

APEC EGILAT Policy Theme

“Advancing the trade and distribution of legally harvested forest products”.

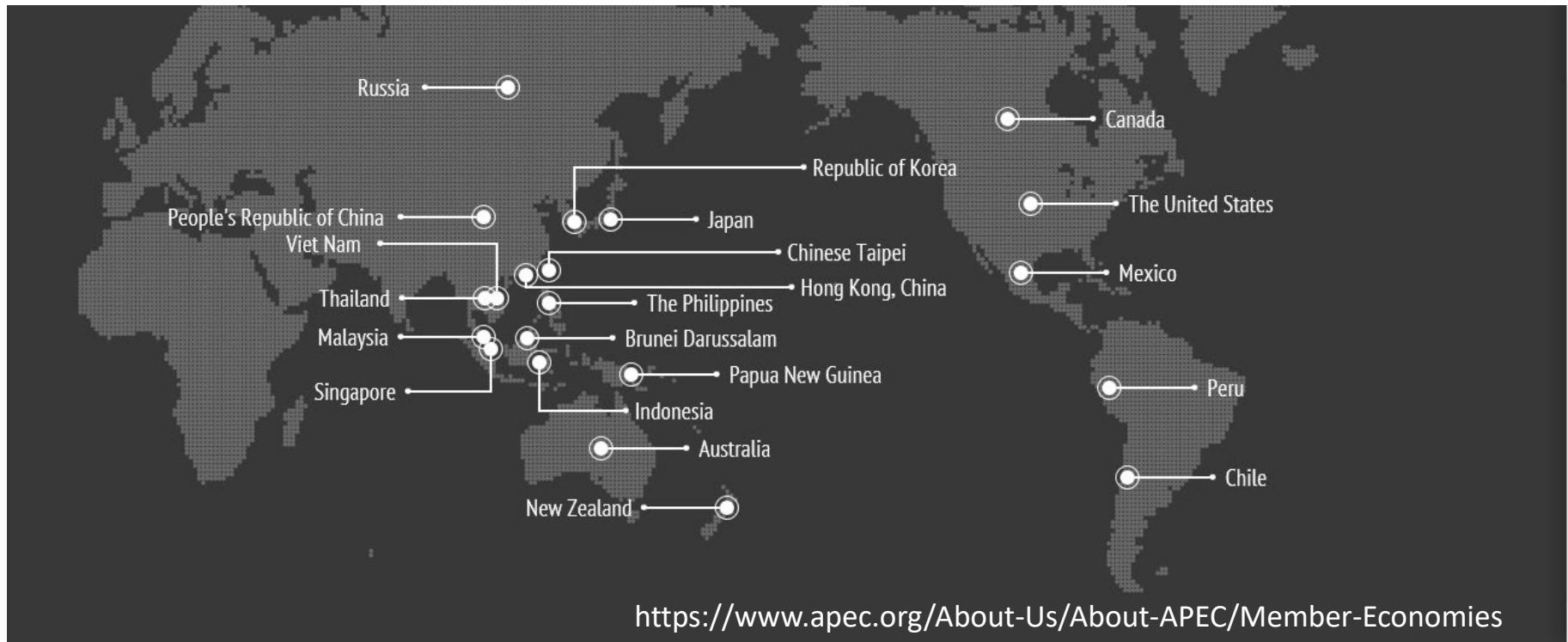
