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## Statement on the Indonesian SVLK system

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CEI-Bois, the European Confederation of the Woodworking Industries, is following closely the developments around the Indonesian timber legality assurance system (SVLK).

Such system is the precondition for issuing FLEGT licenses under the Voluntary Partnership Agreement signed with the EU in 2013. As reported by news agencies, according to the new proposal for a Regulation (n.15/2020) of the Ministry of Trade, Verified-Legal requirements for the export of forest products would be eliminated, except for shipments to the EU. V-Legal certification is one of the key requirements needed to export forest products from Indonesia; the certificate confirms that exported timber products have met timber legality standards, in alignment with government regulations.

**CEI-Bois is a supporter of the FLEGT licensing system**, as expressed on many occasions (e.g. [Statement on Deforestation](#)), as a strong incentive to improve forest governance at global level and encourage the consumption of verified legal timber in the EU. The start of FLEGT licensing in Indonesia in 2016 constituted a landmark moment for the FLEGT-VPA process. In 2017 imports from Indonesia represented 14% of the total imports of tropical timber in the EU and 18% of imports from FLEGT-VPAs Countries, with marked increases in certain Countries since the licensing began.

The option to drop the requirements of SVLK 'Verified-Legal' documentation would weaken the credibility of the system and put EU trade partners in a difficult position. If the change proposed by the Regulation would be confirmed, it might regrettably result in a damage to bilateral trade, as the overall image of Indonesian commitment to fight illegal logging would be tarnished. This could also put the European Woodworking Industries on a competitive disadvantage in the non-EU markets.

At the same time, it is understood that inter-ministerial consultations are taking place and that [revisions to the proposed Regulation 15/2020 are discussed](#), including a possible revocation proposed by the Indonesian Ministry of Environment and Forestry.

**CEI-Bois welcomes this news as a positive sign in the good direction and hopes that, as a final result of such discussions, the current SVLK will continue to be applied as a mandatory condition for exporting forestry industry products, both to EU and non-EU destinations, in order to keep the FLEGT system in place.**