

WORKSHOP SUMMARY

Seventh Regional Training Workshop on Timber Legality Assurance

19 - 21 November 2019, JAKARTA, INDONESIA

EU FLEGT
Facility



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Introduction

Representatives of the Governments of Indonesia, the People's Republic of China, Japan and the Republic of Korea, as well as of the European Union (EU), the Association of South East Asian Nations (ASEAN) Member States (MS) and the ASEAN Secretariat, gathered to share progress under national and regional efforts to tackle illegal logging and its associated trade, as well as demand-side measures for trade in legal timber products. The workshop took place in Jakarta, Indonesia, from 19 to 21 November 2019. The EU FLEGT Facility, hosted by the European Forest Institute (EFI), the ASEAN Secretariat, the Ministry of Environment and Forestry (MoEF) of the Government of Indonesia and the Multi-stakeholder Forestry Programme phase 4 (MFP4) co-organised the event.

The workshop was officiated by:

- Dr. Ruffie, Director of Forest Products Processing and Marketing, MoEF
- Mr. Lucas Cibor, Deputy Head of the EU Mission to ASEAN
- Dr. Pham Quang Minh, Assistant Director, Food Agriculture and Forestry Division, ASEAN Secretariat
- Mr. Bojan Grlaš, Team Leader for International Forest Issues, Directorate General of Environment of the European Commission (DG ENV, EC)

The workshop was the seventh in a series that have taken place in Vietnam (2010), Malaysia (2012 and 2013), Laos (2014), Indonesia (2016) and Thailand (2018).

Approximately 70 participants attended the workshop, including government officials, members of civil society organisations and private sector representatives from nine ASEAN MS (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Thailand and Vietnam). China was represented by the National Forestry and Grassland Administration (NFGA) and the Chinese Academy of Forestry (CAF), Japan by the Embassy of Japan in Indonesia, and the Republic of Korea by the Korean Forest Service (KFS). Also in attendance were representatives from the EU Headquarters, two EU Delegations to ASEAN MS (Indonesia and the Philippines), the Food and Agriculture Organization of the United Nations (FAO) and MFP4 of the Department for International Development of the United Kingdom. Resource persons came from the EU, the EU FLEGT and REDD facilities, the ASEAN Secretariat, the United Nations Office on Drugs and Crime (UNODC) and FAO-EU FLEGT Programme.



Group photo during the opening ceremony

Opening remarks

- On behalf of MoEF, **Dr. Ruffi'ie** welcomed all delegates to the 7th Regional Workshop on Timber Legality Assurance and to Jakarta. He stated that the Workshop coincidentally marked 10 years of implementation of the Indonesian timber legality assurance system (TLAS), the *Sistem Verifikasi Legalitas Kayu* (SVLK) and three years of Forest Law Enforcement, Governance and Trade (FLEGT) licensing under the Voluntary Partnership Agreement (VPA) between Indonesia and the EU. He provided an overview of Indonesia's efforts to tackle illegal logging and associated trade over the last three decades. He described how Indonesia transformed its image from the major source of illegal timber and timber products to the first country to issue FLEGT licences, which verify that timber and timber products exported from Indonesia are legal under a rigorous TLAS. He also emphasised that in 2018, the export value of legally-certified timber and timber products from Indonesia grew significantly, from USD 6 billion in 2013 to USD 12.2 billion. Dr. Ruffi'ie pointed to the continuous improvements that Indonesia has made to ensure the robustness of its TLAS, including by reforming regulations, maintaining fairness in the verification and certification process, exploring the feasibility of e-licensing, and ensuring inclusive stakeholder participation, in particular of small and medium enterprises (SMEs). He also congratulated ASEAN MS currently engaged in VPA negotiations with the EU, as well as those implementing measures related to the EU Timber Regulation (EUTR). He then extended his congratulations to Japan and South Korea on the implementation of policy on legal timber procurements, and China on its efforts to ensure trade in legally-harvested timber and timber products.

- **Mr. Lucas Cibor**, Deputy Head of the EU Mission to ASEAN, welcomed all participants to the workshop on behalf of the EU Mission to ASEAN. He also congratulated Indonesia on the 10 years of SVLK implementation and three years of FLEGT licensing, noting that they serve as examples of the success of VPAs in reducing illegal logging and its associated trade. Mr. Cibor emphasised that FLEGT ensures adequate forest protection and helps build trust between consumers and producers while meeting current needs for legal timber without jeopardising the developmental and environmental needs of the future generations. He said a VPA is a win-win, bilateral agreement that benefits society and the environment by blocking illegal operators, while improving transparency and governance of the forest sector to deliver benefits to local communities. He encouraged participants to discuss the promotion of timber legality and SME engagement, and share knowledge and VPA success stories.
- On behalf of the ASEAN Secretariat, **Dr. Pham Quang Minh** welcomed all participants and extended his gratitude to the Government of Indonesia, MoEF, the EU and the EU FLEGT Facility, for hosting the workshop. He emphasised that it has received full support from the ASEAN Senior Officials on Forestry (ASOF) since 2010. He recalled that in 2007, ASEAN Leaders adopted the ASEAN Declaration on Environmental Sustainability to strengthen law enforcement, promote environmentally-sustainable practices, and combat illegal logging and associated illegal trade. He also stated that FLEG (Forest Law Enforcement and Governance) is a priority in ASEAN cooperation. He said the endorsement of the Work Plan for FLEG in ASEAN 2016-2025 by the 38th AMAF in 2016 marked the ASEAN's commitment for FLEG implementation and regional efforts to enhance sustainable forest management practices and combat illegal logging. He noted that ASEAN recognised that effective FLEG implementation would provide environmental, social and economic benefits to the region, enhance the competitiveness of ASEAN forestry products in the global market and expand developmental opportunities for future generations. Dr. Pham underlined that forestry is expected to contribute to achieving the ASEAN vision of doubling intra-ASEAN trade by 2025. He stressed that ASEAN would therefore encourage ASEAN MS to develop a standard for timber legality assurance by building on the ASEAN Criteria and Indicators for Legality of Timber. He added that this standard will be an important step towards the development of a mechanism for mutual recognition of legality of timber, which may provide the opportunity to support trade facilitation among ASEAN MS.
- **Mr. Bojan Grlaš**, Team Leader for International Forest Issues, Directorate General of Environment of the European Commission (EC), mentioned that the EU is actively engaged in FLEGT/VPA processes across the ASEAN region. He pointed to collaborations with China, Japan and South Korea, as well as with partner countries in Africa and Latin America. He said the EC also works on demand-side measures in the EU under the EUTR. Mr. Grlaš mentioned that the success of FLEGT licensing in Indonesia should be considered as a key achievement under the EU FLEGT Action Plan. He noted that the EC continues to collaborate with VPA and non-VPA countries on FLEGT-related issues to ensure compliance with the EUTR outside the VPA context. He welcomed upcoming presentations by ASEAN MS and ASEAN plus three

countries on their experiences in reducing illegal logging and its associated trade, as well as experience sharing on EUTR implementation in the EU.

The workshop featured presentations, discussions, thematic group work and a field visit to an SVLK-certified company, PT KAYU PERMATA (door manufacturer). The objective of the field visit was to observe the working of the Indonesian TLAS (SVLK) at the processing end of the supply chain and to learn how a FLEGT licence is issued in Indonesia. Annex 1 contains the workshop's agenda.

Objectives

The workshop aimed to:

- Exchange practical experience with Indonesia on VPA implementation, FLEGT licensing and monitoring.
- Discuss progress in other ASEAN MS and ASEAN plus three economies on ensuring and documenting timber legality.
- Increase multi-stakeholder collaboration among ASEAN MS on forestry, governance and trade issues.
- Increase inter-agency coordination on environmental and forest law enforcement and sound landscape management in the context of climate change.
- Increase understanding of challenges and opportunities, including gender, for small and micro-economic entities to participate in legal and sustainable supply chains.

Sessions overview

Day 1

Session 1: Setting the scene – Overview on recent developments

After the Opening Ceremony, session 1 started with a presentation by Dr. Alexander Hinrichs, who provided an overview of timber legality developments in the Southeast Asian region. Mr. Dian Sukmajaya then presented updates on the Work Plan for FLEG in ASEAN (2016-2025). The session concluded with a presentation by Mr. Bojan Grlaš titled 'Six years of EUTR: the EU's experience with regulating its market for timber legality.' Below are summaries of the three presentations.

