



Forest canopy Central Kalimantan
Photo by: Rahmat (TBI) - 2019

Collaboration between FSC and FLEGT

Scaling up Sustainable Forest Management in Indonesia



A call for stronger collaboration to achieve mutual benefits

Iwan Kurniawan, The Borneo Initiative

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Outline

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the State of
Indonesia's Mandate for
Forestry Management
FLEGT/SMLK and FSC

Complication
Government's
Policy
Implementation

The Solution
FLEGT
Implementation

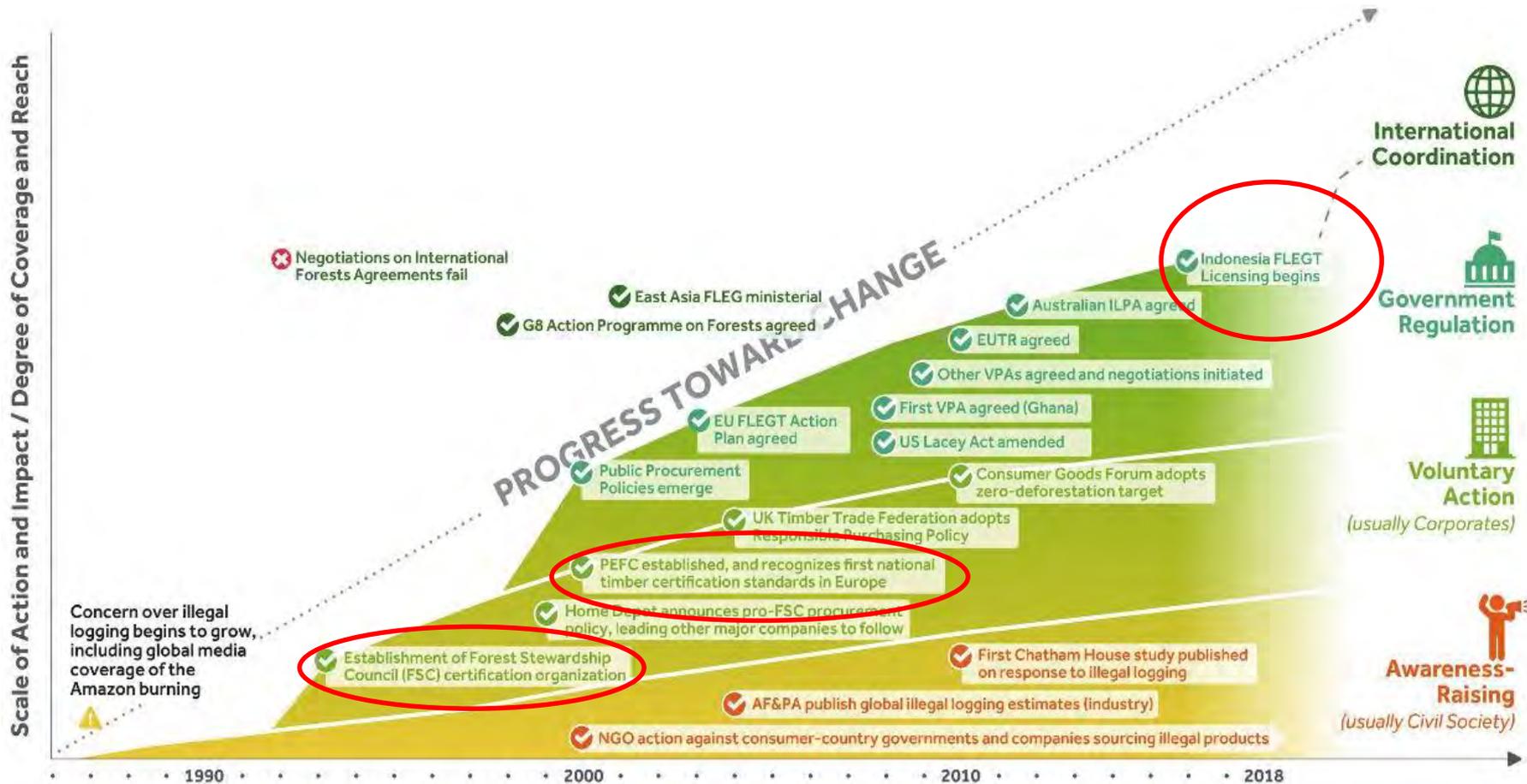
01

Situation

The shared objectives of Indonesia's mandatory forest management standard (FLEGT/SVLK) and FSC

Indonesia's mandatory forest management (SVLK) standard is catching up with voluntary schemes

Action against illegal logging has evolved over time: from voluntary measures to government-led reforms, thanks to FLEGT





Indonesia's **SVLK** includes two core standards



Over 24 million hectares of forests are SVLK certified in Indonesia.

