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# 26th Illegal Logging Update and Stakeholder Consultation Meeting

16–17 June 2016

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Foundation

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### Introduction

The 26th Illegal Logging Update and Stakeholder Consultation Meeting, held at The Crystal in London on 16–17 June 2016, focused on global efforts to tackle illegal logging and the trade in illegal timber as well as on the challenges faced by those efforts.

With its more than 250 participants, the meeting offered myriad perspectives on forestry issues ranging from progress on the implementation of the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan and the Voluntary Partnership Agreements (VPAs) to new forest policy initiatives being formulated in China and Japan. Besides providing insights into enforcement action in Peru, it addressed the effectiveness of enforcement within the framework of the Lacey Act, the EU Timber Regulation (EUTR) and the Australian Illegal Logging Prohibition Act. At the same time, the meeting explored ways to combat corruption and promote transparency in the forest sector and highlighted the important role played by indigenous peoples in the protection of forests and the need to recognize and secure their land rights.

This report summarizes the presentations and related discussions held during the meeting.

### Session 1: Legislative developments to reduce illegal timber imports in Asia

Chair: Alison Hoare, Chatham House

#### **Recent developments on timber legality regulations in Japan: *Mari Momii, Deep Green Consulting* ([Click here to view the presentation](#))**

- As a major importer of timber from high-risk countries, Japan took an important step with its soon-to-be-implemented Law to Promote the Distribution and Use of Legally Logged Wood, but its impact may be limited owing to the voluntary nature of registration to the scheme, possible gaps in due diligence and limited enforcement capability and penalties.
- Since the regulations have yet to be finalized, there is an opportunity to strengthen them before they enter into force. In their current form, the regulations are designed to promote the distribution and use of legal timber rather than deter illegal timber trade.

#### **China's Timber Legality Verification System (CTLVS): *Chen Shaozhi, Research Institute of Forest Policy and Information, Chinese Academy of Forestry* ([Click here to view the presentation](#))**

- As the world's largest hub for imports and exports of timber and wood products, China recognizes its global responsibility to tackle illegal logging and improve forest governance. The government has acknowledged the need to increase cooperation with the private sector, to raise awareness of the green agenda among consumers and to explore bilateral and multilateral trade alliances that promote legal timber.
- A pilot scheme to test the feasibility and effectiveness of China's Timber Legality Verification System (CTLVS) found that companies require a better understanding of legality and more capacity for undertaking due diligence. A CTLVS steering committee should be established to oversee and promote timber certification as well as to encourage small and medium-sized enterprises (SMEs) to comply.

### **China's Responsible Forest Product Trade and Investment Alliance (RFA): Xu Bin, Research Institute of Forest Policy and Information, Chinese Academy of Forestry ([Click here to view the presentation](#))**

- The RFA is an initiative designed to promote sustainable and responsible forest product trade and help Chinese companies address international legality requirements.
- A dedicated website provides training, technical support and a toolkit to help companies tackle legality issues. Registration is open to all companies but full membership status is available only to those that comply with due diligence system requirements. The RFA, which was founded only recently, has only a handful of member organizations to date; but it is hoped more companies will sign up.
- The industry has raised concerns over the complex nature of supply chains, which makes it difficult to trace wood products. Moreover, the costs involved and the lack of information should be addressed too.

### **Questions, discussion and key quotes**

*In its current form, Japanese legislation looks rather weak compared with the EUTR. Why is this and can improvements be made to strengthen it?*

*Momii:* Political compromises had to be reached over the two bills drafted by two different parties; and during this process the bill was watered down. However, there is still time to make the regulations more stringent.

*How can companies be pushed to address legality and compliance issues?*

*Shaozhi:* Chinese companies face market pressures, so if the market requires sustainable practices, the private sector will follow that requirement. At the same time, the government is making green credit and finance available and trying to steer the public towards green consumption.

*What efforts is China making to promote sustainable development in developing countries?*

*Shaozhi:* Since local communities are at the heart of its reforms, China is engaging with tropical timber countries to promote sustainable operations, trade and investment. It hopes to offer adequate training and capacity-building to enable legal timber production.