- **Overview of timber legality developments in the Southeast Asian region**
 - **Indonesia**
 - National TLAS (SVLK) operating and enshrined in law.
 - FLEGT licensing since 15 November 2016
 - **Vietnam**
 - National TLAS fully designed - VPA ratified in 2019, national TLAS regulation under development, important role of import controls
 - **Thailand and Laos**
 - Multi-stakeholder processes and legal reforms
 - VPA negotiations/drafting of VPAs
 - **Malaysia**
 - VPA negotiations on hold. Legality assurance actions in Sabah, Sarawak and Peninsular Malaysia
 - **Myanmar**
 - Increasing awareness of FLEGT issues through national and regional multi-stakeholder groups
 - **Brunei, Cambodia and the Philippines**
 - Awareness of FLEG(T), engaging in regional dialogues
 - **China**
 - China is drafting amendments to its Forest Law and establishing a timber legality framework to govern its domestic industries comprising voluntary guidelines and a China Timber Legality Verification System (CTLVS) with certification for members. Since 2016, the NFGA has worked with the Ministry of Commerce and China Customs. Internationally, China is actively implementing bilateral memoranda of understanding, engaging in policy dialogues, including a Bilateral Coordination Mechanism on FLEG with the EU, and promoting private sector commitments. There is no mandatory legislation on timber procurement yet.
 - **Japan**
 - The Clean Wood Act and Ministerial Ordinances came into force in May 2017. The Act established a voluntary registration system of business

entities who commit to ensure that they handle legal timber. The Government promotes the registration of wood-related business entities. It collects and provides information to them.

- **South Korea**
 - The Government adopted an Act on the Sustainable Use of Timbers in 2012. Article 34 of the Act stipulates that the State and local governments would establish measures against illegal timber. The revised Act on the Sustainable Use of Timbers was passed in March 2017. It includes articles on countermeasures against illegal timber trade. A one-year trial of the implementation of this legislation was carried out from 1 October 2018 – 30 September 2019. It has been fully implemented since 1 October 2019.
- **Updates on the FLEG Work Plan in ASEAN (2016-2025)**
 - FLEG is a cross-cutting theme for many of the Working Groups under the ASEAN cooperation in food, agriculture and forestry. ASEAN has developed various documents to improve forest governance, including:
 - ASEAN Guidelines for Chain of Custody of Legal and Sustainable Timber
 - ASEAN Guidelines on Phased Approach to Forest Certification
 - ASEAN Criteria and Indicator (C&I) for Legality of Timber
 - Study on Existing Initiatives for Ensuring Legal and Sustainable Timber in ASEAN
 - Manual for Assessing FLEG implementation in ASEAN MS
 - ASEAN Voluntary Code of Conduct on Imports for Forest and Timber Companies
 - Moving forward, the Work Plan for FLEG in ASEAN (2016-2025) will focus on the following key activities:
 - Developing a manual, guideline, handbook on good practices in FLEG implementation
 - Developing a regional framework for mutual recognition of the legality of timber
 - Promoting dialogue with the private sector in increasing forest products trade
 - Encouraging private sector marketing of legal forest products
 - Enhancing partnerships with development partners, international organisations, private sector and civil society organisations (CSOs)
 - Promoting dialogue on linkages between FLEG and REDD+
 - Promoting and implementing training programmes on FLEG
 - Supporting SMEs in enhancing their capacity to meet regional/international trade requirements in forest products
- **Six years of EUTR: the EU's experience with regulating its market for timber legality**
 - The EUTR aims to counter the trade in illegally-harvested timber and timber products. It prohibits the placing on the EU market of illegally harvested timber and products derived from such timber. It also requires from EU operators that place timber products on the EU market for the first time to exercise due diligence to minimise the risk of introducing illegal timber in their supply chain.
 - Under the EUTR, legality of timber is considered in relation to the legislation of the country of harvest. No legality standard is imposed by the EU. Operators

have to demonstrate that the timber has been harvested in accordance with the national law and that there is no contamination throughout the supply chain. There can be no exception in any case. Only timber and timber products covered by FLEGT licences or permits delivered under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are automatically recognised as legal under the EUTR.

- To implement the EUTR, all Competent Authorities (CA) in EU Member States are performing checks and taking action when faced with EUTR breaches. The EC monitors and facilitates enforcement of the regulation by Member States.
- CSOs assist in evidence gathering and have often triggered checks that resulted in penalties. Substantiated concerns raised by CSOs are taken seriously. Some have resulted in court cases.
- Below is the summary of checks conducted between January and June 2019:
 - 14 countries checked domestic operators (eight identified unsatisfactory due diligence systems) and 22 countries checked importing operators (19 identified unsatisfactory due diligence systems)
 - CAs conducted 2948 domestic operator checks and 477 importing operator checks
 - Nine countries received a total of 171 substantiated concerns

The presentations were followed by discussions. Below are key discussion points.

- The EUTR provides that the legality of timber is determined by the law of the country of harvest. The laws of the countries of harvest differ. Taking into consideration State sovereignty, the EU thus avoided setting a standard that would be imposed on countries. Each country of harvest knows best how to develop and enforce regulation that would address this topic. Based on the EU experience, it is important to understand differences in each country and reflect these particularities.
- The EU developed a guidance document on how to deal with timber from areas considered to have a high corruption rate. The EU and EU Member States are not in any position to establish a checklist to prove legality. This is because each shipment can be very specific.
- Checks performed by CAs in the EU vary as they are based on the particular situations. Checks can be performed with or without announcement to the operators. It is important that CAs can enter the company without prior announcement. CAs can contact operators in different ways: emails, phone calls, physical checks, and checking the financial flow of the operators.
- ASEAN recently completed a project supported by the Japan ASEAN Integrated Fund (JAIF) and led by the Forest Research Institute Malaysia (FRIM) on equivalent timber names: local, scientific and trade names. The [Equivalent Timber Names report](#) is available for download. Indonesia and Malaysia are quite advanced in terms of wood identification technology that can potentially be developed further for the development of a regional database. ASEAN has initiated a project on training on wood and plant identification using computer vision and infra-red spectroscopy. It is exploring collaboration with partners, including on the development of a regional database of wood species.

Session 2: Shared learning – Developments in Indonesia

This session opened with a presentation by **Dr. Ruffi'ie** on the 10 years of the SVLK and three years of FLEGT licensing: the Indonesian experience. Below are key points from this presentation.

- The SVLK was developed through a multi-stakeholder consultative process and is based on Indonesian laws and regulations. It demonstrates Indonesia's strong commitment to sustain its forest resources.
- SVLK sustainable forest management standards cover four key areas. First, legality of tenure, harvest and business operations, as well as compliance with applicable environmental requirements. Second, adherence to sustainable forest management throughout the production cycle, including forest fire prevention and use of environmentally-friendly technology. Third, ecosystem maintenance and protection, including of its biodiversity and natural resources. Fourth, adherence to the principle of free and prior informed consent (FPIC) by consulting with local or 'adat' communities on production activity and in settling issues regarding tenure; and compliance with all labour standards, including workplace safety.
- As of September 2019, SVLK certification was granted to 3 267 timber industries, 391 forest management units, 301 privately-owned forest operations, 208 timber depots and 166 non-producer exporters (traders). Since November 2016, the SVLK has issued 1 153 866 V-Legal Documents, of which 118 269 are FLEGT licences for exports to the EU Member States. All the timber harvested in natural forest concessions and the one coming from plantation forest concessions is SVLK certified.
- Some of the technical issues and challenges identified throughout the years include complex and long supply chain of timber imports; proof of price premium of FLEGT-licenced timber and timber products; cost of SVLK certification; simplification of procedures for SMEs and newly-established small producers that need to be certified.
- Efforts taken by Indonesia to resolve these issues have included:
 - Reviewing/revising regulations, and strengthening law enforcement
 - Simplifying procedures and requirements to ease verification and certification of SMEs and newly-established small producers
 - Integrating existing information systems to make the SVLK more robust and transparent. This integration has included information on supply chain control on production and supply of raw materials, balance of timber production and consumption, and collection payment of non-tax government revenue from forestry levies
 - Developing incentives for all operators and implementing timber procurement policy on legal timber for the domestic market
 - Strengthening independent monitoring and law enforcement to make the SVLK more robust and credible.
 - Identifying high-risk sources of timber
 - Identifying robust international and national certification initiatives
 - Continuing to solve HS mismatches bilaterally
 - Continuing capacity building initiatives and information dissemination

The presentation was followed by discussions. Below are some of the key discussion points:

- The SVLK covers all types of forests: natural, plantation or community, with different levels of certification. It also covers all industries (pulp, paper, plywood, furniture=.
- Indonesia decentralises authority on forest governance by delegating responsibilities to local authorities and allowing independent Conformity Assessment Bodies (CABs) to certify performance and to issue legality licences.
- Independent Monitors (IMs) consist of a group of CSOs working as a consortium, which is known in Indonesia as *Jaringan Pemantau Independen Kehutanan* (JPIK), the Network of Independent Forestry Monitors. While the secretariat is in Bogor, JPIK has presence all over Indonesia and works independently from the Government. It should be noted that according to Indonesian law, IMs can be organisations or individuals who can report to the national accreditation committee. The Government works with other parties to ensure the safety of IMs.