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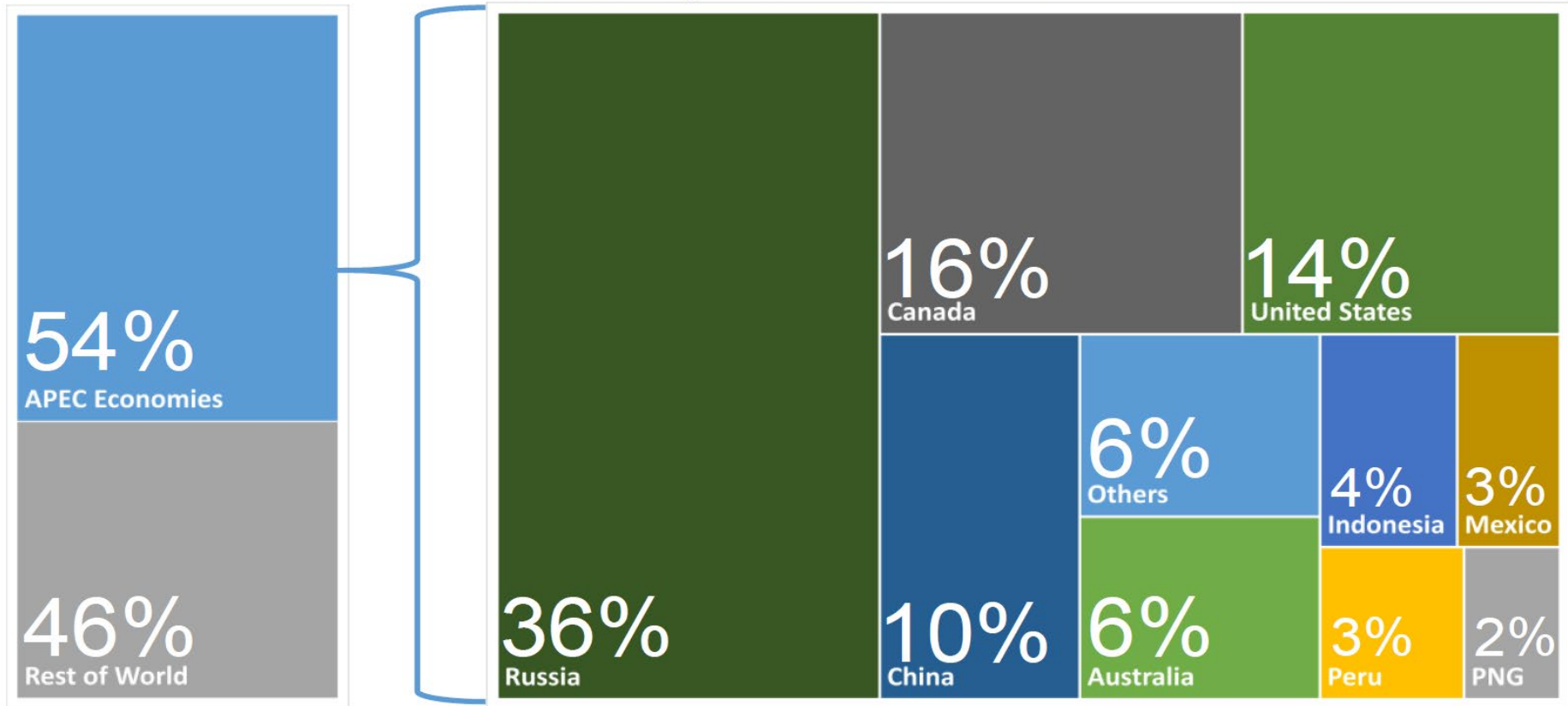
Primary goal : To support sustainable economic growth and prosperity in the Asia-Pacific region



