



MINISTRY OF ENVIRONMENT AND FORESTRY

INDONESIA PERSPECTIVE ON THE VPA PROCESS AND THE ROLE OF THE IMM



**DIRECTORATE GENERAL OF SUSTAINABLE
FOREST MANAGEMENT**

Mariana Lubis
Licensing Information Unit

BACKGROUND OF SVLK

- THE WORLD INCL. INDONESIA UTILIZES FORESTS FOR ECONOMICS, SOCIAL AND CULTURAL PURPOSES

FOREST

LESS OPTIMUM UTILIZATION CAUSES FOREST DEGRADATION

- ILLEGAL LOGGING
- ILLEGAL TRADING

- INDONESIA AS A HOTSPOT OF ILLEGAL LOGGING AND ILLEGAL TRADING IS COMMITTED TO ADDRESS IT THROUGH:
- HARD APPROACH (LAW ENFORCEMENT)

FORESTS AS THE EARTH-LUNG NEED TO BE CONSERVED

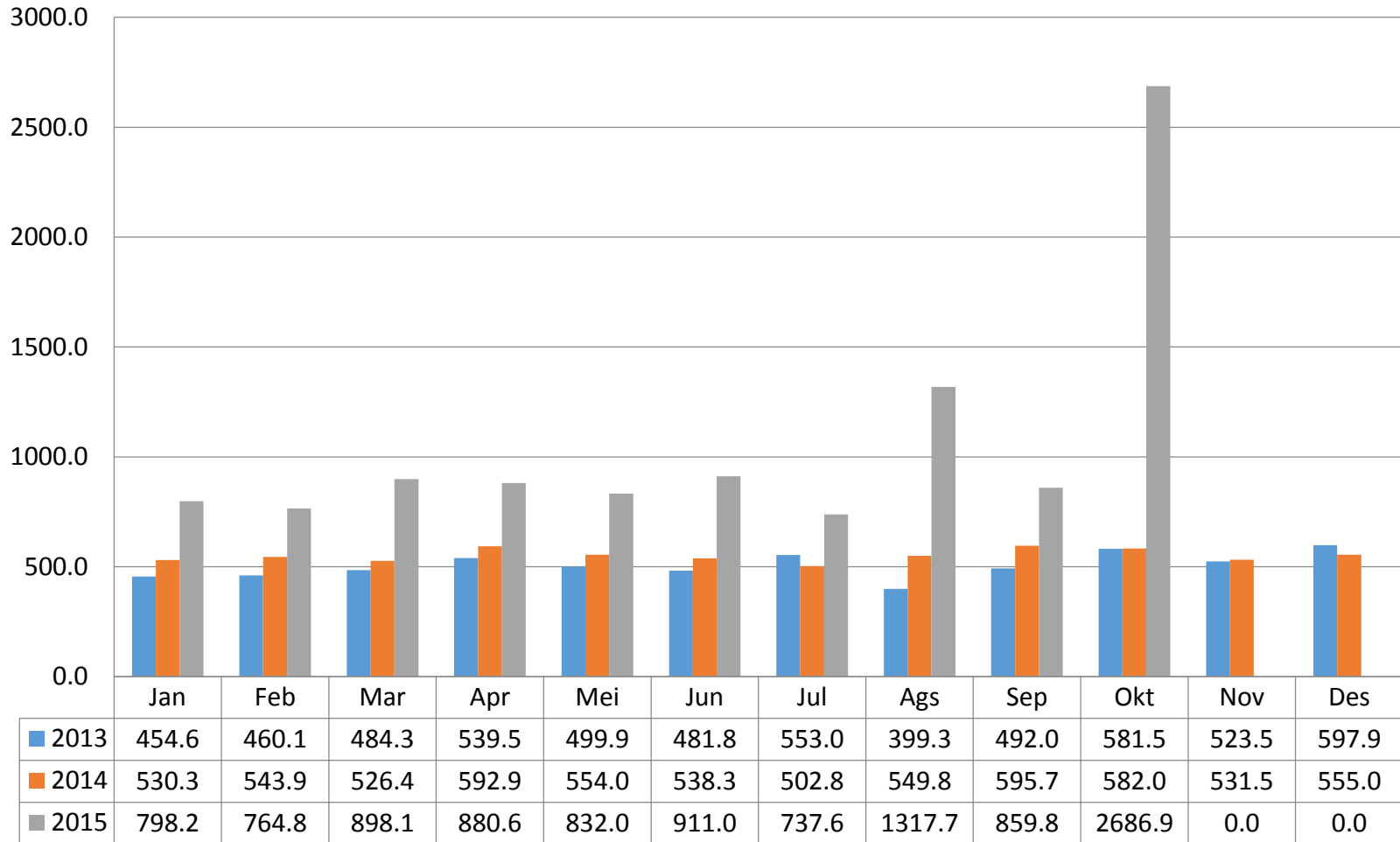
- + SOFT APPROACH (GOVERNANCE IMPROVEMENT) → **SVLK**

SVLK is a forest certification and timber legality assurance system in Indonesia initiated and developed by the Indonesian multistake-holders since 2003.