## **Session 2: Enforcement action against the illegal timber trade**

Chair: Emily Unwin, Client Earth

### **An overview of developments in Australia, the EU and the US: Jade Saunders, Forest Trends ([Click here to view the presentation](#))**

- A survey conducted between September 2015 and March 2016 in the US, the EU and Australia found that local enforcement agencies had undertaken nearly 500 company site inspections, 955 reviews of due diligence systems and 396 corrective action requirements, and that they had imposed four injunctions and 55 sanctions. China, Brazil, Cameroon, Myanmar and the Republic of the Congo were the countries of origin of the timber most frequently identified in cases of non-compliance.

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- Frustrations related to enforcement arise over action taking place under the radar, the amount of time required for enforcement proceedings and difficulties in monitoring across the supply chain. More resources for enforcement agencies are needed while collaboration with producer countries and NGOs is crucial.

### **Lacey Act enforcement: Lessons from US v Lumber Liquidators: *Patrick Duggan, US Department of Justice* ([Click here to view the presentation](#))**

- In 2015, the US Department of Justice brought a successful case against Lumber Liquidators. The company was found to have been sourcing illegal timber from the Russian Far East and importing it to the US via China with false documents. It was the first criminal conviction under the Lacey Act and received the highest financial penalty (\$13.5 million) yet for timber trafficking.

### **Experiences from Peru: challenges of a forested country: *Flor de Maria Vega Zapata, National Coordinator of Environmental Prosecutors* ([Click here to view the presentation](#))**

- As incidences of illegal logging grow and resources remain limited, effective enforcement action in Peru is hampered by widespread corruption and a lack of cooperation between countries. The challenges the country faces were illustrated by the case of Yacu Kallpa, a ship found to be transporting illegal timber from Iquitos in November 2015. More needs to be done to address such issues.

### **Questions, discussion and key quotes**

*Can funds raised through penalties and the auctioning of the timber in the Yacu Kallpa case be used to support the communities affected by illegal logging?*

*Zapata:* Despite this being the largest timber seizure to date, there will be no money for the communities affected as the shipment had been moved outside the jurisdiction of Peru. Moreover, illegal timber cannot be sold at auction – only given away, which means everyone loses out.

*Under the EUTR are companies focusing less on prohibition more on due diligence?*

*Saunders:* Prohibition is not off the table, but observations show much fewer resources are needed to enforce the due diligence requirement and so it is easier to focus on this aspect of the regulation.

*Duggan:* We need focus on both aspects: an ideal law would include due diligence at the front end and prohibition in support.

*What tools are available to the timber trade to validate certification documents, particularly in Brazil and Peru?*

*Zapata:* Peru's Organization for the Supervision of Forest Resources and Fauna (OSINFOR) has the SIGO website to verify operating licences. However, licences at the regional level are often falsified and unless more efforts are made to tackle corruption, illegal logging will continue.

## **Session 3: Improving transparency and tackling corruption in the forest sector**

Chair: Art Blundell, Forest Trends

### **Tackling corruption in the framework of the EUTR; the TREES project: *Lorenzo Segato, Research Centre on Security and Crime (RiSSC)* ([Click here to view the presentation](#))**

- Research into corruption in the forest sector in the Balkans shows that southeastern Europe is a corridor for criminal activity and illegal timber trafficking.

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- A complex supply chain makes it difficult to identify falsified documents, and the lack of robust enforcement – due to insufficient resources – and the cost of compliance to companies mean that there is little incentive to adhere to the EUTR.
- A better understanding of the EUTR, as well as more stringent due diligence systems and risk assessment, is needed to tackle corruption in the region.

