Frequently Asked Questions on Forest Partnerships with the European Union



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1. What are Forest Partnerships?

Forest Partnerships are **political long-term commitments** between the EU and interested partner countries to work together to address mutual concerns and priorities in the forest sector. They are a shared political commitment between partners wishing to adopt a **comprehensive, holistic and integrated approach** to protect, restore and ensure the sustainable use of forests in partner countries. They are not meant to replace existing policies or regulations but rather to offer a guiding framework for cooperation on forests.

Each Forest Partnership will be specific to the partner country. It will be a long-term commitment between the two parties that builds on a political and policy dialogue and on the broader cooperation programme (Multi-annual Indicative Programmes and Team Europe Initiatives, and where relevant complements other instruments, including trade agreements and <u>FLEGT Voluntary Partnerships</u> Agreements (FLEGT-VPA).

2. What are the goals of Forest Partnerships?

Forest Partnerships address the protection, restoration and sustainable management and use of forests, with a view to:

- Increasing the area of protected, restored or sustainably managed forests;
- Increasing the number of forest-related decent jobs and inclusive forest-based value chains;
- Reducing deforestation rates of natural forests;
- Facilitating trade in legal and sustainable wood products between the partner country and the EU.

3. Why Forest Partnerships?

Forests provide a broad variety of environmental, economic, and social benefits and services. They maintain ecosystem functions, influence weather patterns and the climate, and help filter freshwater and clean the air. They protect soils and harbour most of the Earths' terrestrial biodiversity. They are also critical sources of subsistence, energy, jobs and income (e.g. ecotourism) to many forest dwelling communities, and they support national economies.

Although the peak in deforestation seems to have passed, the needs of a rising and increasingly urban global population is still driving the destruction of <u>10 million hectares of forests annually</u>. Deforestation and forest degradation are most intense in the tropical region, and countries that were once (net) wood exporters are becoming <u>wood importing countries</u>.

Recognising the climate-biodiversity-inequality emergency, the EU created Forest Partnerships to heighten cooperation with partner countries and contribute to implementing the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs).

4. What are the benefits for partner countries?

Each Forest Partnership is specific to a country's priorities, but is intended to trigger long-term positive trends such as:

- Placing forests higher on the national agenda, improving a country's image and benefiting stakeholders;
- The creation of decent jobs, reduced deforestation and the sustainable management of forest resources;

- Long-term development of the forestry sector by key stakeholders (government agencies, private sector and civil society organisations);
- Contributing to multilateral obligations such as the 2030 Agenda, the Paris Agreement, the Convention of Biological Diversity (CBD), etc;
- Creating a conducive environment to attract more donor support (especially from EU member states), and encourage greater investment in forests;
- Enabling additional private sector investment e.g. with the help of <u>European Sustainable</u> <u>Development Fund Plus (EFSD+)</u> guarantees;
- Further impacts resulting from increased long term investments.

5. How are Forest Partnerships related to multilateral agreements and goals?

Forest Partnerships will deliver on EU international commitments to address deforestation and forest degradation, such as the 2030 Agenda for Sustainable Development, the <u>REDD+</u> under the UN Framework Convention on Climate Change (UNFCCC), the Convention on Biodiversity, the UN Convention on Combatting Deforestation, the New York Declaration on Forests, and <u>the EU FLEGT action plan</u>.

They are closely aligned to UN Sustainable Development Goal 15, 'Life on Land' (*Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss*).

Forest Partnerships will also deliver on European Green Deal priorities as well as the EU's international cooperation objectives. In its 2019 Communication on <u>'Stepping Up EU Action to Protect and Restore</u> <u>the World's Forests</u>', the EU committed to work with countries to tackle deforestation in a more integrated and holistic approach, through long-term partnerships. European Commission President Von der Leyen reiterated the commitment to the partnership approach calling for coalitions with high ambitions and <u>partnerships for fighting deforestation with like-minded partners</u>.

EU Commissioner Jutta Urpilainen pledged that by 2027, the EU would contribute to the sustainable management of 40 million hectares of forests, create 1 million sustainable and decent jobs in the forest sector, and reduce deforestation by 10 % in partner countries. She added that the EU has earmarked <u>1 billion euros for forests to support partner countries</u>.

6. What are the building blocks of Forest Partnerships?

Each Forest Partnership is tailor-made to the partner country's vision, opportunities, and needs, and can provide support in the following areas. The building blocks are:

- Forest governance and institutions responsible for forests;
- Sustainable value chain development (wood and non-wood forest products and services) and job creation;
- Biodiversity and forest conservation;
- Reduced deforestation, reforestation, forest restoration and afforestation;
- Trade in sustainable forestry products, in compliance with the proposed Regulation on deforestation-free products.

Forest Partnerships contribute to biodiversity and climate objectives and engage the private sector, promoting investment in the forest sector.

