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## **COVER NOTE**

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	9 September 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2025) 467 final
Subject:	Proposal for a COUNCIL DECISION on the termination of the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on Forest Law Enforcement Governance and Trade in timber products to the European Union

Delegations will find attached document COM(2025) 467 final.

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Brussels, 9.9.2025 COM(2025) 467 final 2025/0259 (NLE)

Proposal for a

# **COUNCIL DECISION**

on the termination of the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on Forest Law Enforcement Governance and Trade in timber products to the European Union

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### **EXPLANATORY MEMORANDUM**

### 1. CONTEXT OF THE PROPOSAL

## Reasons for and objectives of the proposal

The EU action plan on forest law enforcement, governance and trade (FLEGT)<sup>(1)</sup> was adopted in 2003. It aims to support global efforts in tackling the problem of illegal logging and its associated trade. A key aspect of the FLEGT action plan was the conclusion of voluntary partnership agreements (VPAs) between the European Union (EU) and timber-producing countries in order to establish a legal framework ensuring that all timber exported to the EU was legally produced or acquired. At the heart of the VPA lies the FLEGT licensing scheme, which includes a system to verify, assure and certify the legality of the timber.

The VPA between the EU and the Republic of Liberia was signed on the 27<sup>th</sup> of July 2011 and entered into force on 1 December 2013. The Parties agreed to the establishment and operationalisation of a forest law enforcement, governance and trade Licensing Scheme (FLEGT licensing scheme) and to an implementation schedule that forms an integral part of the VPA (Annex VII). This schedule foresaw a three-year preparatory phase before the commencement of the operational phase. Therefore, FLEGT licensing for exports to the EU and other markets was expected to be operational by 2014 after the establishment of the Legality Assurance System, while the domestic market and informal sector were expected to be integrated into the Legality Assurance System by 2015.

Since its entry into force, the Joint Implementation Committee (JIC) has monitored the implementation progress of the agreement. Several *Aide Memoires* signed by the Parties at the end of each JIC meeting included revisions of the target date for operational FLEGT licensing. The *Aide Memoire* for the second JIC meeting (10-12 June 2015) included updates to Annex VII of the VPA and foresaw the start of the FLEGT licensing scheme for 2017. During the fourth JIC meeting, Parties acknowledged that progress had been made but admitted work in many areas was not on track. During the fifth JIC meeting, they similarly noted that the pace of VPA implementation was slower than expected and mentioned 2020 as target date for operational FLEGT licensing. During the most recent eleventh JIC meeting the EU reminded that there is still much more to do to meet the objectives set so far. Parties agreed to a technical level review of the VPA implementation schedule to assess whether and how December 2026 could be included as a target date for FLEGT licensing. Considering the pace of progress of VPA implementation over the last 10 years, operational FLEGT licensing by the end of 2026 is however not realistic.

In the meantime, 20 years after the adoption of the FLEGT action plan the EU has stepped up its action to protect and restore the worlds' forests<sup>(2)</sup>, adopting the EU Deforestation Regulation<sup>(3)</sup> to minimise the EU's contribution to illegal logging, deforestation, and forest degradation, as well as greenhouse gas emissions and biodiversity loss. Although the EU Deforestation Regulation, under its Article 10(3) acknowledged that timber covered by a FLEGT licence is deemed to comply with the legality requirements, Recital 81 of the EU Deforestation Regulation invites the EU to '...work, where relevant and agreed, with current VPA partners towards them reaching that (FLEGT licensing) stage...'. The EU Deforestation Regulation sharply brings back into focus the objective of the VPAs, i.e. the FLEGT licensing

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<sup>(1)</sup> COM(2003) 251.

<sup>(2)</sup> COM(2019) 352 final.

Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation, OJ L150, 9.6.2023, p. 206.

scheme, by making it clear that working with the VPA partners may continue if relevant<sup>(4)</sup>, in other words if the VPA is on track to achieve its objectives and if these objectives continue to reflect current and future needs and priorities.

It has been more than a decade since the entry into force of the VPA and in spite of multiple proposed extensions of the timeframes for implementation, the state and progress of implementation of the Liberia VPA indicate that achieving the core objective of the VPA, namely the establishment of an operational FLEGT licensing scheme, is still out of reach.

Specifically, the VPA does not help reach the objectives and vision of Liberia in the forest sector and is not fit-for-purpose to support new EU strategies, instruments or policies such as Global Gateway and the EU Deforestation Regulation.

Given the above, terminating the VPA with the Republic of Liberia appears the most appropriate course of action. However, in recognition of areas where VPA implementation did progress (e.g. stakeholder participation and some legal reforms) and enable relevant results, the EU agrees to continue and deepen discussions with the Republic of Liberia on cooperation approaches and possible partnerships that better match the current context and challenges and that will better contribute to achieving the zero-deforestation objectives as reflected in the EU Deforestation Regulation. The presentation and discussions on Forest Partnerships during the Joint Implementation Committee in June and December 2024 could serve as a starting point in this regard.

According to Article 29 of the VPA, either Party may terminate the agreement by notifying the other party in writing. The agreement shall then cease to apply 12 months after the date of such notification.

## Consistency with existing policy provisions in the policy area

Not Applicable

### • Consistency with other Union policies

Not Applicable

### 2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

# Legal basis

The EU's decision to terminate an international agreement must be adopted on the same legal basis – and following the same procedure – as the decision to conclude that agreement on behalf of the EU. The VPA was concluded on the basis of Article 207(3) and 207(4) of the Treaty on the Functioning of the European Union (TFEU), read together with Article 218(6)(a)(v) and Article 218(7) TFEU. The appropriate legal basis for this proposal is therefore Article 207(4), first subparagraph, read together with Article 218(6)(a)(v).