The verification of the timber legality standard (VLK) which covers both private and publicly-owned forest management units (VLK Forest).

Timber processing industries along the entire supply chain are certified under the mandatory Chain of Custody standard (VLK Industry).

Primary focus:

Preventing illegal logging.

The Sustainable Forest Management and Production standard (PHPL) ensures that forest management units producing timber are managed sustainably.

All holders of natural forest concessions, plantation concessions and ecosystem restoration concessions require PHPL certification.

Primary focus:

Sustainable Forest Management

The ultimate aim of both FLEGT / SVLK and FSC is to encourage **sustainable forest management**

Both schemes consider sustainability in the same way and have developed processes that promote transparency and independency

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The schemes share many of the same social, environmental and economic objectives

ENVIRONMENT

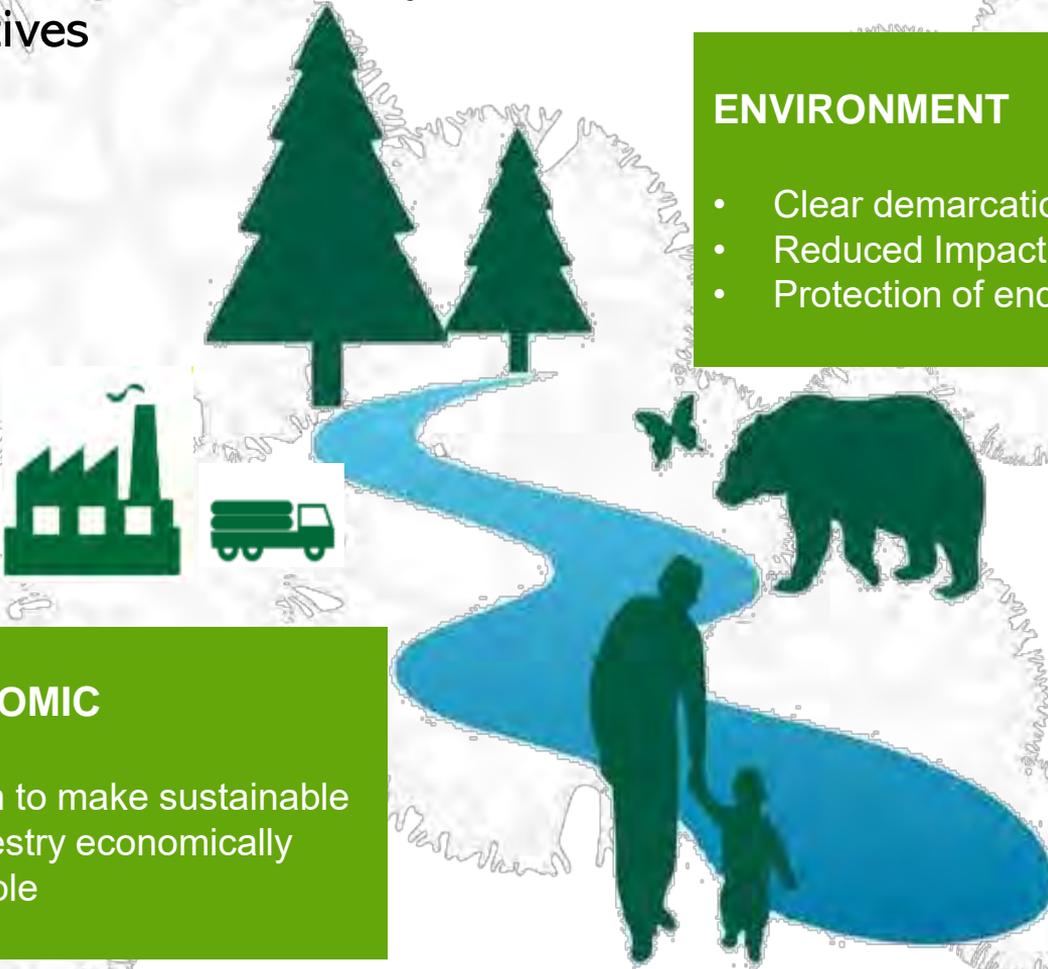
- Clear demarcation of protected areas
- Reduced Impact Logging
- Protection of endangered species

SOCIAL

- Recognition of customary land rights for indigenous and local people
- Fair distribution of benefits
- Conflict resolution mechanisms FPIC principles.