The second part of this session consisted of a multi-stakeholder panel discussion on 10 years of SVLK and three years of FLEGT licensing, facilitated by **Dr. Krystof Obidzinski**, EU FLEGT Facility. Panellists included representatives from MoEF, from the Forum of Certification and Accreditation Bodies and a CSO/IM. Each panellist was asked to reflect on the SVLK and FLEGT licensing in Indonesia based on their engagement with the process. Below are key points from the discussion.

- **Reflections from MoEF (Mr. Sigit Pramono)**
 - To address illegal logging and associated trade, Indonesia has taken both a soft (implementation of SVLK, FLEGT and VPA) and hard (law enforcement) approach. These approaches helped improve the reputation of Indonesian timber industries and meet the requirements of international markets for legal timber and timber products. As presented by Dr. Ruffi'ie, there are three main achievements of the last 10 years of SVLK and three years of FLEGT licensing. First, cases of illegal logging have decreased significantly since 2003 compared to the previous decades. SVLK has contributed significantly to this trend. Second, national revenue from the timber industries increased substantially from USD 6 billion in 2013 to over USD 12 billion in 2019. This represented the capture of potentially missed revenue through SLVK and FLEGT licensing. Third, when operators are verified or certified, they fulfil the legality requirements applicable to their operations. This means paying taxes, implementing reduced impact logging and complying with other social obligations, which overall improves forest sector governance.
- **Reflections from Mr. Riasman Damanik, P.T. Sucofindo, SVLK CAB and Licensing Authority**
 - All movements of timber and timber products are now controlled by regulations and relevant government agencies. The SVLK has helped to increase awareness of businesses and forest owners on the needs and benefits of timber legality. As presented by Dr. Ruffi'ie, the SVLK consists of four main principles that are in line with Indonesian laws and regulations. The system indicates the different permits that operators need to have. It controls timber supply chains to ensure timber and timber products are from legal and sustainable sources. It applies to both domestic and export markets. It also fulfils applicable labour and occupational, health and safety requirements.

- The main role of the Independent Auditor is to visit companies and to audit their compliance against the Indonesian definition of legal timber. A majority of the companies comply. In cases of non-compliance, remedial actions must be taken. A company can lose its SVLK certificate if remedial actions are not taken.
- **Reflections from Mr. Abu Meridian, Kaoem Telapak, CSO/Independent Monitor**
 - Since the beginning of SVLK, stakeholders in Indonesia have been involved in developing and applying the timber legality definition. SVLK is the first regulation in Indonesia that recognises the roles of all citizens as IMs. SVLK serves as an example of how to tackle illegal logging with full participation from all Indonesians working together. SVLK is unique as power is delegated to IMs to report to the national accreditation committee and the Government.
 - In terms of monitoring, IMs collect information on the ground. Indonesia is a vast country, therefore a key challenge is to coordinate among IMs in different locations. Other ASEAN MS could learn from Indonesia's IM experience, specifically on the collaboration between CSOs and the Government to tackle illegal logging and how to change the image of forest industry in country.

The panel discussion was followed by interventions from participants who asked clarification questions and shared experiences from their countries. Below are key points from these discussions.

- Prior to the issuance of a V-Legal Document or FLEGT licence, operators must comply with various principles. The authority to issue these documents and licences was delegated to the private sector, while government agencies provide oversight. This is to ensure that there are no conflicts of interests and to ensure the independence of the process.
- FLEGT licences contain information on companies, their export destinations, sources of timber and other trade-sensitive information. However, while the Government cannot share this data publicly, IMs can request such data following regulated procedures.
- Indonesia has about 120 million hectares of forest. These are classified into protection, conversion and production forest, which are then further sub-categorised. The Permanent Production Forest is about 60 million hectares, for which the Government grants logging concessions. Of the total area of Permanent Production Forest, 23 million hectares are SVLK certified. The remaining areas are under different management regimes, including customary forest or social forests.
- The Indonesian licensing system, SILK, is linked to the South Korean system to ensure that information on V-Legal Documents is shared with relevant authorities in South Korea to verify their authenticity.

Session 3a: Shared learning – Discussions and reporting on country progress/ experience (VPA countries), facilitated by Mr. Bojan Grlaš

Various VPA countries reported on their progress. Lao PDR, Thailand and Vietnam shared updates on their negotiations and implementation. Pending the renewal of VPA negotiations, Malaysia reported on the implementation of a TLAS for Peninsular Malaysia (MYTLAS), for Sabah (Sabah TLAS), and for Sarawak (STLVS). Below are the key country updates.

- **Lao PDR**
 - FLEGT VPA negotiations between Lao PDR and the EU were initiated in 2013. The Government officially mandated line ministries to enter into FLEGT VPA negotiation with the EU in June 2015. This led to the first face-to-face negotiation meeting in April 2017. A second meeting took place in June 2018, and a third in June 2019. There has been considerable progress in developing the main components of the FLEGT VPA process, including in the development of eight timber legality definitions and the TLAS.
 - In recent years, in line with commitments to improve forest governance and sustainable timber production and trade, the Government of Lao PDR has also enacted, revised and drafted policies and legislation on forestry that aim to facilitate the development and implementation of the VPA. Some of these legal instruments include: the Prime Minister Order (PMO) 15; the Forestry Law; the Land Law and Policy; the Ministry of Industry and Commerce (MOIC) Regulation on Input-Output Monitoring, Regulation on Timber Processing Manufacture Standards.
- **Malaysia**
 - In support of the EUTR, and pending the renewal of the VPA negotiations with the EU, Peninsular Malaysia commenced implementing the MYTLAS in February 2013, to assure the legality of its timber and timber products exported to the EU. The MYTLAS put in place comprehensive control procedures to ensure the exclusion of unverified timber aimed at meeting the due diligence requirements under the EUTR.
 - The Sabah TLAS was developed to support good forest management and governance through independent verification of compliance with Sabah laws and regulations. The Sabah TLAS, regulated by the Sabah Forestry Department, incorporates chain of custody controls to ensure that trees are legally harvested and that the timber is traceable from the forest to the final products and point of export.
 - Sarawak recently developed its own TLAS, known as the Sarawak Timber Legality Verification System (STLVS). This legality system covers licensing, harvesting, transporting, manufacturing and trading of timber and timber products in accordance with the laws, regulations and procedures in Sarawak.
- **Thailand**
 - The Thai Cabinet approved the initiation of VPA negotiations with the EU by the Government of Thailand in 2012. Official communication with the EU started in 2013. The focal point for Thailand is the Royal Forest Department, which has been facilitated by the Thai-EU FLEGT Secretariat Office since 2014.

- The due diligence system for import control is a new system for Thailand developed through the VPA/FLEGT negotiation process. Thailand initiated a study from the operator side to understand their needs and current knowledge in relation to due diligence. Based on the study's results, the Government will assess the possibility of drafting a new law to support due diligence in Thailand.
- Self-declaration for supply chain controls for timber from private lands is also a new topic in Thailand. The recent legal reform has allowed all timber from private lands to enter the controlled supply chain. The Royal Forest Department is exploring solutions through participatory consultations with stakeholders on how to document the legality of such timber.
- **Vietnam**
 - VPA/FLEGT negotiations between Vietnam and the EU started in October 2010. The two sides concluded the negotiation process in May 2017. The VPA was ratified in May 2019. Vietnam is currently developing the legal and technical infrastructure for its TLAS, preparing technical guidelines and materials, and conducting campaigns to raise awareness of the VPA and FLEGT.
 - Vietnam's TLAS is a national system that is applied to the whole timber supply chain from harvesting or importing to transportation, processing and export or sale on the domestic market. The VNTLAS applies to households and enterprises. It covers timber from natural forests, planted forests, farms, gardens and rubber plantations. It also covers confiscated and imported timber.