7. Who are Forest Partnerships' main actors?

The main actors are partner governments and the EU on an equal footing. On the EU side, the Forest Partnership is signed by a Commissioner on behalf of the Union, after the Council of Ministers has endorsed the instrument's text. In partner countries, the Forest Partnerships are also supported at a high level.

EU Delegations play an active role in developing Forest Partnerships, in close cooperation with the EU Directorate General for International Partnerships, Unit F2 – Environment, Natural Resources, Water (also called INTPA F2), with technical support provided by the <u>Forests for the Future (F4) Facility</u>. The process of building tailor-made and effective partnerships will include partner countries' indigenous peoples and local communities, local governments, academic institutions, civil society and the private sector.

The Forest Partnerships promote a Team Europe approach and can be joined by EU member States, coordinating their efforts with the European Commission, through specific "Team Europe Initiatives".

8. What instrument is used for a Forest Partnership?

Forest Partnerships take the form of a Memorandum of Understanding (MoU). An MoU is a nonbinding instrument that does not give rise to any legal obligation under international or domestic law. Once the MoU has been drawn-up, INTPA F2 prepares a draft Commission decision to sign it. This political instrument will promote a Team Europe approach as these MoUs require Council endorsement.

After departments responsible have been consulted and the Commission has adopted its decision, INTPA F2 sends the text of the non-binding instrument to the Council. The Council must be allotted at least five weeks before the intended signature to give its endorsement. If it is satisfied with the text, it endorses it and authorises its signing on behalf of the Union. The Commission may then proceed and sign the instrument. If the Council requests any changes, INTPA F2 alerts the European Commission's Legal service and Secretariat-General.

9. How are Forest Partnerships funded?

Funding for the programmes, measures and actions come from EU Multiannual Indicative Programme (MIP) 2021-2027 (national and regional), from countries' national budgets and from additional sources that can be mobilised (for example EU Member State funds).

The Partnerships will offer an umbrella programme structure for international cooperation, with the aim of mobilising public and private investments leveraged by the European Fund for Sustainable Development Plus (EFSD+) from development finance institutions and the private sector (commercial banks, corporates, other funds).

Forest Partnerships can also be developed at regional level, using regional funding mechanisms.

10. What are the guiding principles of a Forest Partnership?

The guiding principles of a Forest Partnership are:

<u>Partnership and Participation</u>: Forest Partnerships are open and inclusive, and provide for a strong public-private multi-level partnership engaging representatives of the partner country governments, the EU and its Member States, private sector, civil society organisations (CSOs) including representatives of local communities and indigenous peoples, international organisations, financial

institutions, and donors. The inclusive multi-stakeholder partnership is similar to that adopted in the FLEGT-VPA processes.

<u>Transparency</u>: Forest Partnerships are fully transparent and foresee accountability and regular reports on the implementation and achievement of objectives. Clear indicators and benchmarks will be agreed in the implementation road map.

<u>Modularity</u>: As each Forest Partnership is country-specific, and different partner countries have different starting points, interests and needs for engagement with the EU on forest-related matters, different formats can be envisaged.

<u>Demand driven</u>: Forest Partnerships are driven by actual and emerging needs and opportunities aligned with the objectives and principles of the Partnership. These will be agreed in the road map and subject to regular review.

<u>Support to EU forest policies</u>: In VPA countries, Forest Partnerships will build on the VPA's achievements and complement and strengthen the VPA. The Forest Partnerships will also support the implementation of the proposed <u>EU Regulation to curb EU-driven deforestation and forest</u> <u>degradation</u>.

11. What is the difference between VPAs and Forest Partnerships?

Voluntary Partnership Agreements (VPAs) are legally binding trade agreements between the European Union and a timber-producing country outside the EU to ensure that timber and timber products exported to the EU come from legal sources and to improve forest governance.

Forest Partnerships are non-binding, long-term agreements between the EU and partner countries, promoting an integrated approach to the use and conservation of forests; they contain measures complementary to the VPA.

In VPA countries, a Forest Partnership can be a complementary instrument to a VPA or an alternative to the VPA. If complementary, the VPA will continue with a view to reaching the FLEGT licensing, while the Forest Partnership will address other issues, beyond timber legality. If alternative to the VPA, the Forest Partnership builds on the achievements to date of the VPA, in terms of improved governance or traceability of timber, for example. In other, non-VPA countries, the Forest Partnership represents an entirely new partnership agreement on forests.

12. When was the first Forest Partnership signed?

The first five Forest Partnerships (with the Republic of Congo, Guyana, Mongolia, Uganda, Zambia) were signed at the 27th session of the Conference of the Parties (COP 27) to the UNFCCC in Sharm El-Sheik, Egypt, 7-18 November 2022.

Forest Partnerships continue to be developed at a technical level and discussions with several partner countries are underway, especially countries where forests are a priority in the EU Multi-Annual Indicative Programme 2021-2027 (MIP).

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