The **21** APEC economies account for **2.19 billion hectares of forest cover**—over **50 per cent of the world's forests**. They also engage in a significant amount of trade in forest products, which represents approximately **80 per cent of the international trade in such products**.

Forest Cover of APEC Economies 2015

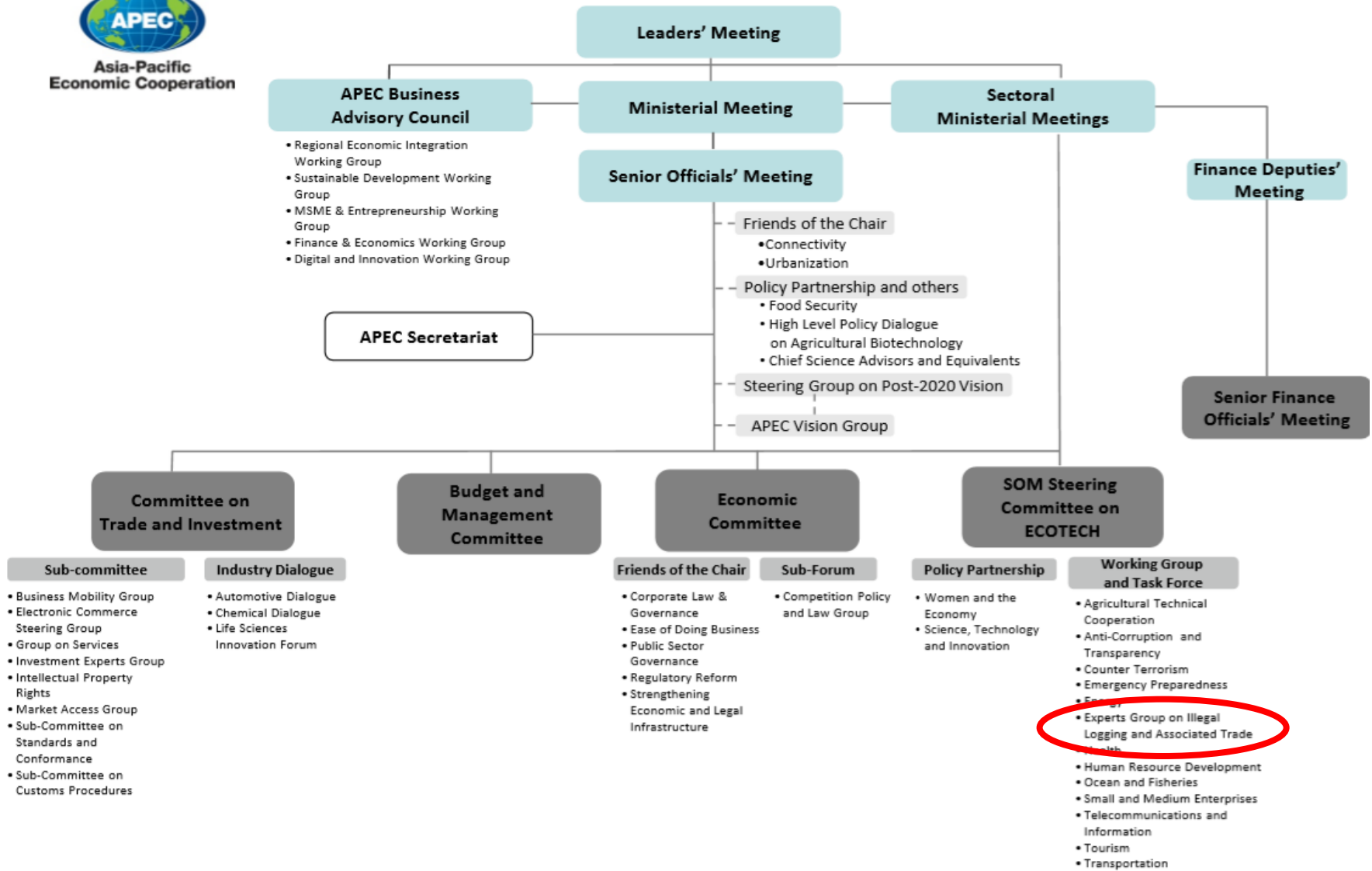
Forest Cover of APEC Economies 2015



Source: Assessment of Progress towards the APEC 2020 Forest Cover Goal, 2015/AMM/002 Session 2



ASIA-PACIFIC ECONOMIC COOPERATION



* In addition to the above, a number of sub fora exist as part of the APEC Structure that are not reflected in the chart.

EGILAT

Expert Group on Illegal Logging and Associated Trade

Background

2010 Yokohama (Japan)

APEC Leaders pledged to enhance cooperation to address concerns with illegal logging and associated trade and to promote sustainable forest management and rehabilitation.

2011 Hawaii (U.S.)

APEC Leaders responsible for Trade directed officials to establish an experts group in order to promote trade in legally harvested forest products, combat illegal logging and associated trade, and build capacity.

Goal

To enhance the efforts of member economies to take concrete steps to combat* illegal logging and associated trade, promote trade in legally harvested forest products, and support capacity building activities in member economies.

** "As per the EGILAT Multi-Year Strategic Plan 2018-22, endorsed in 2018, the term 'combat' also includes strategies and activities to prevent illegal logging and associated trade.*

EGILAT – Activities 1

EGILAT Meetings and Workshops

2012 - The **first EGILAT meeting** was held in **2012**, since then it has been held **twice a year**. In addition to EGILAT members, **various parties have participated (including ITTO)** in the discussion.