Presenters from the four countries welcomed questions and comments from participants. Below are key points from these discussions.

- Vietnam mentioned that it took relatively less time to conclude its VPA negotiations in comparison to other ASEAN countries because the gaps between existing regulations in Vietnam and the EUTR might be smaller than for other ASEAN MS.
- In response to a question from China on the importance of self-declaration, Thailand mentioned that there are 158 species in the restricted harvest list. The 2019 Forest Act does not provide for any control of trees on private lands. Timber from these lands, which could include some restricted species, can freely enter the supply chain. The concept of self-declaration, put forward by the owners, is therefore to ensure the legality of timber from private lands when it enters the mill/the controlled supply chain.
- Indonesia has experience with the self-declaration concept, which is applied to planted tree species on private forests. In practice, there have been some cases of misuse, mostly on the administrative side. In Indonesia, the self-declaration does not restrict the possibility for private forest owners to apply for SVLK certification.
- During VPA negotiations, Indonesia went through similar challenges as Lao PDR in relation to inter-ministerial coordination. While MoEF was the lead, several decrees and regulations that needed to be revised were under the jurisdiction of other ministries. Based on that experience, Indonesia suggested that FLEGT-related regulations be higher than a particular ministry and bind all line ministries. This would facilitate future revision, if needed, by avoiding having to go through the different ministries.

- Communication to improve stakeholders' awareness of FLEGT and VPA is crucial. A lack of awareness or understanding will seriously hinder implementation. Vietnam received support from many international organisations for this activity. Based on the available resources, Vietnam developed different projects to increase the awareness of different stakeholders (government, private sector, CSOs and local communities) at national and local levels of the VPA and of its TLAS.
- In Malaysia, the development and implementation of the three TLAS were the result of consultation processes. Also, Malaysia is a federation where the three territories have their own sovereignty and rules of law. Nonetheless, Malaysia supports the adoption of a VPA with the EU at the federal level and its acceptance by the three territories.

Session 3b: Shared learning – Discussions and reporting on country progress/ experience (non-VPA countries) – facilitated by Dr. Josil Murray

Cambodia, Myanmar and the Philippines reported on their progress in developing elements of a credible TLAS. Brunei shared its efforts to address illegal logging and associated trade. Below are key points from these presentations.

- **Brunei**
 - Brunei has the highest rate of forest cover in ASEAN MS, at 72% of the total land area.
 - Currently, all harvesting activities are conducted in compliance with the rules and laws, as stipulated under Forest Act. Every stage of logging operations is highly controlled, monitored and reported using internal working procedures. Most of the processes are permitted centrally by the Forestry Headquarters. Integrity of the forest administration and management are regularly evaluated by an Audit Department, especially in relation to revenue collection and working processes.
 - Brunei is committed to manage its forest resources sustainably and is considering supporting forest certification.
- **Cambodia**
 - Cambodia bans the export of logs and sawn timber from natural forests, but not from plantations. Guidelines for private plantations provide incentives to plantation owners by exempting the premium and providing technical support and seedlings.
 - In January 2019, a National FLEGT Workshop was held in Cambodia with participation from the Ministry of Agriculture, Forestry and Fisheries, the EU Delegation to Cambodia and FAO Cambodia with technical inputs from the EU FLEGT Facility and the FAO-EU FLEGT Programme. The workshop identified four thematic areas for a FLEGT Roadmap in Cambodia. These are: timber legality definition development; legal and regulatory reform and consultation contributing to existing legal reform processes and focusing on the Forestry administration; capacity building promotion; and the selection of model areas for effective piloting of the trading of the timber originating from community forestry and family tree plantations. These thematic areas were later endorsed by the Ministry of Agriculture, Forestry and Fisheries.

- In October 2019, the Technical Working Group on Forestry Reform discussed and endorsed the formation of a sub-working group on FLEGT and defined its terms of reference.
- **Myanmar**
 - Building on the legislation, rules and regulations and in response to ASEAN market integration objectives, the Myanmar Forest Certification Committee (MFCC) developed the Myanmar Timber Legality Assurance System (MTLAS) in 2013. The FAO-EU FLEGT Programme supported a gap assessment of the MTLAS in 2016. Key areas identified as gaps in the assessment were transparency, accessibility and third party involvement in the MTLAS. The Ministry of Natural Resource and Environmental Conservation (MONREC) has taken remedial actions to address these gaps. Some of these actions included decreasing harvest quotas prescribed by the Forest Department, and banning the export of timber sold for domestic uses, as well as that of confiscated, conversion and conflict timber.
 - In August 2018, MFCC was reformed with the new members representing Government agencies, the private sector, environmental NGOs and CSOs. The chairperson is the Permanent Secretary of MONREC. MFCC became a National Governing Body member of the Programme for the Endorsement of Forest Certification (PEFC) on 30 May 2019.
 - Myanmar endeavours to prove the legality of its timber and timber products that are produced in accordance with the national laws, regulations and procedures. However, Myanmar recognises that it still needs to address several issues and challenges to be recognised by international organisations and meet market requirements.
- **The Philippines**
 - The Philippines follows the ASEAN Criteria and Indicators for Legality of Timber within the Phased Approach to Forest Certification. This means that all entities that harvest timber must comply with all relevant forestry laws and regulations, pay all statutory charges, comply with CITES, implement a system that allows tracking of logs to the forest of origin, possess relevant permits or legal rights, and comply with social and environmental legal requirements.
 - The Philippines has taken steps to prepare for the development of its TLAS. These include formulating national guidelines on a national certification scheme; developing and testing a National Forest Stock Monitoring System with improved governance capabilities at all levels; formulating and implementing a five-year National Forest Protection Program; and promoting tree plantation development and liberalising the harvest and transport of planted trees.
- Presenters from the four countries welcomed questions and comments from participants. Below are key points from the discussions.
 - Myanmar mentioned that MFCC developed the MTLAS in 2013. MFCC was a self-governing body. However, the 2016 gap analysis found that the MFCC system was not transparent. Thus, MONREC recommended that MFCC be reformed. The MFCC was reformed in 2018 through a multi-stakeholder consultation process.
 - As a non-VPA country, Cambodia is still at a very early stage and is learning from other countries in the region. However, Cambodia has a wide experience

in engagement with CSOs and the private sector. The Government is open to having CSOs and private sector representatives participate in legal revision processes and others, such as the consultations on the new guidance on commercial plantations or the FLEGT National Workshop above-mentioned.

- In Brunei, engagement of non-government stakeholders in the forestry sector is limited. However, this can change in the near future depending on the discussions with forest certification organisations. For FLEG, Brunei focuses on forest patrols that enforce forest law by cooperating with other enforcement agencies, such as the police and the army. Forest law enforcement is coordinated through regular National Coordination Committee meetings.
- In the Philippines, there have been many stakeholder consultations on the national forest monitoring system, which involved businesses and CSOs. The Government also conducted national wood summits, where wood industries participate to discuss national challenges faced by the timber industry and lessons learned.

Recap from day 1

Dr. Alexander Hinrichs, EU FLEGT Facility, provided a summary of the first day's discussions:

- In addition to the official opening, 12 presentations were delivered.
- The most commonly-used words during the day were 'multi-stakeholder processes and engagement'. Twenty years ago, this would not have been a commonly-used phrase at a forestry workshop in the ASEAN MS. This shows the increasing recognition of the need and importance for stakeholders to engage with governments to achieve legal and sustainable forest management. Another commonly-used word of the day in the context of sustainable forest management was 'inter-agency coordination' beyond the agency directly overseeing the forestry sector.
- To make real changes on the ground in terms of addressing illegal logging and its associated trade, 'capacity and resources' are at the core, as reflected in many presentations. Communications is crucial to inform stakeholders in and outside the country on actions taken to move towards legal timber trade.
- Traceability was mentioned by both VPA and non-VPA countries as the most important in terms of timber legality. Also, as mentioned in the presentations, timber legality starts from forest governance reform and should end in trade in legal timber.
- Legality of imported timber is becoming an important subject for many of the ASEAN MS, particularly Indonesia and Vietnam.
- Other important issues that came up throughout the day were: electronic licensing, certification, small producers, self-declaration of trees from private lands and commercial plantation development.
- Overall, all ASEAN MS are working on ideas, roadmaps and implementation plans to address timber legality in their country.