Why we need soft approach with SVLK?

1. To optimize the fight against illegal logging to ensure the sustainability of the forests.
2. Improving forest management
3. To fulfill the trends on verified legal and certified sustainable timber products

Export Value Using V – Legal Document January 2013 – October 2015 (USD)



(USD MILLION)

Total : 2013 = 6.1 Billion USD, 2014 = 6.6 Billion USD, 2015 = 10.3 Billion USD

The SVLK is the basis for the FLEGT-VPA

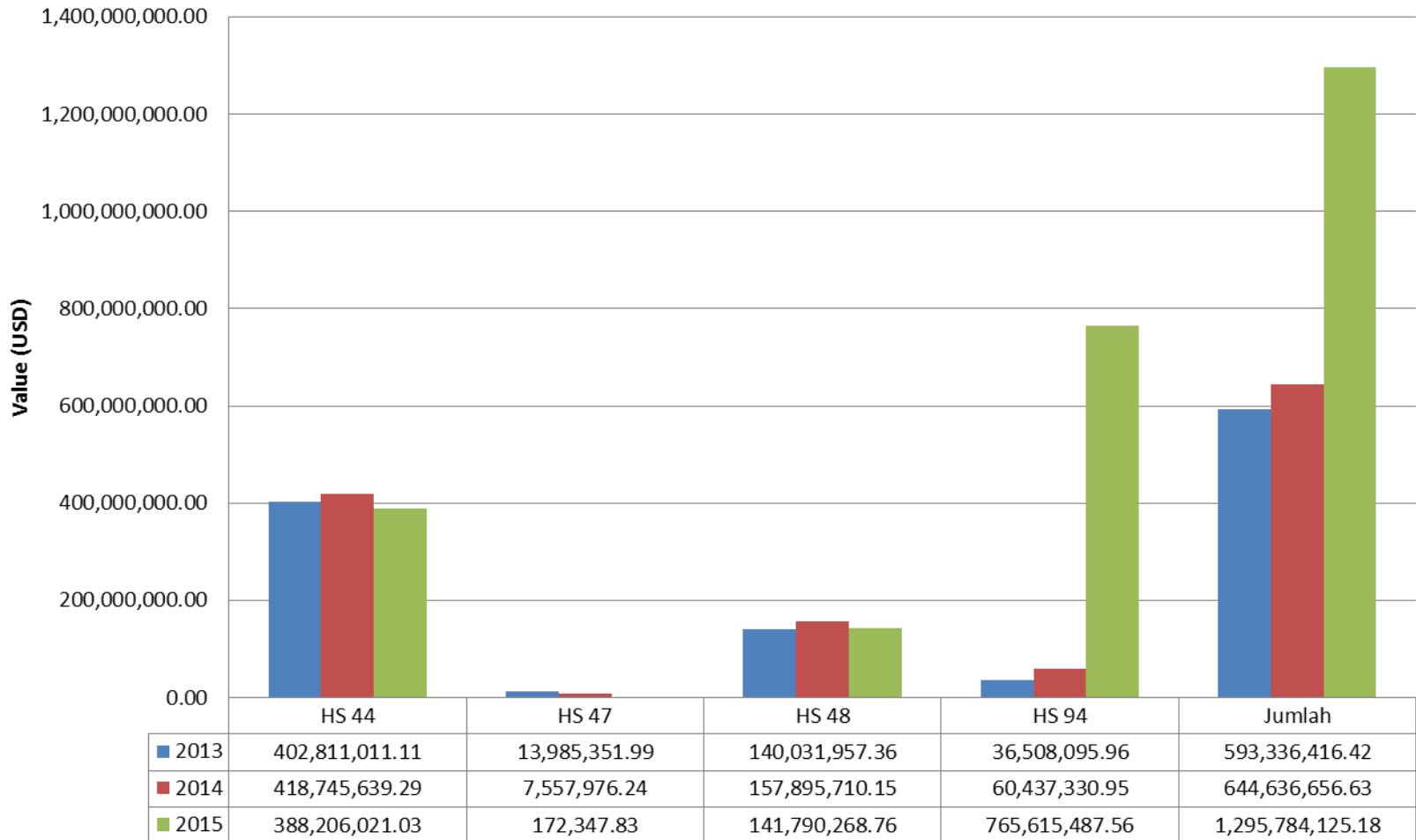
Why Indonesia entering into the FLEGT -VPA ?

The FLEGT - VPA is a legally binding bilateral trade agreement that aims to improve forest governance and promote trade in legal timber from Indonesia to the EU.