ECONOMIC

- Aim to make sustainable forestry economically viable

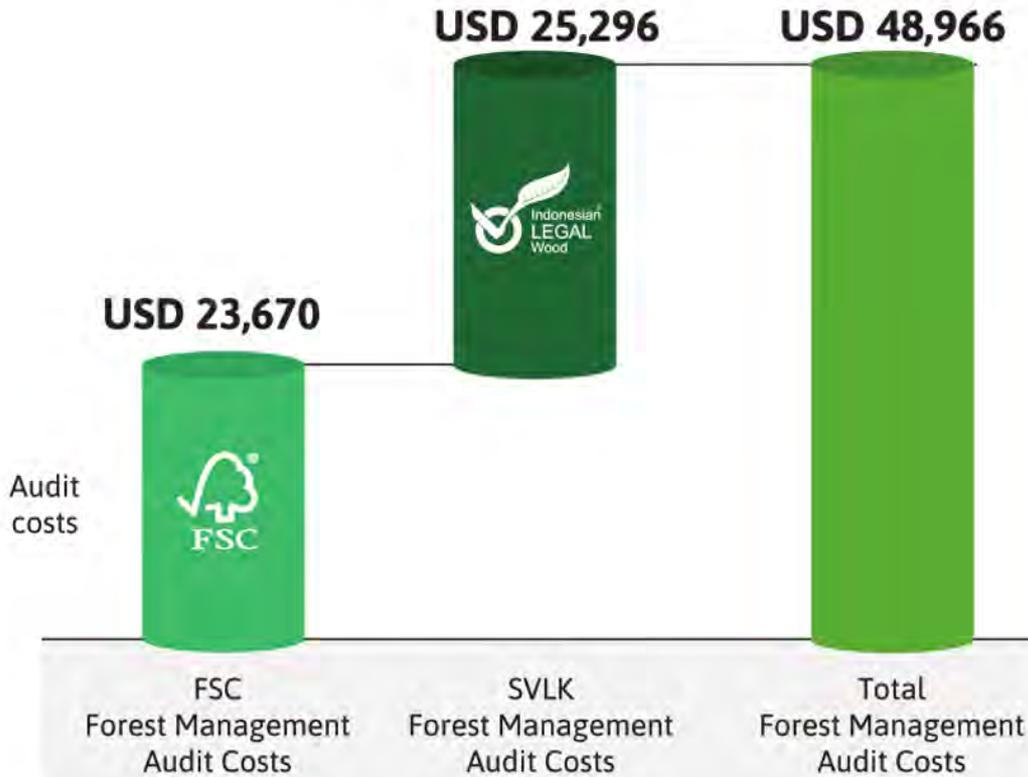


02

Complication

Counterproductive duplication between
FLEGT and voluntary schemes

Counterproductive double audit payments are blocking the expansion of SFM schemes



Key points

Almost 70% of the criteria and indicators in the FSC Harmonized Standard show either **no material difference** or only **minor differences** with SVLK.

The main differences are approaches to legal forest conversion, IFL and management of HCV areas.

All forest managers must pay for separate audit exercises to cover each scheme.

This means that **forest managers are paying twice** to verify compliance with the vast majority of criteria.

Lestari tapi tak bersaing
Sustainable yet **less-competitive**

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03

The Solution?

Synergizing FLEGT/SVLK and FSC processes through combined audit

Practical synergies can be put in place between SVLK and FSC

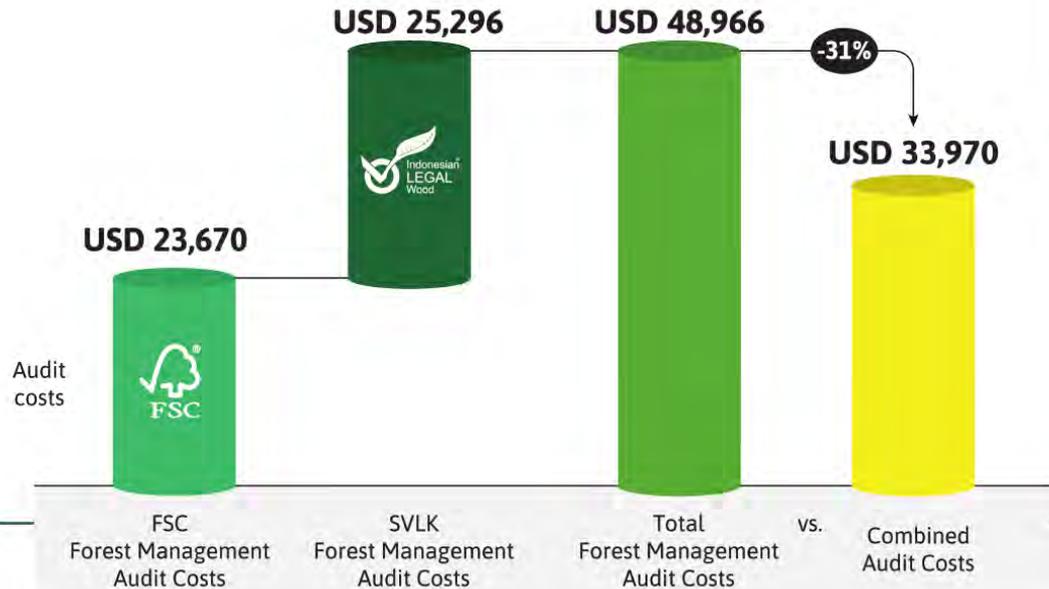
Combined audits can significantly cut costs for forest managers