DAY 2

Session 4: Law enforcement, legal frameworks and SmEs in ASEAN

The morning session started with a presentation by **Mr. Drew G. Engel**, Adviser for Prosecutions for the UNODC, who provided an overview of the UNODC support to the fight against forestry crime in Indonesia from 2018 to 2021. He stressed that the success of the fight against wildlife and forestry crimes depends on the synergy among law enforcement officers, investigators and prosecutors. He stated that aside from training, strategy development and the sharing of good practices, working with NGOs and giving them the necessary expertise has brought good results. Below are key messages from the presentation.

- Target areas for the UNODC support in Indonesia are South Sumatra, East Kalimantan, Papua and West Papua. UNODC supports the following activities:
 - Revising relevant laws and standard operating procedures for investigations
 - Providing information on prevalent types of forest crime, factors contributing to their commission and financial effects
 - Organising strategic coordination meetings
 - Building capacity to apply specialised investigation techniques and to successfully prosecute
 - Assessing corruption risk and developing corruption integrity pact
 - Enhancing law enforcement personnel capacity in timber analysis
 - Supporting Inter-agency Port Control Units
 - Supporting the establishment of local inter-agency task forces
 - Building professional capacity of front-line law enforcement officers to detect and investigate forest crime
 - Supporting Community Councils on Forestry and Community policing
 - Assist CSO/independent forest monitoring on investigation
 - Promoting media involvement
- Some of the key programmes in Indonesia include:
 - Container Control Programme – Law Enforcement Assistance Programme (LEAP)
 - Global LEAP NGO Roundtable
 - Global LEAP and National Forestry Programme: Integrated prosecution and investigation training
 - Focus group discussion on community participation in forest crime prevention in Papua and West Papua province
 - Forest crime e-learning centres at Cenderawasih University, Papua province and Papua University, West Papua province

This was followed by a presentation by **Dr. Pheakkdey Nguon**, EU FLEGT and REDD facilities, on legal forest conversion in ASEAN: nationally determined contributions (NDCs), FLEGT and REDD+ linkages. Below are key points from the presentation.

- Forest conversion happens when natural forest cover is converted to other uses such as forest plantation, agriculture, infrastructure development, settlements and others.

- About 80% of global deforestation is caused by the expansion of land used for agricultural purposes. In Southeast Asia, agricultural expansion was responsible for 61% of forest loss from 2001 to 2015.
- NDCs are pledged contributions of countries to the goals of the Paris Agreement on climate change. A total of 183 countries, including ASEAN MS, have submitted a first NDC. NDC commitments to reduce emissions from the land use, land-use change and forestry (LULUCF) sector are second only to those made in the energy sector. NDCs provide additional momentum to achieve sustainable forest and land management objectives. Some countries have made explicit reference to REDD+ as a means to achieving their NDC targets. A few countries mentioned FLEGT as a means of achieving their NDC targets.
- ASEAN MS use different definitions of 'conversion' in different settings (for example, under national law or in NDCs). Forest conversion among ASEAN MS follows different and context-specific due processes. Illegal forest conversion and illegal production of timber and agricultural commodities may hamper efforts to achieve NDCs. NDCs can act as catalysts to generate political will, clarify and implement relevant legislation, and promote coordination of institutions in planning and implementation, including through FLEGT and REDD+.

This session concluded with a presentation by **Mr. Thomas Colonna**, EU FLEGT Facility, on the participation of SmEs in legal and sustainable supply chains. Below are key points from the presentation.

- With support from Sida, the EU FLEGT Facility implements pilot interventions with SmEs in Laos, Myanmar, Thailand and Vietnam. These interventions mainly aim to facilitate the participation of SmEs in legal supply chains.
- In Laos, the SmE pilot focuses on compliance with business registration and licensing requirements, as well as on input-output monitoring. In Thailand, the pilot focuses on reclaimed wood as a legal source of timber and supply chain controls for species grown on private lands. The pilot in Myanmar focuses on formalisation, the strengthening of networks, access to support services and special timber auctions for SmEs. In Vietnam, the pilot focuses on increasing competitiveness of SmEs in Lien Ha's wood villages and supporting the use of alternative low-risk species and improving traceability among SmEs in Dong Ky to cope with import controls.

The presentations were followed by a panel discussion with the three presenters. Below is a summary of the key points of these discussions.

- The UNODC programmes emphasise the importance of stakeholder participation across different levels, from global to national and all the way to local communities.
- SmEs often operate outside the formally-established allocated areas, such as industrial parks. As a result, they are unable to benefit from government incentives. The challenge is to identify incentives to bring them into formal operation.
- To link FLEGT, REDD+ and NDCs in ASEAN MS, a key starting point would be to quantify emissions reduced through the implementation of FLEGT and REDD+ compared to business-as-usual.

Session 5: Development in ASEAN plus three countries

China, Japan and South Korea, as key market destinations for ASEAN MS timber and timber products, provided updates on their progress in regulating and promoting timber legality. Below are summaries of the presentations.

- **China**
 - The latest Forest Law draft requires timber-processing enterprises to set up an account for materials and products and to procure timber from legal sources. The Forest Law implementing regulation states that timber procurement units shall not procure timber without timber harvesting permits or other documents that can prove the legal source of timber.
 - China has implemented various initiatives to reform its forest governance in country, as well as through international collaborations. The China Forest Certification Council (CFCC) started its certification services in 2012. CFCC was endorsed by PEFC and has certified over eight million hectares of forest in China. China developed voluntary guides, including 'A Guide to Overseas Sustainable Forest Management and Utilisation by Chinese Enterprises', and 'A Guide to Overseas Sustainable Silviculture by Chinese Enterprises' to support Chinese enterprises to engage in responsible international trade and investment.
 - China has collaborated with international counterparts such as the EU, the United States, Australia, Japan, South Korea, as well as producer countries including Cambodia, Indonesia, Laos, Malaysia, Myanmar, Mozambique and the Russian Federation to explore mechanisms to address illegal logging and its associated trade.
- **Japan**
 - The Clean Wood Act and its enforcement regulation came into force in May 2017. In November 2017, wood-related business entities started to register in a voluntary registration system. By 31 August 2019, 363 wood-related business entities were registered.
 - The Clean Wood Act defines legally-harvested wood and wood products as woods that are made from trees logged in accordance with the laws and regulations of Japan or the country of harvest; and goods that are manufactured from above-mentioned wood as a major raw material and are specified by Ministerial Ordinance, including furniture and paper (excluding recycled goods).
 - The Government of Japan continues to: provide additional information on law enforcement in wood-producing economies; promote the use of legally-harvested wood and wood products; encourage wood-related business entities to register; and gather information on overseas good practices on confirmation of timber legality.
- **South Korea**
 - Of South Korea's domestic demand for wood, 80% is met by imports. Korea imports a variety of timber products (in order of magnitude): paper, pulp, plywood, sawn wood, wood chips, logs, paper board, particle board, charcoal, fibre board, sheets for veneer, furniture and others. The top five countries

exporting timber products to Korea are Vietnam, Indonesia, Canada, China and the United States.

- The Act on the Sustainable Use of Timbers was amended in 2017 and came into force on 1 October 2018. The Act stipulates that importers shall file an import declaration with the Forestry Minister, who then shall require an inspection agency to inspect the documents before customs clearance. Importers and processors are to retain documents verifying timber legality for five years. Based on market demands, timber products subject to the Act include log, sawn timber, laminated wood, wood pallets, anti-decay wood, fire-retardant-treated wood and plywood.
- After a year of implementation, some of the challenges encountered are:
 - Customs clearance period (three days) extended by the import declaration and inspection system
 - Inconvenience due to duplicate submission of translated versions of non-English language documents
 - Concern of occurrence of trade secret infringement in intermediate trade (third-party trade) and direct trade
 - For small businesses, difficulties in the preparation of timber legality documents and in verifying timber products from imports from emerging markets or from complex supply chains

A panel discussion with the three presenters followed the presentations. Below is a summary of the key points of these discussions.