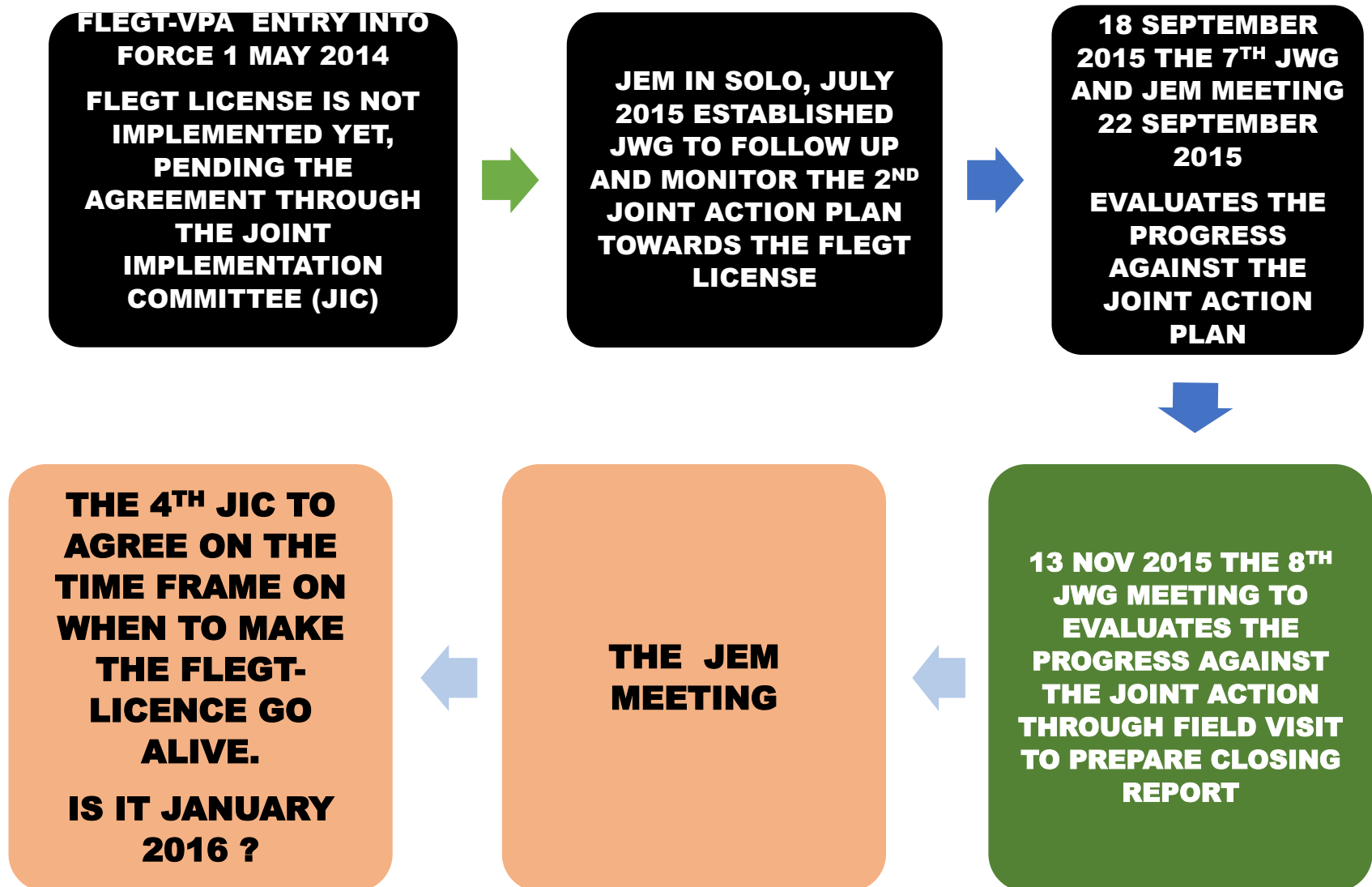
The FLEGT- VPA provides a way by which Indonesia can simultaneously address the problems associated with illegal logging, improve its forest management, and strengthen market opportunities for timber products in European and other markets.

Export Value to European Union (EU) 2013 – October 2015

Total Value Ekspor ke Negara Uni Eropa



THE CURRENT STATUS OF WORK TOWARDS FLEGT LICENSING



What is Indonesia perspective on IMM's role

IMM is market monitoring done by an independent third party referred to as Monitor.

The objective :

- To collect and analyse information on the acceptance of Indonesian FLEGT-licensed timber in the Union market, and
- Review impacts of Regulation (EU) No 995/2010 laying down the obligation of operators who place timber and timber products on the market and Related initiatives such as public and private procurement policies.

Benefit for Indonesia :

- Provide Data and information on performance of Indonesian timber product in EU market
- Increasing transparency
- Increasing competitiveness

What is Indonesia expectation on the IMM

Output : A full Report regarding :

- a. Market situation and trends of timber and timber products in the UE
- b. Public procurement policies and their treatment of FLEGT – and non FLEGT licensed timber and timber products in the EU
- c. Price differentials between FLEGT and non FLEGT licensed timber and timber products
- d. Market acceptance, perception and market share of of FLEGT-licensed and certified timber and timber products in the EU
- e. Statistics and trends on volumes and values of import of FLEGT and non FLEGT licensed timber products from Indonesia as well as other VPA and non VPA timber exporting countries

Outcomes :

1. Increasing of acceptability of Indonesia timber products in EU market
2. Increasing of using FLEGT license timber products including in public procurement policies
3. Increasing of competitiveness of FLEGT License timber products in EU market