Year	Recent Events/ Projects	location
2017	11 th EGILAT	Nha Trang, Viet Nam
	APEC Public-Private Dialogue with SMEs on Promoting Legal Trade in Harvested Wood Products and Strengthening Supply Chain Connectivity Towards Sustainable Growth (EGILAT 02 2016A)	Nha Trang, Viet Nam
	12 th EGILAT	Ho Chi Minh City, Viet Nam
	Workshop on Customs Best Practices to Identify Illegal Timber and Wood Products (EGILAT 01 2017A)	Ho Chi Minh City, Viet Nam
2018	13 th EGILAT	Port Moresby, PNG
	14 th EGILAT	Port Moresby, PNG
	Multistakeholder Dialogue on Corporate Social Responsibility (CSR) Best Practices to Promote Legal Trade of Wood Products (EGILAT 01 2018S)	Port Moresby, PNG
2019	15 th EGILAT	Santiago, Chile
	Workshop to Share Experience, Knowledge and Challenges on Implementation of Tools for Combating and Preventing Illegal Logging Activities and Associated Trade (EGILAT 01 2018A)	Santiago, Chile
	16 th EGILAT	Puerto Varas, Chile

RELATED PUBLICATIONS



Best Practices on Tools for Combating and Preventing Illegal Logging Activities and Associated Trade

Download 



Illegal Logging Best Practices Resource Guide

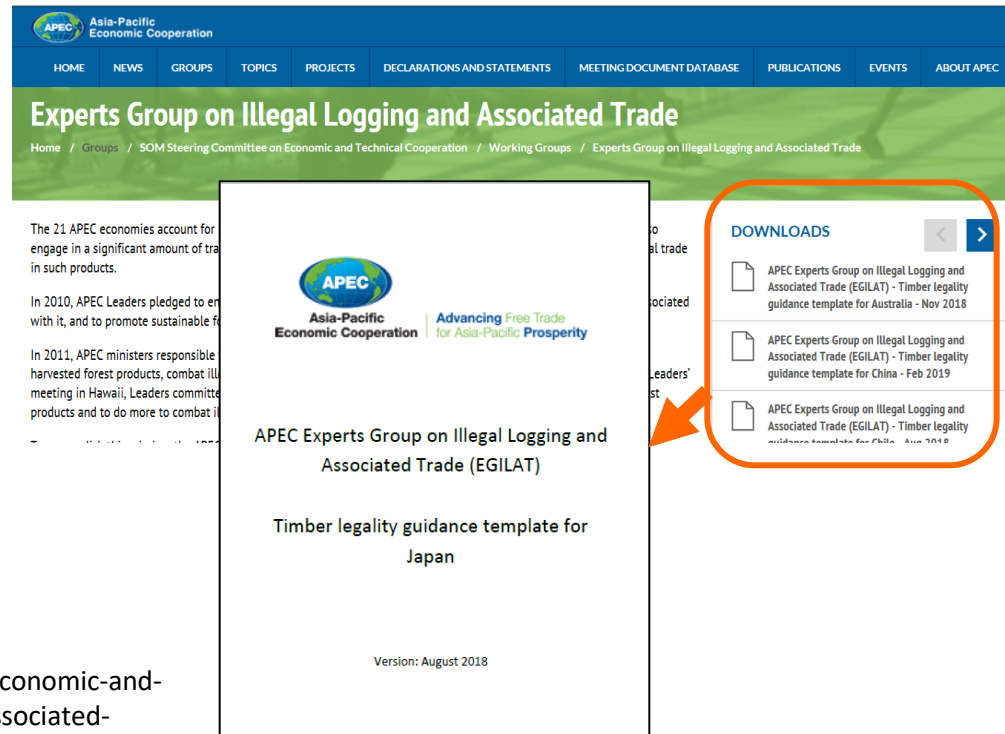
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EGILAT – Activities 2

Timber Legality Guidance Documents

2014 - Developing compendium of timber legality guidance documents, to promote the trade in legally harvested forest products within the APEC region. These documents seek to provide clarity and transparency for businesses, government and civil groups on what constitutes legal and illegally logged timber within individual APEC members.

<https://www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Working-Groups/Illegal-Logging-and-Associated-Trade.aspx>



The screenshot shows the APEC website's navigation bar with links for HOME, NEWS, GROUPS, TOPICS, PROJECTS, DECLARATIONS AND STATEMENTS, MEETING DOCUMENT DATABASE, PUBLICATIONS, EVENTS, and ABOUT APEC. Below the navigation bar is the title 'Experts Group on Illegal Logging and Associated Trade' and a breadcrumb trail: Home / Groups / SOM Steering Committee on Economic and Technical Cooperation / Working Groups / Experts Group on Illegal Logging and Associated Trade. The main content area features the APEC logo and the text 'Advancing Free Trade for Asia-Pacific Prosperity'. A central box displays the title 'APEC Experts Group on Illegal Logging and Associated Trade (EGILAT)' and 'Timber legality guidance template for Japan', with a version date of 'August 2018'. To the right, a 'DOWNLOADS' section is highlighted with an orange box and contains three entries: 'APEC Experts Group on Illegal Logging and Associated Trade (EGILAT) - Timber legality guidance template for Australia - Nov 2018', 'APEC Experts Group on Illegal Logging and Associated Trade (EGILAT) - Timber legality guidance template for China - Feb 2019', and 'APEC Experts Group on Illegal Logging and Associated Trade (EGILAT) - Timber legality guidance template for China - Aug 2018'. An orange arrow points from the 'DOWNLOADS' section to the central box.