- Given that the Act on the Sustainable Use of Timbers is relatively new, the Government of Korea decided to only focus on seven key timber products at first. In the future, the scope of products covered by the Act could be broadened.
- South Korea uses Transparency International's Corruption Perceptions Index to identify high-risk countries. In the Korean system, importers need to verify timber legality by using documents gathered along the supply chain such as permits, certificates, FSC or PEFC certifications, and other documents. However, for countries with which South Korea has an agreement, such as New Zealand, importers can use specific documents, for example the levy statement from the Government of New Zealand to prove the timber legality. Korea is currently consulting with other countries in this regard.
- There is no specific requirement on documents to be provided by producer countries to China because the regulation of imports is still under development. It is voluntary. The definition of legal or illegal timber will depend on the definition used by the producer country. China has been working with producer countries to develop procurements guidelines for timber and timber products exported to China. In 2019, procurement guidelines were developed for China-Indonesia and China-Thailand.
- The guidelines for Chinese companies operating overseas are voluntary. However, China has organised training and capacity building with these companies in countries, mostly in Africa. Training and capacity building activities in Asian countries are beginning. This is because Chinese companies went to Africa first. According to the Chinese Government, if companies operate overseas, they need to follow the local laws and regulations. It is a challenge for the Government to reach companies operating overseas that are privately owned.

- Most of the timber products exported to Japan from Vietnam that are handled by medium to large companies in Japan would have complied with the Clean Wood Act. Next step is to ensure compliance of smaller operators in Japan that import timber products. There is a need to enhance communication and dialogues among businesses in Japan and those in producing countries.

Session 6: Exploring the specific topic of timber legality assurance

In the late morning and afternoon sessions, participants self-selected themselves to join four thematic working groups to discuss a series of questions. A representative from each group was nominated to present results from their group discussions to the plenary in the afternoon session. Below are key points from the four groups' discussions.

Group 1: Concepts to control the legality of timber imports

- All countries in the group have legal requirements describing tasks to be carried out by importers to demonstrate origin and/or legality of timber. The EU, South Korea, Indonesia, Vietnam and Thailand have or are developing due diligence procedures for import control.
- Most countries cover a broad product scope (main wooden products). Handicraft, charcoal and printed material are not covered under the EUTR. China's imports are complex (many sources of timber, many countries), and face a strong push to reduce government controls on trade. Challenges with SMEs need to be considered when developing import measures.
- There is a need to explore intra-ASEAN mutual recognition of legality initiatives by ASEAN MS, taking into account the different levels of development of ASEAN MS. One avenue could be through the ASEAN Forest Products Industry Club, which could serve as a possible channel to share information among stakeholders.
- Sharing of available information on timber legality in each ASEAN MS should be encouraged. This could be done on public websites, such as the ASEAN country pages, where each ASEAN Working Group can upload information. ASEAN MS could also share information/e-certificates under the ASEAN single window and/or link to regional enforcement initiatives (for example, CITES).

Group 2: Participation of SmEs in legal and sustainable supply chains

- SmEs experience different issues, which mostly depend on the country context. For example, in Myanmar, access to legal timber is more problematic. There is a lack of awareness among SmEs about legal timber sources and the need to source legal timber. There is a need to strengthen SmEs networks to increase their access to legal timber, improve the role of associations and cooperatives.
- In terms of traceability, there is a need to establish connections between SmEs and more established companies. Trainings should focus on providing SmEs with the tools to trace their timber sources. The Government of Myanmar should consider subsidising the certification cost and simplifying requirements for registration for SmEs to encourage their registration and thus improve their compliance.

- Awareness about gender equality is low among SmEs. This might be due to embedded socio-cultural norms. Women are often employed in supporting roles, while management level is still mainly occupied by men. The over-reliance on foreign workers (dominantly male) in some countries also contributes to this gender imbalance. While national policies encourage gender empowerment, there is a gap between policy and reality, as well as between public and private organisations.

Group 3: Legal reforms and law enforcement

- The control of illegal logging is improving in ASEAN MS, but is still a major issue. Sustained FLEGT efforts and support are thus needed. Most countries differentiate between administrative and criminal cases based on the scale, type of timber, and actors involved (rural actors, customary users or corporate entities).
- Information on cases of illegal logging and its associated trade comes mainly from the grassroots level. Public disclosure is limited in quality and frequency. The monitoring of illegal logging cases is mainly done by CSOs and communities. Government disclosure is still limited. Outcomes of legal enforcement measures are mixed. Large-scale players are rarely the subject of prosecutions. Most of the time, it is the micro and small operators. Closure of illegal entities takes place but can be controversial. However, there is a discernible reduction in illegal operations.
- Main limitations to the effectiveness of enforcement actions taken to deal with cases of illegal timber include operational issues, corruption, weak political will, and weaknesses in regulatory and legal frameworks (for example, plea-bargaining deals). Other challenges relate to human resources, operational means, budget constraints, unclear legal frameworks, lack of deterrent effect of possible penalties, lack of alternatives to rural livelihoods dependent on timber, and limited investment in timber plantations.

Group 4: FLEGT, conversion and land-use management

- The due process to convert natural forest to other land uses in ASEAN differs in many aspects. It is context-specific.
- It is a challenge to connect FLEGT, REDD+ and NDCs in ASEAN MS mainly because there is little overlap among the government officers leading the three work areas, although they might come from the same ministry or department. There is a need to actively support linkages among FLEGT, REDD+ and NDC by bringing these focal points together. The fact that each ASEAN MS is at different phases of FLEGT and REDD+ implementation also presents a coordination challenge.
- Nonetheless, the NDCs must be revised and resubmitted to the UNFCCC by 2020. This creates the opportunity to bring together the FLEGT and REDD+ outcomes and reflect how they can contribute to increased ambition in the NDCs. This should be done through multi-stakeholder consultative processes.

Recaps of day 2

Dr. Alexander Hinrichs, EU FLEGT Facility, summarised key issues addressed during day 2.

- Over the last two days, participants actively shared national experiences, exchanged information and established contacts. Indonesia, as a host, has shared many lessons learnt with participants on the SVLK, FLEGT licensing and other topics. This in itself proved the success of the workshop.
- The control of timber imports is becoming a crucial topic for ASEAN MS, China, Japan, South Korea and the EU. Countries have endeavoured to put in place systems to ensure the legality of imported timber. More exchanges on lessons learned, success stories and challenges on this topic are encouraged.
- Challenges for SmEs to engage in legal supply chains also came up often throughout the workshop. There is a need to examine the situations, needs and solutions in country and at regional level to ensure SmEs' participation in legal supply chains given their significance to local economies and livelihoods.

Closing remarks

Dr. Ruffi'ie, on behalf of MoEF, officially closed the training part of the 7th Regional Workshop on Timber Legality Assurance. He thanked the sponsors for co-hosting the event with the Government of Indonesia, particularly the organising committee of MoEF. He also thanked DG ENV of the EC, the EU Delegation, ASEAN MS, the EU FLEGT Facility, MFP4, Sida, the FAO-EU FLEGT Programme, and the government and non-government representatives from ASEAN MS, China, Japan and South Korea. He emphasised that results from the workshop will help strengthen legality assurance and promote legal timber trade in ASEAN MS as well as with the EU, China, Japan and South Korea.

DAY 3. Field visit to PT Kayu Permata and SVLK certified company



Group photo at PT Kayu Permata

The last part of the workshop was a visit arranged by MoEF to PT Kayu Permata (door manufacturer), a SVLK-certified company. The main objective of the field visit was for participants to learn how a company implements due diligence for importing raw timber and how to apply for a FLEGT licence to export finished products to the EU. Participants were also given a tour of the whole factory.

Following the presentations from PT Kayu Permata and a factory tour, participants engaged in a question and answer session with representatives from the company. Below are key messages from this exchange.

- It took less than one hour for PT Kayu Permata to receive a FLEGT licence for its shipment leaving to the EU. The application process was entirely done online. After the FLEGT licence was issued, a copy of the application was virtually sent to Customs to determine the appropriate taxes that are due. Once a FLEGT licence is issued, the shipment has to leave Indonesia within 30 days. Thus, the company would apply for a FLEGT licence two or three days before the products are loaded onto the containers. If the shipment does not leave Indonesia within 30 days for any reason, the company would cancel the licence and re-apply for a new one.
- The cost of a FLEGT licence is IDR 100 000 or USD 7 per shipment. However, the cost for a company to be SVLK certified can amount to up to USD 2 000. The cost for households or small enterprises to get SVLK certified can amount to up to USD 600. The SVLK certification fee is paid to CABs. There are 25 CABs in different locations across Indonesia. The Government oversees CABs and licensing authorities. The

Government is open to receiving any complaints on their operations from the public, CSOs, the private sector or any entity.

