



European Communities

EUROPEAN PARLIAMENT

SESSION DOCUMENTS

English Edition

1988-89

6 March 1989

SERIES A

DOCUMENT A 2-394/88/ANNEX

ANNEX

to the report by Mr MUNTINGH

drawn up on behalf of the Committee on the Environment,
Public Health and Consumer Protection

*

*

*

OPINION of the Committee on Development and Cooperation

DOC_EN\RR\66959.T0

PE 126.209/fin./Ann.

A Series: Reports - B series. Motions for Resolutions, Oral Questions.

- C Series: Documents received from other Institutions (e.g. Consultations)

*	= Consultation procedure requiring a single reading	**II	= Cooperation procedure (second reading) which requires the votes of the majority of the Members of Parliament
I	= Cooperation procedure (first reading)	*	= Parliamentary assent which requires the votes of the majority of the current Members of Parliament

OPINION

(Rule 120 of the Rules of Procedure)

Draftsman: Mrs. B. SIMONS

On 20 December 1988, the Committee on Development and Cooperation appointed Mrs SIMONS draftsman of the opinion.

At its meeting of 1 March 1989 the committee considered the draft opinion. It adopted the conclusions unanimously on 2 March 1989.

The following took part in the vote: McGowan, Chairman; Cassanmagnago-Cerretti, Vice-Chairman; Simons, draftsman; Baget Bozzo, Balfe, Buchan, De Backer-Van Ocken, Debatisse, Flanagan (for Andrews), Focke, Garcia Arias, Glinne (for Loo), Guermeur, Gutierrez Diaz and Pintasilgo.

A

CONCLUSIONS

The Committee on Development and Cooperation

- having regard to the motion for a resolution by Mr Roelants du Vivier on measures to combat deforestation and, in particular, to conserve tropical rain forests¹,
 - having regard to the draft report by Mr Muntingh²,
 - A. having regard to the European Parliament resolution on desertification³,
 - B. having regard to the European Parliament resolution on technology transfer to the Third World as part of the drive to halt deforestation⁴,
 - C. having regard to the resolutions of the ACP-EEC Joint Assembly⁵,
1. Stresses once again the absolute need to preserve the fundamental natural basis of life by making the protection of the environment and natural resources the highest possible priority;
 2. Considers that it is absolutely vital and a matter of extreme urgency to take steps to halt the permanent destruction of tropical forests, which are essential both for the developing countries concerned and for all other countries, in particular as regards climatic stability, preservation of genetic diversity and the fight against erosion and desertification;
 3. Points out, furthermore, that tropical forests form the human social and economic environment for a number of peoples who are frequently in a very vulnerable situation and who should have their interests and aspirations taken into account;
 4. Considers that the European Community, which attaches a high priority to safeguarding the environment and natural resources, has not yet taken sufficient account of the problems relating to the protection of tropical forests;
 5. Considers that these problems deserve very careful attention and require, as a matter of urgency, the implementation of a global but specific conservation policy which takes account of all the factors involved in the current destruction of tropical forests;

¹ PE 112.655 (B 2-1608/86)

² PE 126.209, 21.9.1988

³ OJ No. C 76, 23.3.1987

⁴ OJ No. C 235, 12.9.1988

⁵ OJ No. C 322, 13.12.1985, AP/727, 27.1.1989

6. Calls on the European Community to take any appropriate steps as quickly as possible with a view to encouraging international cooperation in this field;
7. Stresses that such a policy should concern both the ACP countries and the countries of Latin America and Asia with the establishment of appropriate provisions in the framework of the ACP-EEC Convention and the EEC budget;
8. Calls in particular on the European Community and its Member States:
 - to take fully into account the specific problems associated with the conservation of tropical forests in all the development projects in which it participates,
 - to adopt a stance in the international cooperation bodies, in particular the World Bank, in favour of a conservation policy for tropical forests and against projects which could affect the integrity of the tropical forest such as infrastructure projects associated with industrialization;
9. Calls on the Commission to submit a suitable overall plan for the coordination of the various measures which are necessary;
10. Stresses that international trade in tropical woods is one of the main causes for the destruction of tropical forests and that any regulation of this trade which takes into account the need to safeguard forests would be an essential instrument in a general and effective policy to combat the destruction of tropical forests;
11. Points out that for numerous developing countries the trade in wood is an important source of export earnings; considers that it is therefore vital for the implementation of such a regulatory system to be accompanied by appropriate economic and financial compensation measures for these countries;
12. Is in favour of the implementation by the European Community of a system for restricting Community imports of tropical woods, based on quotas calculated in relation to the requirements of the forest conservation and management plans drawn up by the producer countries concerned;
13. Calls on the European Community and its Member States to give an undertaking that when such a system is implemented, economic measures and compensatory financial provisions will be adopted under the ACP-EEC Conventions, with particular reference to the STABEX provisions, and successive Community budgets which will benefit the developing countries concerned;
14. Considers that, in view of the level of indebtedness of many developing countries and its direct effect as regards the current over-exploitation of the forests, the European Community and its Member States should undertake to promote a debt remission policy (debt for nature swap) for countries which are engaged in responsible conservation and management of their tropical forests.