Overall, combined audits would save

31%

of certification assessment costs for FSC and SVLK:

approximately **USD 15,000**



Key points

- Forest Managers can be audited against the requirements of the two standards (SVLK & FSC) **simultaneously**, by one Certification Body.
- Combined audits remove a significant barrier to expanding FSC coverage and SFM practices across natural forests.



SVLK and FSC are mutually supportive

Together they raise standards across the entire Indonesian forest estate: combining permanence, scale and sustainability



The potential to build on FLEGT represents a EUR 2 billion opportunity for voluntary certification in South East Asia alone

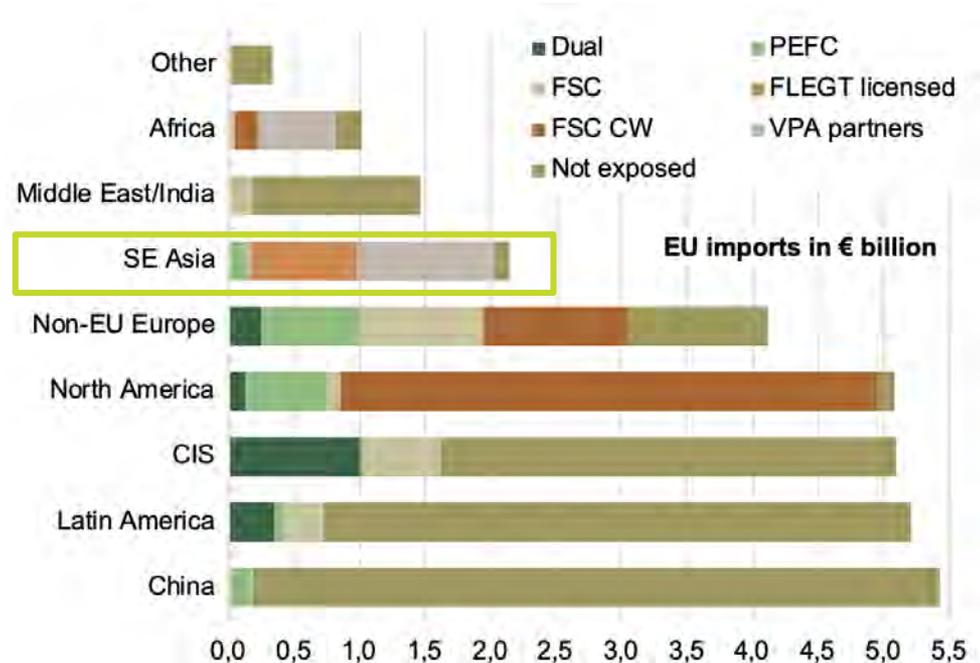
Key points

Nearly all of the EUR 2 billion of timber exports from South East Asia to the EU are now subject to FLEGT VPA timber legality systems.

But only 10% of these are FSC certified

If FSC can build on the foundation provided by FLEGT, there is a potential to massively increase voluntary certification in South East Asia

Certified timber exports to the EU in 2019



16/2020

Acknowledging the synergies that exist between FSC and nationwide legal frameworks developed through the FLEGT Action Plan.

Accepted by the Motions Committee

Policy Motion

Theme: Forest Management

	Proposed By	Seconded By	Seconded By
Name	Ida Bagus Wiradnyana Putra	Iwan Kurniawan	Andrew Ng
Organization / Individual	Putra, Ida Bagus Wiradnyana, Mr.	The Borneo Initiative	Ng, Andrew, Mr.
Chamber / Subchamber	Economic/South	Environmental/South	Social/South



Support Our Motion at FSC GA 2021

Policy Motion (Motion text /high-level action request):

The membership proposes that FSC formally recognize the strategic importance of mandatory and well-enforced national legislation, developed and endorsed through FLEGT Voluntary Partnership Agreement processes, as foundations for sustainable forest management.

The membership also proposes that FSC endorse a combined audit approach for the SVLK and FSC standards across forest management units in Indonesia.