### **Transparency in the forest sector: Approaches and examples from German development cooperation: Anne-Christine Wegener, German Society for International Cooperation (GIZ) ([Click here to view the presentation](#))**

- The forest sector is particularly prone to corruption owing to the complex nature of the supply chain. The GIZ anti-corruption and integrity programme – which provides examples from Indonesia, the Philippines, Lao PDR and Madagascar – has shown that community engagement, input from NGOs, training, risk assessment and transparency are key to tackling corruption.
- The VPA process of the Forest Law Enforcement, Governance and Trade (FLEGT) initiative and Reducing Emissions from Deforestation and Forest Degradation (REDD+) both offer opportunities for strengthening anti-corruption measures.
- Establishing an effective way to quantify and analyse corruption in the forest sector is a challenge, but it is important for the design of anti-corruption measures and to enable monitoring and evaluation of their impact.

### **The potential role of a multi-stakeholder approach to improve transparency and tackle corruption in forestry: Lessons from the Extractive Industries Transparency Initiative (EITI): Eddie Rich, EITI ([Click here to view the presentation](#))**

- The EITI seeks to promote a global standard for accountability and transparency for the extractive industries, based on the principle that a country's natural resources belong to its citizens. But an important question is if this approach can be successfully applied to the forest sector.
- Liberia and the Democratic Republic of the Congo have included forest resources in their EITI reports; and although there are some important lessons to be learned, the initiative's role in tackling illegal activities in the forest sector remains unclear.
- With the right conditions and incentives, multi-stakeholder governance can work in the forest sector but negotiations take time and the expectations of all participants need to be managed if transparency and anti-corruption measures are to be implemented.

### **Questions, discussion and key quotes**

*What role does corruption play in deforestation and how can we fight it?*

*Wegener:* Corruption is not the cause of deforestation, but it does enable it.

*Segato:* Corruption requires complicity by companies and governments. From an economic perspective, there is often more to gain from high-value commodities than from stopping deforestation. Intensive and expensive investigations as well as willingness within government are needed to tackle the problem.

### *Are schemes like REDD+ and FLEGT reducing corruption?*

*Wegener:* We should look for synergies between other policies and at the same time integrate transparency and anti-corruption measures within them. The FLEGT VPA process has made a positive impact but it is not enough on its own.

### *How has the whistleblowing system worked and how is it supported by the government and agencies?*

*Wegener:* Civil society needs a channel through which information can be acted on by the relevant authorities. However, experience from the defence sector indicates that progress can be made without government assistance – there will always be change agents who can instigate action.

*Segato:* Although countries often share information, it is not always followed up or successfully used in courts. More capacity is needed.

### *What can we learn about corruption linked with documentation?*

*Rich:* Transparency is not enough and corruption cannot be fixed by a single intervention. Monitoring the documentation of timber and licensing processes is a first step.

### *What is the next step after risk assessment evaluation?*

*Wegener:* Corruption risk assessments are only the first step. Because many actors are usually involved, risk assessment helps to highlight specific weaknesses and can inform what the next steps might be. Detailed analysis and understanding of the issues will enable targeted solutions.

## Session 4: Improving the legality of agricultural supply chains

Chair: Duncan Brack, independent analyst

### **China's rubber sector and its impacts on forests: Wu Jiangtao, Beijing Research and Design Institute of Rubber Industry ([Click here to view the presentation](#))**

- China's natural rubber is used predominantly in the production of tyres, but also in the production of military equipment and many everyday items. The industry has grown significantly in the past 15 years. As well as sourcing from domestic plantations, China imported 3 million tonnes of rubber in 2015, mainly from Thailand, Indonesia, Malaysia, Vietnam, Myanmar and Lao PDR.
- The production of rubber can have adverse impacts on forests, climate, water and soil. Plantations range from SMEs to large state-owned companies, while cultivation methods include the less environment-friendly monoculture model and the more sustainable intercropping and interplanting system.
- Natural rubber is a more sustainable and renewable resource than are oil-based rubber derivatives, and the sector should support more 'smart-planting' methods of production involving the interplanting of crop species.