EXPLANATORY STATEMENT

For many years the European Parliament has stressed the need to preserve and restore the environment and the ecological balance in the developing countries and steps to combat desertification and in particular deforestation seem to be particularly urgent and to have a very high priority.

However the specific question of the protection of tropical forests has not yet been thoroughly examined and the problems have long been underestimated.

This matter concerns many of the ACP states and also many of the countries in Latin America and Asia.

The importance of tropical forests is gradually being understood and recognized better, both as regards the implications for erosion and desertification and their unique function in relation to the diversity of animal and plant species and the effects on climatic trends.

For all these reasons the conservation of tropical forests is of fundamental long-term importance for the developing countries which are directly responsible and also for all the other countries, whether developing or industrialized, which gain positive benefit from tropical forests, in particular as regards climate.

It should be pointed out that some tribal groupings follow a traditional way of life in the tropical forests, having developed a life-style which is in harmony with the forest but is also directly dependent on its future. These people frequently seem particularly vulnerable to any abrupt change which might impinge on their traditional life-style.

It is now quite clear that tropical forests could disappear in the decades ahead. The ACP-EEC Joint Assembly has reached this conclusion as regards the ACP states. The risk also exists in other parts of the world, in particular in Latin America and Asia.

Each country and each of the different geographical regions is aware of a range of causes which contribute to the destruction of the forest to a varying extent. The causes include the use of firewood, demographic pressures, the expansion of land under cultivation and the felling of forest areas in order to set up agricultural or industrial production units.

It appears that two main factors threaten the tropical forest. Firstly, trade in tropical woods is expanding and secondly projects associated with the industrialization of certain countries, such as the expansion of transport infrastructures or hydroelectric schemes are being carried out. A specific case is the very adverse effects of the Grand Carajas project in Brazil and the new mammoth project in the same country which is being undertaken under the auspices of the World Bank for hydroelectric schemes in Amazonia, in particular by the establishment of 136 retention dams and the harnessing of the Xingu river.

In the face of these very real threats the European Community and its Member States should respond by establishing forthwith a global aid policy for the conservation of all tropical forests at risk. This policy should be directed in particular towards the ACP countries and the Latin American and Asian countries by means of the various instruments available to the EEC under the ACP-EEC Conventions or under its own budget.

Such a policy should include regulating the international trade in tropical wood products. The European Community should take the initiative to impose limits on imports into the Community of tropical wood products on the basis of quotas. These quotas should be established with regard to the production capacities of the various supplier countries, which should be ascertained from data in the forest conservation and management plans.

The European Community should also ensure that the setting up of this essential check on trade in tropical wood does not exacerbate the short and medium-term economic and financial situation of the developing countries.

Exports of tropical woods are a source of export earnings which may be vital for some developing countries.

Taking the ACP countries as a whole, trade in wood accounted for 4.2% of their total export earnings from 1980 to 1983 and for some countries it was their most important resource:

- Congo	: 66% of total export earnings
- Equatorial Guinea	: 33.9%
- Central African Republic	: 29.4%
- Solomon Islands	: 29.4%
- Cameroon	: 23.2%

For all ACP States trade in wood accounted for US\$687 million in 1985 and for all of the developing countries total exports come to US\$5111.8 million (of which 1174.1 million for Indonesia and 1678.5 million for Malaysia)⁶.

For the ACP States wood is covered by the STABEX system, where it is divided between the headings 'timber in the rough' and 'sawn timber'.

Transfers totalling 90.4 m ECU were registered for 1975-1986, which amounted to 6.08% of the total transfers under the STABEX system during this ten year period. The transfers for this product amounted to 10.2% of the total transfers under the STABEX system for 1975-1979 and 11.68% of the total transfers during 1985-1986⁷.

In view of this situation, any steps to regulate the international trade in tropical wood products (which would seem to be an essential part of achieving effective protection of the tropical forests) which involve trade restrictions and thus a loss of export earnings for the developing countries concerned, must provide appropriate compensation in economic terms or in the form of development aid for these countries.

⁶ Figures provided by the ACP Secretariat, preliminary draft report for the Joint Assembly ad hoc working party on commodities, March 1988

⁷ EEC Commission, Europe Information, the Stabex system, May 1988

The European Community should make as detailed and exact an assessment as possible of the likely financial effects for the developing countries concerned of implementing an import restriction system. It should also make provision for appropriate financial compensation under future ACP-EEC conventions and under the Community's budget.

Another aspect which should be borne in mind is the very critical situation of many developing countries with regard to their level of indebtedness and the considerable pressure which this exerts in terms of their immediate need for export revenue. This situation is a major factor in forcing these countries to allow the over-exploitation of their tropical forests to continue.

The European Community and its Member State should take steps to reverse this situation by promoting a policy of debt remission for those countries which undertake to improve the management of their forestry resources. This idea of a 'debt for nature swap' has already been put forward and discussed in various scientific and also political circles and the Community should take the initiative to implement it.

In conclusion, it should be pointed out that the proposal which has been put forward for the introduction of a Community import quota system in fact constitutes a compromise between the demands associated with the survival of the tropical forests and the economic requirements of the Community and the producer countries. We should also be aware that if, in future, such a system proves to be incapable of guaranteeing the survival of forests in a satisfactory manner we should be prepared to set up a stricter system, possibly involving a total ban on imports of tropical woods into the Community.