- Participants noted that the FLEGT licence that was issued to PT Kayu Permata contained information on the company, the products, species, country of harvest, HS code, product description and a unique bar code. The system generates seven copies of this licence to be submitted to different authorities in Indonesia and the destination country in the EU. Given this long paper trail, the EU and Indonesia have agreed to roll out electronic licensing where information from the online system in Indonesia is connected to the FLEG IT online system in the EU. This connection would also reduce any potential human errors in filling in the information on the paper-based FLEGT licence issued by Indonesia in the EU FLEG IT system.
- All exports of timber and timber products from Indonesia are covered by V-Legal Documents. Countries that recognise V-Legal Documents as proof of legality include Australia, Japan, South Korea and the United States. For the EU, V-Legal Documents are known as FLEGT licences.
- The need for third-party certification such as FSC or PEFC is driven by the markets. There is no conflict between SVLK, FSC and PEFC in Indonesia.
- FLEGT licences are mandatory for exports to the EU to ensure compliance with the EUTR. Otherwise, exports to the EU are subject to due diligence requirements. This is similar for exports to South Korea, where imports accompanied by V-Legal Documents are not subject to due diligence. The EU helps promote FLEGT licences to other non-EU countries such as China – as a unique and more credible proof of legality in comparison to other certifications.

Workshop Evaluation

At the end of the first and third days of the workshop, participants were requested to provide feedback on the workshop by completing a survey. Below are key results from the survey.

All participants were very positive regarding the workshop's content, design and results. Participants suggested as an area for improvement the allocation of more days to the workshop, given that a lot of content was covered during the first two days. Some participants suggested that the workshop should be held over three days, plus half a day for the field trip. Similarly to the 6th TLA workshop, participants agreed that the field visit must remain a part of the workshop. A majority of participants indicated that the visit to PT Kayu Permata was stimulating. They appreciated the opportunity to see first-hand how a FLEGT licence was issued.

A large majority (85%) agreed that the workshop activities brought them new knowledge on timber legality assurance in ASEAN plus China, Japan and South Korea. They also stated (75%) that the workshop was a good way for them to learn about this content and network with other representatives from government, the private sector and CSOs from ASEAN, China, Japan, South Korea, the EU, MFP4, FAO and others.

Conclusion

The workshop's success is attributable to the informative presentations delivered by resource persons and country representatives, the active participation and open exchanges, the conduct and structure of the workshop, and the generous hospitality of the host Government. Participants conveyed their appreciation to Sida as the workshop sponsor, the workshop facilitators, the resource persons, and the excellent logistical arrangements made by the host. The workshop was held in the traditional ASEAN spirit of cooperation and solidarity. The outcomes of the workshop will be reported to the ASEAN Working Group on Forest Management.

Annex 1. Workshop agenda

Programme for the 7th Regional Training Workshop on Timber Legality Assurance 19 – 21 November 2019, Jakarta, Indonesia

Day 1	Session & Time	Topic	Sub Topic	Method	Responsible Person
(1)	(2)	(3)	(4)	(5)	(6)
Tuesday (19.11.2019)	8:00 – 9.00	Registration	Registration		Host (Indonesia) & the EU FLEGT Facility
	9.00	Ceremonial Segment	<p>Opening Ceremony</p> <p>Welcoming remarks Dr. Agus Justianto, Indonesian ASOF leader representing host government, Ministry of Environment & Forestry, Indonesia</p> <p>Opening remarks by Ambassador Vincent Picket, Head of the EU Delegation to Indonesia and Brunei</p> <p>Opening remarks by Dr. Pham Quang Minh, Assistant Director, Food Agriculture and Forestry Division, ASEAN Secretariat</p> <p>Opening remarks by Mr. Bojan Grlaš, EC Official from DG Environment</p>	Formal ceremony	Host & EU Delegation
	9.40	Photo Session	=>Tea break/		
	10.00	Technical Workshop Session 1 :	Introduction to workshop and overview of timber legality developments in the Southeast Asian region	Presentation by EU FLEGT Facility (Alexander Hinrichs)	EU FLEGT Facility

	Setting the scene: Overview on recent developments	Updates on implementation of the Work Plan for FLEG in ASEAN (2016-2025) Update by EU: Six years of EU TR- the EU's experience with regulating its market for timber legality	Presentation by ASEAN Secretariat (Dian Sukmajaya) Presentation by DG Environment (Bojan Grlaš)	Session facilitated by EU FLEG Facility (Aimi Lee)
11.00	Clarifications / Questions and Answers			
11.15	Session 2 : Shared Learning - Developments in Indonesia	The Indonesian FLEG VPA experience based on 10 years of SVLK and 3 years of FLEG Licensing	Presentation by MoEF, Indonesia (Dr. Ruffie)	Session facilitated by EU FLEG Facility (Krystof Obidzinski)
11.30		Multi-stakeholder Panel Discussion on 10 years of SVLK and 3 years of FLEG licensing	Panel discussion facilitated by 3 – 5 participants from Indonesia (Government, Private Sector and CSO)	Panel Discussion by EU FLEG Facility (Krystof Obidzinski)
12.30	Lunch			
1330	Sessions 3a: Shared learning: Discussions & reporting on country progress/experiences (VPA countries)	<ol style="list-style-type: none"> 1. Lao PDR 2. Malaysia 3. Thailand 4. Vietnam 	Presentation and short discussion	Facilitator & Participants Session facilitated by EC (Bojan Grlaš)
1430	Clarifications / Questions and Answers			
1500	Coffee / Tea Break			

	1520	Session 3b: Shared learning: <i>Discussions & reporting on country progress/experiences (Non VPA countries)</i>	1. Brunei 2. Cambodia 3. Myanmar 4. The Philippines	Presentations and short discussion	Facilitator & Participants Session facilitated by FAO-EU FLEGT Programme (Josil Murray)	
	1620	Clarifications / Questions and Answers				
	1640	Discussion and Recap				Facilitator & Participants Session facilitated by EU FLEGT Facility (Alex Hinrichs).
	1700	Close of the Day				
	1830	Dinner Hosted by MoEF, Indonesia				
Day	Session & Time	Topic	Sub Topic	Method	Responsible Person	
2						
(1)	(2)	(3)	(4)	(5)	(6)	
Wednesday (20.11.2019)	0900	Session 4 : Law Enforcement, legal frameworks and SMEs in ASEAN	a) ASEAN Enforcement Efforts: UNODC's support to address Forestry Crime	Presentation by Drew G. Engel UNODC National Forestry Programme	Session facilitated by EU FLEGT Facility (Aimi Lee)	
	0915		b) Laws regarding forest conversion in ASEAN	Presentation by the EU REDD Facility		

		c) Participation of small and microeconomic entitles in legal and sustainable supply chains	(Pheakkdey Nguon) Presentation by the EU FLEGT Facility (Thomas Colonna)	
0945	Clarifications / Questions and Answers			
1000	Session 5 : Developments in ASEAN+3 countries	a) China's efforts to regulate timber legality	Presentation by Division of International Cooperation, National Forest & Grassland Agency, China (Wang Hua)	Session facilitated by EU FLEGT Facility (Thomas Colonna)
1015		b) Clean Wood Act and Measures to Promote Sustainability in Japan	Presentation by Japanese Gov Representative – Embassy of Japan in Indonesia (Makoto Nakamura)	
1030		c) South Korea's efforts to regulate timber legality	Presentation by Forestry Trade Division, Korea Forest Service (Sunmi Lee)	
1045	Clarifications / Questions and Answers			
1100	Coffee / Tea Break			

