FM certificate issued by BV - and, in the future, most likely with an FSC FM certificate issued by Rainforest Alliance – can, in practice, refer to the recognition as substantial evidence of domestic confirmation of legal harvesting, and make this part of its due diligence system.

A second reservation is that the recognition is related to the current FSC Cameroon FM standard. This standard – along with all other FSC national FM standards in the world – is currently being revised to bring it in line with the most up-to-date version of the *FSC Principles and Criteria* (V5) and its associated <u>international generic indicators</u>. So when the newly revised standard enters into force, the Cameroonian government will have to reconfirm its recognition. This should not be problematic, as the legality definition in the new FSC standard will remain consistent with the one from the Cameroonian VPA, but it may cause an interruption.

Conclusion

The recognition of FSC FM certificates in Cameroon as FLEGT-compliant is very welcome. It shows how the FSC scheme can assist governments with legality compliance, and how foresters who go all the way to FSC certification – in particular in the tropics – can automatically gain the benefit of legality recognition. A further step forward would be if VPA countries were also to recognize FSC's CoC standard, so that certified material could automatically be granted a FLEGT license. A special FSC <u>publication</u> in March 2015 explained this potential complementarity.

As already discussed, of the other five countries with a ratified VPA, the Republic of Congo is also considering recognition of FM certification. The VPA of a third country with considerable timber exports to the EU – Indonesia – does not include the option of recognizing private certification schemes as FLEGT-compliant in its VPA, but neither does it exclude the possibility. Following the Cameroon example, the Indonesian government could assist legality enforcement by combining it with access to the world's most credible and used sustainability certification scheme.

Negotiations on the VPAs for Malaysia, Vietnam, Honduras and several other countries could also profit from this first experience of recognizing FSC FM certification as verification of legal harvesting.

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Annex 1. References to voluntary schemes in the Cameroon and Congo VPAs

CAMEROON VPA:

"In the specific case of forestry entities holding a private certificate of legality and/or sustainable forest management, which (i) is recognised and approved by the Minister responsible for forests, which defines the conditions of issue of approvals to certifiers and private auditors, (ii) has a credible and independent audit and (iii) uses a reference tool which must include all the requirements of the Cameroon legality matrices, these will be acknowledged as being in conformity with the legal situation in Cameroon. Such forestry entities will thus receive the 'certificate of legality' from the central departments responsible for verifying legality, on the basis of the valid certificate renewed annually, which will be request during the monitoring audit."

From the VPA EU-Cameroon, p. 69 <u>http://eur-lex.europa.eu/legal-con-</u> tent/EN/TXT/?qid=1450341651671&uri=CELEX:22011A0406(02), accessed 27 April 2016.

REPUBLIC OF CONGO VPA:

"3.3 Verification of legality in certified forestry concessions

The various standards taken into account by the private bodies for the certification of forestry concessions in Congo (FSC, OLB, TLTV) have fully incorporated the main criteria, indicators and verifiers relating to:

- the legal existence of the company,
- the holding of periodic licences permitting the activities,
- compliance with legal and regulatory provisions relating to forestry,
- compliance with regulations relating to management, forestry, timber processing and tax
- compliance with environmental rules,
- subcontracting work in accordance with the regulations.

A formal assessment of the standards for the private certification of forestry concessions in Congo (FSC, OLB, TLTV currently used in Congo and any other standards) with respect to the legality matrix will be carried out by the IGEF during the system development phase. Following this assessment, a report is drawn up that will be published and publicly accessible.

If this assessment is favourable, the private certification system will be approved by the IGEF. This approval will be published. It will hence allow the IGEF to grant a legality certificate to companies certified under such a system, without the IGEF having to carry out any



specific assessment itself, avoiding a double verification of legality in these certified forestry concessions.

However, the forestry company receiving this approved certification has to send the General Forestry Economy Inspectorate all certification audit reports drawn up under the private certification system to enable it to monitor compliance with legality in this process and thus enable the issuing of the legality certificate in respect of the company concerned. It also has to inform the IGEF immediately of any suspension or withdrawal of the private certificate. The terms for carrying out the corrective actions required under private certification systems will be laid down during the system development phase."

From the VPA EU-Republic of Congo, p. 92 <u>http://eur-lex.europa.eu/legal-con-</u> tent/EN/TXT/?uri=uriserv:OJ.L_.2011.092.01.0126.01.ENG&toc=OJ:L:2011:092:TOC#L_2011092EN.01012701, accessed 27 April 2016.