

AIDE MEMOIRE

SIXTH SESSION OF THE JOINT MONITORING AND REVIEW MECHANISM

Accra, 19th – 22nd November, 2013

Introduction

1. The sixth session of the Joint Monitoring and Review Mechanism¹ (JMRM) to facilitate the implementation of the Voluntary Partnership Agreement (VPA) between Ghana and the EU took place in Accra from 19th to 22nd November 2013. The mission was co-Chaired by Ghana and the EU. The Ghana Delegation was led by the Honourable Alhaji Inusah Fuseini. The EU Delegation was led by Ambassador Claude Maerten.
2. The Ghana team included representation from the Ministry of Land and Natural Resources, Forestry Commission (FC), Civil Society and the Private Sector. The EU team included representation from the European Commission, Member States and experts from the EU FLEGT Facility. A participants list is attached as Annex I to this aide memoire.
3. The JMRM discussed progress on key aspects of the VPA implementation. It also discussed concerns raised by civil society in the 5th JMRM. The following sections provide a summary of the discussions and decisions in relation to each of the areas concerned.

Legality Assurance System

4. The parties agreed that there has been clear progress in the development of the Legality Assurance System (LAS) since the fifth JMRM. There is a shared commitment to initiate the joint assessment (as required by the VPA) of the LAS in April 2014. The parties agreed that it is important to have a shared understanding of the sequencing of activities necessary to ensure adequate progress within various elements of the LAS to meet this deadline. This plan will be completed by the end of December 2013.
5. Progress to develop the Wood Tracking System (WTS) with Ata Marie Group Ghana (AMGG) remains ahead of contract schedule. The user acceptance

¹ The purpose of the JMRM is described in Article 19 of the VPA

testing of the WTS with staff of the FC and representatives of private sector is expected to conclude in early December 2013. The national rollout will begin in January 2014, with a plan to cover all exporters by July 2014.

6. The verification protocols, which will provide guidance on processes and procedures for verifying legal compliance, have been revised by the FC with input from an expert technical team. The field testing of the protocols will be done with relevant stakeholders during January 2014.
7. The Independent Monitor has been selected. The contract is currently at the Attorney General's Department for approval.

Domestic Market

8. Work to pilot various approaches to facilitate legal supply to the domestic market is continuing through various project support. A key concern is the need to secure a basis that enables artisanal millers to gain access to legal timber solely to supply the domestic market. GoG has developed a draft legislative instrument (LI) to address these concerns, which is currently being reviewed to incorporate inputs from civil society.
9. The Public Procurement Policy for legal timber is under further discussion at the level of the Parliamentary Select Committee for Lands and Forestry and is expected to be submitted to Cabinet for approval in the first quarter of 2014.
10. To increase the supply of legal timber to the domestic market, the FC in collaboration with the Domestic Lumber Traders Associations (DOLTA) has initiated discussions with the Ministry of Trade and Industry regarding tax relief on the import of timber.

VPA Impact Monitoring

11. The joint Ghana-EU impact monitoring working group has met twice since the last meeting of the JMRM. In the first meeting in August 2013, ten impact areas were agreed upon for the development of the Impact Monitoring Framework. The second meeting in November 2013 agreed to develop a proposal on impact monitoring to be presented to the next meeting of the JMRM for approval.

Transparency Measures

12. Article 20 of the VPA includes requirements relating to reporting of information. Civil society has submitted to MLNR, a comprehensive list of information that they consider should be in the public domain. They will now engage in a discussion with the Ministry to agree a prioritized list and associated timeframe for publication.

Annual Workplan

13. A revised annual workplan for the implementation of the VPA was agreed by the parties and is attached as an annex to this aide memoire.

Annual Reporting

14. The annual report for 2012 has been published. It was agreed that future reports will also include an annex reporting on the full range of FLEGT-funded projects that are operational in the year under review. Future reports will also include an additional paragraph on transparency measures indicating what information GoG has made publicly available.

Timber in transit

15. Under the FLEGT licensing scheme, any timber exported from Ghana will require a FLEGT license to enter the EU. As timber in transit is not subjected to Ghana's licensing scheme, it is important to clarify how such shipments will be exempted from the requirements for FLEGT licensing. In this regard, EU customs must be able to distinguish the authenticity of documents accompanying shipments of transit timber. It was agreed that Ghana would provide the EU with details of the existing documentation and processes used for transit timber. In addition, Ghana will also propose text for inclusion in the VPA to exempt transit timber from the FLEGT licensing requirement.

Imported timber

16. The EU timber regulation (EUTR), which came into force in March 2013, places obligations of due diligence on timber importers to ensure that the timber that they are placing on the EU market comes from legal sources. As the EUTR considers FLEGT licenses to meet all due diligence requirements, it is essential that timber imported into Ghana for further processing and shipment to the EU

under a FLEGT licensing scheme does not undermine the credibility of Ghana's legality assurance system. Ghana acknowledges the need to ensure the legality of timber imports from third countries and will propose text to the EU capturing what due diligence will be carried out with regard to such imports.

Civil society concerns

17. The parties noted that there was now a clear commitment from civil society to using existing multi-stakeholder platforms to collaborate constructively with GoG to find solutions to challenges arising in the implementation of the VPA.
18. In the spirit of constructive engagement, a meeting was held between the Ministry of Lands and Natural Resources and civil society representatives to discuss issues of concern raised during the fifth JMRM. Consequently, the Ministry has initiated a set of agreed actions to address the concerns raised relating to the issuance of 'special permits' and the need to convert old leases to Timber Utilisation Contracts (TUCs).
19. Following the approval of the new Forest and Wildlife policy, there is a need for a clear timeframe for the development of a consolidated forestry act to enable all stakeholders to engage effectively in this process.

Amendment to Annex I

20. Following a formal exchange of letters, Ghana accepted the EU's proposal for a change in the HS codes used in Annex I to describe the products covered by the FLEGT license. Following a discussion on exclusions of species and products from the VPA, Ghana will submit a proposal to the EU on this issue before the end of December 2013.

Rules of procedure and rules of arbitration

21. Ghana acknowledged formal receipt of the rules of procedure and rules of arbitration adopted by the parties at the fifth JMRM. The final versions are annexed to the Aide Memoire and will come into force by signature of this Aide Memoire.

EUTR

22. The EU has approved two monitoring organisations to support timber operators in the EU to put in place the required due diligence systems to meet their obligations under the EUTR.

Independent Market Monitoring

23. A contract to develop a system of independent market monitoring (IMM) will be signed with the International Tropical Timber Organisation (ITTO) in December 2013. The IMM will work with Ghana and other VPA partner countries in 2014 to establish mechanisms for monitoring the trade in FLEGT licensed timber. The first report will be issued by ITTO in 2015.

Date of the next JMRM

24. The next JMRM will be held in May 2014.

Signed: 

Hon. Alhaji Inusah Fuseini (MP)

Minister of Lands and Natural Resources

Date: 22/11/2013

Signed: 

Ambassador Claude Maerten

Head of EU Delegation

Date: 22 11 13