## • Subsidiarity (for non-exclusive competence)

The VPA is an international trade agreement thus falling under the EU's exclusive competence and, in particular, within the scope of Article 207 TFEU. The EU's decision to terminate the VPA must be adopted on the same legal basis. It therefore follows that this proposal does not cover any matters falling outside the EU's exclusive competence.

<sup>(4)</sup> Recital 81 of Regulation (EU) 2023/1115.

# • Proportionality

Given there is little real prospect of the FLEGT licensing scheme being operational within a reasonable timeframe, terminating the VPA is the most appropriate course of action. This proposal does not go beyond what is necessary to achieve the objective pursued, which is to better contribute to the implementation of the EU Deforestation Regulation and to preserve the credibility and integrity of the VPA as an EU trade instrument.

### • Choice of the instrument

The EU's decision to terminate an international agreement must be adopted on the same legal basis and by means of the same legal instrument as the decision to conclude that agreement on behalf of the EU. The VPA was concluded by Council Decision with the consent of the European Parliament. The appropriate instrument for this proposal is therefore a Council Decision.

# 3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

• Ex-post evaluations/fitness checks of existing legislation

Not Applicable

Stakeholder consultations

Not Applicable

• Collection and use of expertise

Not Applicable

• Impact assessment

Not Applicable

Regulatory fitness and simplification

Not Applicable

• Fundamental rights

Not Applicable

## 4. **BUDGETARY IMPLICATIONS**

The termination of the VPA with the Republic of Liberia has no budgetary implications.

### 5. OTHER ELEMENTS

• Implementation plans and monitoring, evaluation and reporting arrangements

Not Applicable

Detailed explanation of the specific provisions of the proposal

Not Applicable

## Proposal for a

### COUNCIL DECISION

on the termination of the Voluntary Partnership Agreement between the European Union and the Republic of Liberia on Forest Law Enforcement Governance and Trade in timber products to the European Union

### THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(4), first subparagraph, in conjunction with Article 218(6), second subparagraph(a)(v) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament,

### Whereas:

- (1) On 21 May 2003, the Commission adopted a Communication to the Council and the European Parliament entitled 'Forest Law Enforcement, Governance and Trade (FLEGT): Proposal for an EU Action Plan' aimed at contributing to the global efforts to tackle illegal logging and its associated trade<sup>(1)</sup>. The Council adopted its conclusions on the FLEGT action plan on 13 October 2003<sup>(2)</sup> and the European Parliament adopted its resolution on the subject on 11 July 2005<sup>(3)</sup>.
- (2) A central element of the action plan was the conclusion of Voluntary Partnership Agreements (the 'VPAs') with timber-producing countries to ensure that timber and timber products exported to the European Union were legally produced and acquired.
- (3) In accordance with Council Decision 2011/475/EU<sup>(4)</sup>, the VPA between the European Union and the Republic of Liberia on Forest Law Enforcement, Governance and Trade in timber products to the European Union was signed on 27 July 2011.
- (4) In accordance with Council Decision 2012/373/EU<sup>(5)</sup>, the VPA was concluded on behalf of the European Union and following its conclusion by the Republic of Liberia it entered into force on 1 December 2013.
- (5) Pursuant to Article 28 of the VPA, it has an indefinite duration. Article 29 subsequently provides that notwithstanding Article 28, either Party may terminate the Agreement by notifying the other Party in writing. The Agreement shall cease to apply 12 months after the date of notification.
- (6) Despite multiple proposed extensions of implementation timeframes, the core objective of the Agreement, namely the establishment and operationalisation of a FLEGT licensing scheme aimed at verifying and attesting by means of a FLEGT

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<sup>(1)</sup> COM/2003/0251.

<sup>(2)</sup> OJ C 268, 7.11.2003, p. 1.

<sup>&</sup>lt;sup>(3)</sup> OJ C 157 E, 6.7.2006, p. 482.

<sup>(4)</sup> OJ L 196, 28.7.2011, p. 2–2.

<sup>(5)</sup> OJ L 191, 19.7.2012, p. 1–1.

license that timber and derived products exported to the European Union are legally produced or acquired, has not been reached. Given the state and progress of implementation of the VPA since its entry into force on 1 December 2013, there is little real prospect of the FLEGT licensing scheme being fully established and operational within a reasonable timeframe. Therefore, the Commission believes that the VPA will not enable timber and timber products from Liberia to benefit from the provisions of Article 3 of Regulation (EU) No 995/2010 <sup>(6)</sup> and, as of 30 December 2025, of Article 10(3) in conjunction with Article 3, point (b) of Regulation (EU) 2023/1115<sup>(7)</sup>.

- (7) It is therefore appropriate to terminate the VPA with the Republic of Liberia. To this effect, in accordance with Article 29 of the VPA, the European Union should notify the Republic of Liberia of its decision to terminate the VPA in writing.
- (8) The termination of the VPA should be approved on behalf of the European Union.
- (9) In accordance with the Treaties, it is for the Commission to proceed, on behalf of the European Union, to notify, as Article 29 of the VPA says it must, the European Union's decision to terminate the Agreement.

### HAS ADOPTED THIS DECISION:

### Article 1

The termination of the Voluntary Partnership Agreement (the 'VPA') between the European Union and the Republic of Liberia on forest law enforcement, governance and trade in timber and derived products to the European Union that entered into force on 1 December 2013 is hereby approved on behalf of the European Union.

## Article 2

This Decision shall enter into force on the day after its publication in the Official Journal of the European Union.

Done at Brussels,

For the Council The President [...]

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Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market.

Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010 (OJ L 150, 9.6.2023, p. 206–247).