### **China's approach to reducing its forest footprint: Guidelines for rubber and palm oil: Junzuo Zhang, China-UK Collaboration on International Forest Investment and Trade (InFIT) ([Click here to view the presentation](#))**

- As the third-largest consumer of palm oil globally, China is working closely with the US, the EU and Southeast Asian countries on legality issues and best practice in order to finalize guidelines for the sustainable production of palm oil as well as that of rubber. Based on the Roundtable on

Sustainable Palm Oil (RSPO) standards, China's Chamber of Commerce for the Import and Export of Foodstuffs (CFNA) will be responsible for the implementation and monitoring of the InFIT Sustainable Palm Oil Guidelines while China's Chamber of Commerce of Metals Minerals & Chemicals Importers & Exporters (CCCMC) has drafted a Sustainable Overseas Investment and Management Guide of Rubber for Chinese Enterprises.

- In close cooperation with the banking sector and NGOs, incentives are to be introduced to boost the uptake of sustainable practices and sustainable overseas investment within the rubber and palm oil sectors, including government-subsidized loans as well as capacity and knowledge building within the industries. The guidelines focus on sustainability, corporate social responsibility, due diligence, monitoring and transparency.

### **A risk-based approach to sourcing forest-impact commodities: *Christian Sloth, NEPCon*** ***([Click here to view the presentation](#))***

- Efforts to alleviate the negative environmental and social impacts of commodities linked to deforestation are hindered by complex supply chains and a lack of transparency and awareness.
- The non-profit organization NEPCon advocates a risk-based, due diligence process. It has developed a series of indicators that build on corporate social-responsibility guidelines and take into account existing certification schemes in order to carry out risk assessments on timber and forest-related products, including palm oil, beef, leather and soy.
- Risk assessments have been carried out in 35 countries so far. The plan is to collect and analyse the information, publish annual reports on each commodity, rank countries from low risk to specific risk and provide insights into the various levels of the supply chain.

### **Questions, discussion and key quotes**

*Does the risk-based approach take into account the impact of regulations on smallholders?*

*Sloth:* Smallholders may often fail to comply with the law, but this failure may not have significant negative impacts, for example, on forests. Our approach to risk assessment is to prioritize those cases of non-compliance that have the biggest and most serious impacts, which enables us to successfully deal with this issue.

*How can the impact of the growing palm oil sector on forests be reduced?*

*Zhang:* China is a major consumer of palm oil and we need to work with the multi-nationals. The Roundtable on Sustainable Oil (RSPO), which aims for just 10 per cent of palm oil to be sustainable by 2020, does not go far enough.

## **Session 5: Next steps for FLEGT: Panel discussion on the outcomes of the Independent Evaluation of the EU FLEGT Action Plan and the implications of the post-2015 development agenda**

Chair: Duncan Brack, independent analyst

**Panel members: *Alhassan Attah* (FLEGT facilitator, Guyana), *Rob Busink* (Ministry of Economic Affairs, the Netherlands), *Julia Falconer* (DFID, UK), *Harrison Karnwea* (Forestry Development Authority, Liberia), *Philippe Mayaux* (European Commission) and *Putera Parthama* (Ministry of Environment and Forestry, Indonesia)**



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- A short presentation ([click here](#) to view) by Alison Hoare outlined the key findings of the independent evaluation of the EU FLEGT Action Plan. On the positive side, the plan continues to be relevant, as it has the potential to reduce poverty and has improved forest governance in all targeted countries. Issues that need to be addressed include communication, corruption, monitoring and the reform of domestic markets.
- Philippe Mayaux highlighted the progress that is being made, noting that multilateral dialogue must be improved, along with planning and monitoring, and that the plan needs to respond better to international developments.
- Alhassan Attah welcomed the improvements in forest governance and the dialogue that has been opened up through FLEGT. However, he argued that there is a need to engage more with the private sector and switch the focus to domestic markets.
- Julia Falconer celebrated the unique and sustained dialogue on illegal logging that has been developed by FLEGT. She called for a stronger framework of communication to extend the network of those involved.
- Harrison Karnwea said the progress that Liberia is making in the VPA process – namely, in promoting transparency and multi-stakeholder engagement – is being replicated in other sectors. He urged the EU to continue its efforts.
- Putera Parthama echoed Karnwea's positive stance on the VPA process but called on the EU to help VPA countries address the issues raised in the evaluation.
- Rob Busink highlighted the positive engagement of many of the member states and governments in the FLEGT process. He also noted that the action plan – along with the VPAs, in particular – has added value to Europe's engagement in this area. However, the fight against deforestation needs to continue and the enforcement of the EUTR should be stepped up, he argued.

