

ANNEX 3

APEC Experts Group on Illegal Logging and Associated Trade Terms of Reference

(Final Version 9/25/11 – Co-sponsored by Chile, Indonesia, and the United States)

1. Context

Forests and forest resources provide critical economic, social, and environmental benefits for APEC economies and the world as a whole. In 2010, APEC economies accounted for approximately 53 percent of the world's forests, 60 percent of global production of forest products, and 80 percent of global trade in forest products; and APEC forest products trade was valued at over \$150 billion.

Illegal logging and associated trade is a significant problem facing the Asia-Pacific region with adverse economic, environmental, and social impacts. APEC Leaders agreed in Yokohama in 2010 to enhance cooperation to address concerns with illegal logging and associated trade and to promote sustainable forest management and rehabilitation. In 2011, APEC Ministers Responsible for Trade directed officials to establish an experts group in order to promote trade in legally harvested forest products, combat illegal logging and associated trade, and build capacity.

2. Goal

The goal of the Experts Group is to enhance the efforts of member economies to take concrete steps to combat illegal logging and associated trade, promote trade in legally harvested forest products, and support capacity building activities in member economies.

3. Objectives and Scope of Activities

The Experts Group will:

- a) serve as a platform for member economies to strengthen policy dialogue on combating illegal logging and associated trade and promoting trade in legally harvested forest products;
- b) consider and share information, where available, on policies that combat illegal logging and associated trade and promote trade in legally harvested forest products, and exchange views on how to learn from successful policies;
- c) provide member economies with opportunities to exchange information, views, experiences, and analyses on relevant matters, including on (i) developments in laws, regulations, and other measures relating to combating illegal logging and associated trade, (ii) new technologies designed to assist efforts to combat illegal logging and associated trade and promote trade in legally harvested forest products, and (iii) data and other information on production, processing, exports, imports, and consumption of forest products, to the extent available;
- d) assist member economies in identifying capacity building needs and developing targeted capacity building assistance;

- e) facilitate law enforcement cooperation and information sharing related to combating illegal logging and associated trade, consistent with domestic law and in accordance with applicable international agreements (e.g., by creating sub-groups, exchanging enforcement personnel, holding joint law enforcement meetings and exercises, and participating in and/or establishing law enforcement networks);
- f) recognizing APEC's commitment and activities relating to sustainable forest management and rehabilitation, as well as work on these topics in international and regional forestry organizations, collaborate with those organizations, as appropriate, and endeavor to ensure that its activities complement and do not duplicate activities being carried out in those organizations; and
- g) collaborate with industry and civil society to raise awareness and contribute to national and regional efforts to combat illegal logging and associated trade and promote trade in legally harvested forest products.

4. Structure and Administration

- a) The Experts Group will be guided by Leaders' and Ministers' directives and the objectives set out in section 3 above.
- b) The Experts Group will be composed of officials of member economies responsible for trade, forestry, and other matters relevant to the group's work.
- c) A Chair will be selected and undertake duties in accordance with the *Guidelines for Lead Shepherd/Chair and Deputy Lead Shepherd/Chair of APEC Working Groups and SOM Taskforces*.
- d) The Experts Group will meet twice a year unless it decides otherwise. Meetings will be arranged so as to minimize costs and maximize member participation. The group will conduct inter-sessional work through electronic means.
- e) The Experts Group may invite non-members, including representatives of non-member economies, international and regional forestry organizations, civil society, and the private sector to participate in its work in accordance with the *APEC Guidelines on Managing Cooperation with Non-Members*.

5. Review and Reporting Requirements

- a) The Experts Group will periodically review its activities and operations. In addition, the group will be independently assessed every four years according to the Independent Assessment Schedule established by the SCE.
- b) The Experts Group will report annually through the SCE Fora Report or as requested by SOM.