1115	Session 6: Exploring specific topics of timber legality assurance	Briefing on parallel group work Tentative group work topics: 1. Concepts to control the legality of timber imports (facilitated by EC and EU FLEGT Facility) 2. Participation of small and micro-economic entities in legal and sustainable supply chains (facilitated by EU FLEGT Facility) 3. Legal reforms and law enforcement (facilitated by the EU FLEGT Facility and Interpol) 4. FLEGT, conversion and land-use management (facilitated by the EU REDD Facility and)	Group work	Facilitators Group 1 -Bojan Grlaš & Alex Hinrichs Group 2 - Thomas Colonna & Choo Kwong Yan Group 3 – Krystof Obidzinski & Aimi Lee Group 4 – Pheakkdey Nguon & Josil Murray
1230	Lunch			
1330	Continuation of Group Work including running tea break			
1530		Plenary Session on Results of Group Work	Presentations of individual groups and discussion	Session facilitated by EU FLEGT Facility (Alex Hinrichs)
1630	Session 6: Recap	Recap of Discussions and conclusions	Plenary discussions	Session facilitated by EU FLEGT Facility
1730	Close of day and free time			

Day 3	Session & Time	Topic	Sub Topic	Method	Responsible Person
(1)	(2)	(3)	(4)	(5)	(6)
Thursday (21.11.2019)	0830 – 1330	Field Trip	<p>Visit of a SVLK certified company, PT Kayu Permata (Door Manufacturer)</p> <p>Address: Kawasan Industri Bekasi Fajar MM2100, Jl. Sumbawa Blok B.5, Desa Mekanwangi, Kecamatan Cikarang Barat, Kabupaten Bekasi (2 hours by bus)</p> <p>Lunch provided. 13:30 end of programme</p>	Discussions at Factory	MoEF Indonesia

Annex 2: List of Participants

NAME/ COUNTRY		ORGANISATION	Designation
	ASEAN Secretariat		
	Dian Sukmajaya	Food, Agriculture and Forestry Division Sectoral Development Directorate ASEAN Economic Community (AEC) Department	Senior Officer
	BRUNEI Darussalam		
	Reni Yahya	Forestry Department, Ministry of Primary Resources and Tourism	
	Pengiran Iskandar Aliudin	Forestry Department, Ministry of Primary Resources and Tourism	
	CAMBODIA		
	Chan Ponika	Forestry Administration, Ministry of Agricultural Forest and Fisheries	Deputy Director General
	So Lorn	Forestry Administration, Ministry of Agricultural Forest and Fisheries	Deputy Director – Department of Forest Industry and International Cooperation
	Rithiny Teng	Wildlife Conservation Society	Chief of Party
	Tek Vannara	The NGO FORUM on Cambodia	Executive Director
	Eugene Kraawinkel	Grandis Timber Limited	Chief Executive Officer
	INDONESIA		
	Sigit Pramono	Ministry of Environment and Forestry	
	Yoga Prayoga	Ministry of Environment and Forestry	
	Mohamad Iqbal	Ministry of Environment and Forestry	
	Oki Hadiyahati	Ministry of Environment and Forestry	
	Tri Nugroho	MFP4	
	Iwan Wibisono	MFP4	
	Zulfikar Adil	Forum of Certification and Accreditation Body)	
	Dzatniah Sari	Kaoem Telapak	
	Asep Ayat	Burung Indonesia	
	LAO PDR		
	Manyvanh Thammakod	Ministry of Industry and Commerce	Technical Officer
	Duangsavanh Saophimpha	Department of Forest Inspection, Ministry of Agriculture and Forestry	Forest Inspection Officer
	Hongnapha Phommabovth	Green Community Development Association	Programme Manager
	Amphone Souvannalath	Association for Rural Mobilisation and Improvement (ARMI)	Director

NAME/ COUNTRY		ORGANISATION	Designation
	Souphayvanh Thiengchanxay	Burapha Agroforestry Co. Ltd.	Deputy Director
	MALAYSIA		
	Emie Syarina Norizan	Licensing and Inspectorate Division , Malaysian Timber Industry Board	Senior Assistant Director
	Adam Mohd Nazri	Strategic Planning Division , Malaysian Timber Industry Board	Executive
	Lee Ee Ling	Malaysian Nature Society	Policy Officer
	MYANMAR		
	Kyaw Zay Yar	Myanmar Timber Enterprise	Assistant Manager
	Nyo Me Htun	Forest Dept, Ministry of Natural Resources and Environmental Conservation	Staff Officer
	Sein Win	Myanmar Forest Products and Timber Merchants Association	Chairman
	Than Thun	Myanmar Forest Association	Joint Secretary
	Tun Aung Khine	Transparency Youth Organization	Founder
	The PHILIPPINES		
	Cathy A. Pauig	DENR- Forest Management Bureau	Senior Forest Management Specialist
	James Alvic Delmier Baloto	DENR- Forest Management Bureau	Senior Forest Management Specialist
	THAILAND		
	Kantinan Peawsa – AD	Forest Economics Bureau, Royal Forest Department	Director of Forest Economics Bureau
	Utharat Suksumake	Forest Economics Bureau, Royal Forest Department	Director of Forest Standards Division
	Jaroon Ceewatammannon	Thai Timber Association	Committee Member
	Direk Khrujinli	Raksthai Foundation	
	Narongdech Boonma-Aoop	Institute of Resources Development and Sustainable Agriculture Mae-Tha	
	VIETNAM		
	Nguyen Trong Viet	Forest Protection Dep. VNFOREST	Staff Officer
	Vu Huy Dai	Vietnam National University of Forestry	Senior Lecturer, Director of Science and Technology Division
	Cao Xuan Thanh	Vietnam Timber and Forest Products Association	Chief of Office
	Truong Quang Hong	Center for Rural Development in Central Vietnam	Director
	Ngo Tri Dung	Consultative and Research Centre on Natural Resources Management (CORENARM)	Director
	CHINA		

NAME/ COUNTRY		ORGANISATION	Designation
	Wang Hua	Department of International Co-operation, National Forestry and Grassland Administration	Divisional Director – Bilateral Co-operation 2
	Chen Jie	Research Institute of Forestry Policy and Information, Chinese Academy of Forestry	Associate Professor
	Jiang Hong Fei	Research Institute of Forestry Policy and Information, Chinese Academy of Forestry	Assistant Professor
	JAPAN		
	Makota Nakamura	Embassy of Japan, Indonesia	Secretary
	REPUBLIC OF KOREA		
	Sunmi Lee	Korea Forest Service	Deputy Director
	JungSook Seo	Korea Forest Service	Program Officer
	EUROPEAN COMMISSION/ EU Delegation		
	Bojan Grlaš	European Commission - Directorate-General for Environment - Global Sustainable Development - Multilateral Environmental Cooperation	Team Leader - International Forest Policy
	Giovanni Serritella	EU Delegation to the Philippines	Programme Manager Environment & Climate Change

Resource persons

NAME/ COUNTRY	ORGANISATION
INDONESIA	
Dr. Ruffie	Ministry of Environment and Forestry, Indonesia
Riasman Damanik	PT. Sucofindo
Robert Wijaya	Indonesia Association of Furniture and Handicraft
Jansen Tangketasik	FLEGT Facilitator – Indonesia
Ja Posman	Ministry of Environment and Forestry, Indonesia
Alif Maulana	Ministry of Environment and Forestry, Indonesia
Hadi Broto	Ministry of Environment and Forestry, Indonesia
Fery Heriyadi	Ministry of Environment and Forestry, Indonesia
Geanisa	Ministry of Environment and Forestry, Indonesia
Hartadi Kuncoro	Ministry of Environment and Forestry, Indonesia
Sida	
Kriangkrai Thitimakorn	Development Cooperation, Embassy of Sweden, Bangkok, Thailand
EU FLEGT FACILITY	
Alexander Hinrichs	Asia Regional Office, EU FLEGT FACILITY
Aimi Lee Abdullah	Asia Regional Office, EU FLEGT FACILITY
Choo Kwong Yan	Asia Regional Office, EU FLEGT FACILITY
Krystof Obidzinski	Asia Regional Office, EU FLEGT FACILITY
Pheakkdey Nguon	Asia Regional Office, EU FLEGT/ EU REDD FACILITY
Thomas Colonna	Asia Regional Office, EU FLEGT FACILITY
FAO	
Josil Murray	FAO Regional Office for Asia and the Pacific
Ivonne Melissa	FAO Indonesia
UNITED NATIONS OFFICE ON DRUGS AND CRIME	
Drew Garrett Engel	United Nations Office - Jakarta / United Nations Office on Drugs and Crime

Annex 3: Photos

Photos of the 7th TLA workshop, including field trip:

<https://www.dropbox.com/sh/x8y2x97k040Inc0/AACRyMQyRNEEajs9BnPLLXIIa?dl=0>