EGILAT Multi-Year Strategic Plan 2018-2022

2018 - Guiding EGILAT's work over the next five years. EGILAT members look forward to EGILAT's capacity building activities and other initiatives, including : 'exchange information and increase knowledge on...promoting the trade in legally harvested forest products'; and 'encourage the active participation of industry and civil society to...promote trade in legally harvested forest products'.

Policy Theme - Background

2018

- **PNG proposal** – ‘Procedure to facilitate **focused policy discussion**’
(Need for more active dialog → greater focus on outcomes)’

2019 FEB - EGILAT15

- 2 year theme “**Advancing the trade and distribution of legally harvested forest products**”.

Focus

Private sector entities are the **primary actors** in the international trade in forest products.

- their knowledge and compliance with legal requirements is critical to promote the trade in legally harvested forest products.
- new legal frameworks regulating the trade in timber (in and **beyond the APEC region**) require private sector entities to understand and manage risks of timber legality.

Core Working Group Economies

Australia, Canada, Chile, China, Indonesia, Japan, Malaysia, New Zealand, Papua New Guinea, Chinese Taipei and the US.

Policy Theme – Objectives and Key Task

Objectives

- ✓ Identify **the issues faced by private sector entities** throughout the timber supply chain in trading in legally harvested forest products.
- ✓ Identify **actions that can be undertaken by APEC economies** (on an individual or collective basis) and other parties (including the private sector, civil society and international organizations) to support legal trade.

- ✓ Identify **the resources and materials** available to help private sector entities trade in legally harvested forest products.

Key Tasks

- collecting supporting information



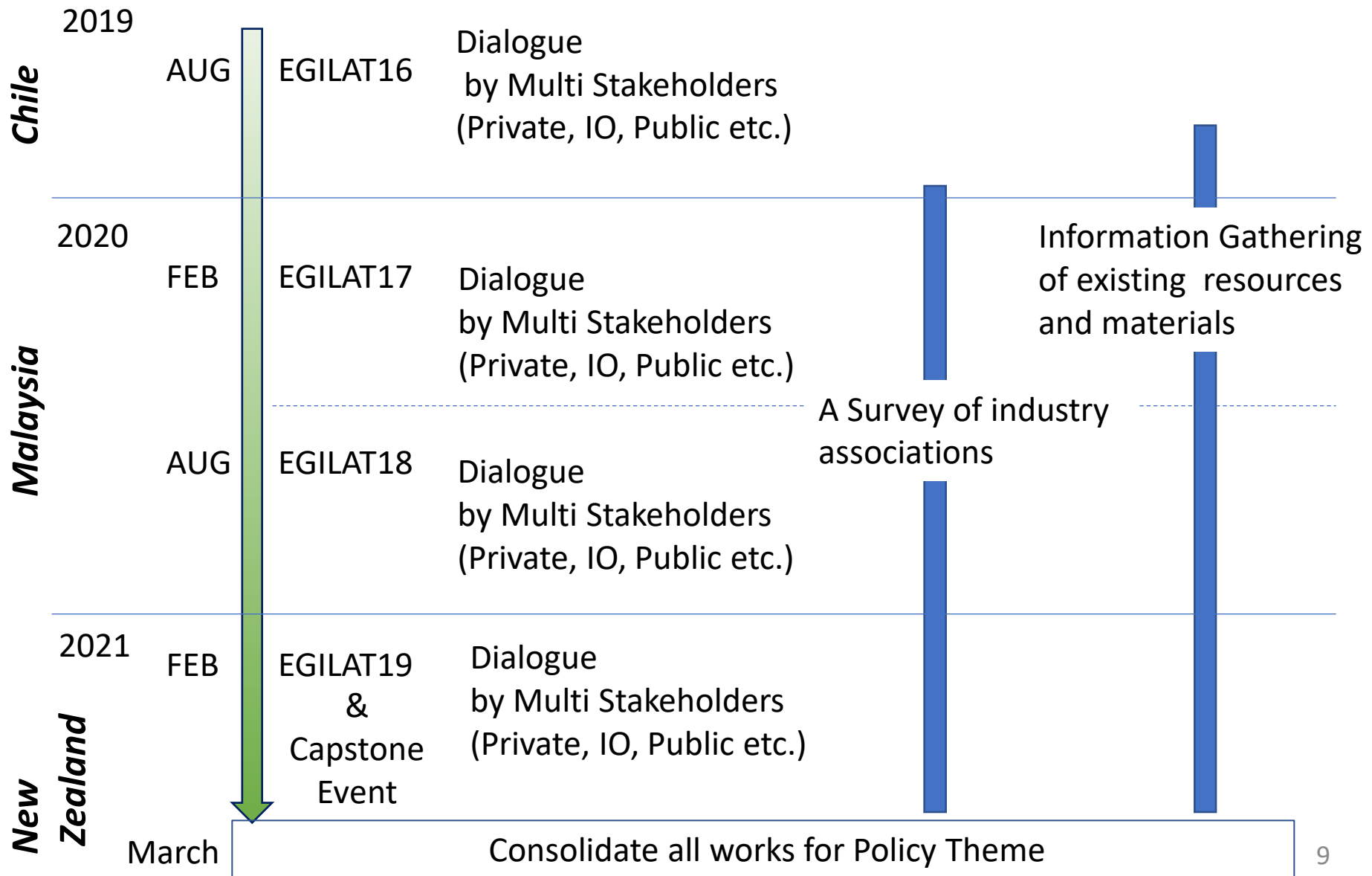
Face to face engagement with Private/ public sector.