### Questions, discussion and key quotes

#### *Is the EU still relevant in the global timber trade?*

*Mayaux:* Of course the EU is still important. Although there has been a shift in exports, which we need to address, it has not been as strong as expected.

*Parthama:* With or without the FLEGT VPA, Indonesia would still tackle illegal logging. The EU makes up 11 per cent of our exports and thus remains an important market.

*Busink:* While it is true that the EU's impact is diminishing, the union can set a positive example for sustainable consumption.

*Karnwea:* The ball is in the EU's court to boost trade. The benefit of VPA licensing means timber is traced throughout the supply chain and recognized in many processing and consumer countries.

*Falconer:* Shifts in global trade do not matter. The EU is still a big market and there is Asian interest in global trading patterns and standards. FLEGT brings together standards and actors, which benefit many in different ways.

#### *Is it a problem that, despite the process having started in 2003, there are still no FLEGT licences?*

*Falconer:* We failed to anticipate how long it would take to embed the changes in systems and capacity across entire countries and sectors in order to develop FLEGT.

*Busink:* Sustainability is complex and perhaps we were too ambitious. However, the weakness of FLEGT complexity is also its strength. We need to improve incentives and engage with the private sector.

*How will the EU support successful communication of FLEGT-licensed timber within the private sector?*

*Falconer:* Now that Indonesia is close to finalizing FLEGT licensing, we can plan the communication that is needed across the EU so that all actors are aware of what is going on.

*Pérez:* FLEGT will succeed on the market if it is seen as a credible system – we need to build credibility (*audience member Luca Pérez from the European Commission – who contributed to the discussion*).

*Will the FLEGT process go ahead even if it fails to recognize indigenous peoples' rights?*

*Mayaux:* The EU supports the UN Declaration on the Rights of Indigenous Peoples, but the VPA is national and so it is up to individual governments to address these issues.

*Alhassan:* In Guyana, the principle of free, prior and informed consent (FPIC) has not been addressed yet; responsibility for doing so lies with the government.

*Parthama:* The social aspects of FLEGT are integrated into Indonesia's system along with sustainability. The process in Indonesia has been multi-stakeholder and FPIC is being upheld.

*Should the inter-African market be addressed?*

*Harrison:* Corruption remains a problem in African business. As such issues emerge, we need to provide transparency to tackle them.

*Mayaux:* Inter-African trade is a considerable concern and we support legality in these trading relations. At the same time, African trade offers considerable opportunities.

## Session 6: Progress with the VPAs

Chair: Alison Hoare, Chatham House

### **VPA negotiations around the world: The current state of play: Luca Pérez and Chris Price, European Commission**

- Overall, VPA implementation and negotiations are moving ahead in most countries, and considerable progress is being made in Liberia, Guyana, Vietnam and Ghana. Indonesia is on course to become the first country to finalize the VPA process and start producing FLEGT-licensed timber.
- Progress has slowed in other countries, where issues related to resources for Timber Legality Assurance Systems (TLAS) and communication need to be addressed.

### **An update from Indonesia: Putera Parthama, Ministry of Environment and Forestry ([Click here to view the presentation](#))**

- Indonesia's SVLK ensured that 98 per cent of timber exported in 2015 was legally sourced. A highly integrated data management system (for details, [click here](#)), independent forest monitoring and input from NGOs have all strengthened the legality process and boosted progress with the implementation of the VPA. The focus has also been on Indonesia's domestic market: the introduction of a green public procurement policy to ensure timber supplied domestically is SVLK-certified.

### **An update from Ghana: Chris Beeko, Ghana Forestry Commission and Obed Owusu-Addai, Civic Response ([Click here to view the presentation](#))**

- The VPA process has significantly improved law enforcement, forest governance and trade mechanisms in Ghana; moreover, a wood tracking system (WTS) has been implemented.

- Engagement with civil society has benefited the VPA process, although the lack of funding for participants is an issue. Broader participation in the implementation of the WTS would be welcome. More capacity and resources are needed to address compliance gaps among SMEs in the forest sector.

### Questions, discussion and key quotes

*Does the peatland moratorium mean that Indonesia will have to modify its SVLK for timber from peatland?*

*Parthama:* Sustainable forest management certification is a broader system and includes all forest-related industries. The peatland moratorium means companies will have to revise their planning, but this will not affect the SVLK.

*Which agencies will carry out independent monitoring and how can we ensure data are credible?*

*Pérez:* Independent monitoring has an important role in all VPAs but it must be credible and accountable. Monitors will need to be engaged, use the complaint mechanism and take the appropriate measures.

*Parthama:* All Indonesian citizens have the right to monitor, and NGOs have a crucial role to play too.

*How have efforts to tackle corruption been improved by the VPA process?*

*Price:* Corruption is being tackled incrementally and we are seeing progress. Key to minimizing corruption is transparency as well as building a resilient system through multi-stakeholder engagement.

*Parthama:* Improvements to governance reduce corruption as well, while NGOs play a big role in holding governments to account.

*Pérez:* Corruption goes beyond the scope of the VPA. There is a campaign at the EU level to tackle environmental crime, and that campaign sees corruption as a key area to be addressed.

## Session 7: The VPA process in Lao PDR

Chair: Alexander Hinrichs, European Forest Institute

### **An overview of the VPA process and monitoring timber flows in pilot provinces: Phoxai Inthaboualy, Ministry of Industry and Commerce ([Click here to view the presentation](#))**

- Incorporating efforts to achieve the sustainable development goals, successful VPA negotiations in Lao PDR are dependent on multi-stakeholder engagement. A roadmap has been drawn up that foresees establishing a legality framework and timber monitoring systems. Given that forest governance is high on the political agenda, it is to be hoped that capacity within government will be increased. At the same time, more input from civil society is required and illegal imports from neighbouring countries will need to be addressed.

### **The Forestry Legality Compendium and supply-chain control for natural production forest: Khamfeua Sirivongs, Ministry of Agriculture and Forestry ([Click here to view the presentation](#))**

- The Forestry Legality Compendium aims to serve as a tool for timber legality development and supply-chain control across the forest sector in Lao PDR. It is hoped that through the launch of an online database and efforts to address capacity, training and knowledge gaps, the platform will aid the development of an effective TLAS.

### **Civil society's involvement in the development of the Lao PDR timber legality definition: Vansy Senyavong and Maeying Hoamchai Patthana, Women Mobilizing for Development ([Click here to view the presentation](#))**

- There are currently 19 civil society organizations (CSOs) involved in the Lao-FLEGT committee. Their aim is to share information, engage communities, build capacity for timber legality and assess the timber supply chain.
- The CSOs have called for increased equality, transparency and solidarity between them, on the one hand, and the government and private sector, on the other. They also call for a clearer definition of their role and more support and involvement in thematic expert groups to ensure the rights of local communities are reflected in the timber legality definition.

### **Private-sector perspective of the VPA process and the development of a national chain of custody system for Lao PDR wood-processing companies and traders: Thongsavanh Soulinamat, President of the Lao Wood-Processing Association ([Click here to view the presentation](#))**

- Poverty plays a major part in the prevalence of illegal logging, which, in turn, suppresses timber prices in Lao and deters international buyers. For this reason, the private sector welcomes efforts by the new government and the opportunities opened up by the FLEGT/VPA negotiations to reform the industry.
- Initiatives within the private sector include establishing an advanced timber flow monitoring system, supporting corporate social responsibility and promoting the establishment of a chain of custody. Clearer guidelines and effective enforcement of regulations should be addressed, along with improvements in technology and increasing skills among the workforce.

### **Questions, discussion and key quotes**

*What achievements has the Lao PDR government made in tackling illegal logging?*

*Phoxai:* The Prime Minister Order 15 has been positive in the Lao PDR government's drive to tackle illegal logging. It stipulates that at present no one can export logs, only finished wood products.