Survey/ Questionnaire



Collate information on existing tools, resources and materials.

Policy Theme-Tentative Timeline



Policy Theme – EGILAT16

Multi stakeholders Dialogue

2019 AUG in Puerto Varas, Chile

to promote **direct in-person exchange between various forestry product sector actors**, specifically targeting private sector entities of various scales, international organizations and relevant non-governmental organizations and government officials.

4 Public Sector, 6 private sector + 14 economies

International/ Public sector organizations

World Resources Institute (WRI), **ITTO** , APFNET, OECD

Private sectors organizations

Chile Forest Certification Corporation (CertforChile/PEFC), FSC Chile, CORMA (Chile), International Wood Products Association (IWPA), Global Timber Forum (GTF)

EGILAT members

Australia, Canada, Chile, China, Indonesia, Japan, Korea, Malaysia, New Zealand, Papua New Guinea, Peru, Chinese Taipei, Thailand, and United States

→ These exchanges will enable the gathering and refinement of content for EGILAT's final policy theme discussions and the development of a forward work plan.¹⁰

Policy Theme- Initial feedback

Challenges facing the private sector in dealing in legal timber:

Feedback from industry/NGOs/experts at EGILAT16 suggest industry is facing the following challenges:

- 1) Variety of new timber trade laws, each with their own requirements -> confusing!
- 2) Different levels of complexity -> some very complex or opaque supply chains.
- 3) Varying timber documentation and certificates -> what does legality look like?
- 4) Varying levels of understanding and commitment from suppliers.
- 5) Challenges in dealing with corrupt and fraudulent activity -> makes it hard!
- 6) Competitors will jump in -> can be undercut by less scrupulous businesses.
- 7) Limited capacity to absorb new costs -> managing risks takes time and resources.
- 8) Limited returns for investing in systems -> limited price or market share incentives.
- 9) Private sector limitations -> limited capacity in small and medium businesses.
- 10) Often non-timber businesses trading in timber products -> limited understanding.
- 11) Varying levels of market influence -> can make it hard to source low risk timber.
- 12) Range of potential resources to draw upon -> hard to decide what to use.

Potential Collaboration Areas with ITTO

- Highlight and draw on relevant ITTO investments in this space (particularly their work on their “Legal and Sustainable Supply Chain” platform and “Promoting Responsible Trade and Markets” work program).
- Partner with ITTO members to develop and encourage relevant participation in any policy theme events (particularly the proposed August 2020 workshop).
- Shape the outcomes ultimately coming out the theme and next steps forward.

And if any...

We look forward to Collaboration!!

Thank you.

APEC EGILAT Contact

Point

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