*Vansy:* We are working on a specific rule so that CSOs can be included in the VPA process and will work together to help communities understand the benefits of legal timber and engagement with FLEGT.

*How is the Lao government building relationships with the private sector and NGOs?*

*Vansy:* In the past, it was a challenge for the government to engage with the private sector, but relations have improved more recently. The network of NGOs is an effective instrument with which to boost discussions and knowledge sharing.

## **Session 8: Ensuring respect for indigenous peoples' rights: The experience of Honduras**

Chair: Daphne Hewitt, FAO

**New challenges facing the indigenous peoples of Honduras: *Donaldo Allen, National Confederation of Autochthonous Peoples of Honduras (CONPAH)* ([Click here to view the presentation](#))**

- The success of REDD+ and the VPA process in Honduras depends on engagement with indigenous peoples, who make up 20 per cent of the population. The government must legally recognize the land rights of the indigenous peoples and guarantee their security and FPIC. If it fails to do so, the VPA will stall and illegal logging will continue. This means that the resources will be removed from the rightful owners and communities and forests destroyed.

### **Citizenship and governance to protect our natural resources: José Filadelfo Martínez, Democracy Without Borders Foundation ([Click here to view the presentation](#))**

- The killing of Berta Cáceres, one of a large number of environmental campaigners who have suffered the same fate, highlights the dangers faced by the indigenous populations and the violations of human rights that continue in Honduras. Corruption, violence and political uncertainty undermine civil society and trust in the government. However, multi-stakeholder engagement in the VPA process could help strengthen the forest sector and improve governance and security in the country. Moreover, there is an urgent need to address the recent pine bark beetle epidemic, which has ravaged a quarter of all forested land in Honduras.

### **An EU perspective: Philippe Mayaux, European Commission**

- The EU is extremely committed to promoting indigenous peoples' rights. Drivers of good governance are at the heart of the VPA process, although engaging indigenous peoples can be a complex process. In Honduras, building a consensus has progressed, with indigenous people now included in discussions. As a fully pledged partner, in April the EU endorsed the request by the indigenous peoples' groups that a law on FPIC be passed by the Honduran government before the VPA is finalized.

### **CLUA's approach to supporting local community and indigenous forest and land rights: Penny Davies, Ford Foundation ([Click here to view the presentation](#))**

- The Climate and Land Use Alliance (CLUA) dedicates a significant part of its forests and climate resources to working with indigenous peoples and local communities, including those in Honduras. Securing land rights for indigenous peoples and local communities can stem the loss of forests and livelihoods and is one of the most effective climate mitigation solutions, as well as being the most cost-effective.
- Effective media coverage is imperative to raise awareness among policy-makers of forests and their role in climate change, the economy and local communities as well as to help tackle the issues of illegal logging and violence against indigenous people. Issues such as these are often neglected by the news outlets.

### **Questions, discussion and key quotes**

*How can we stop indigenous people being corrupted by powerful interests?*

*Davies:* I often hear the comment that communities are the worst illegal loggers. In Lima, I heard miners discussing FPIC, saying they can pay off indigenous people and take over their rights. This is one issue, but there is also the issue of inequality. If indigenous governance is strong, then communities are able, more often than not, to keep illegal loggers out. There are also many positive initiatives for monitoring and data management.

*Allen:* I'm offended when you talk about bribes: indigenous people are committed to protecting forests; and, as the owners of the last resources, we need to speak as equals.

*What practical support could be given to those on the front line of environmental defence?*

*Martínez:* The commitments by the EU and international community will help reduce violence. Unfortunately, we are caught in the middle of drug trafficking and neoliberal policies, which have quashed the rights of indigenous peoples; but we need to fight for progress.

*Davies:* Safety and security for indigenous peoples can help. Communities need to organize themselves and get the necessary technical support.

*Why is there a lack of media coverage of indigenous peoples' rights?*

*Davies:* In the forest sector we tend to use too much jargon, which means that stories about the industry are inaccessible. Negative stories will often make the news, but they should be balanced by reports of successes. We also need to engage more with journalists.