

**IUCN Global Temperate and Boreal Forest Programme  
IUCN Office for Russia and the Commonwealth of  
Independent States**

**THE BEGINNING OF THE ENA-FLEG  
PROCESS IN RUSSIA:  
CIVIL SOCIETY INSIGHTS**

**Moscow  
2005**

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This publication is a collection of documents and reports relating to the first stages of the Europe and Northern Asia Forest Law Enforcement and Governance process (ENA-FLEG), primarily emerging from the project entitled: “ENA-FLEG: Optimising Russian forest resilience to climate change through improved forest governance arrangements – Pilot phase”. This project was carried out with financial support from the United Kingdom Foreign and Commonwealth Office, through its Global Opportunity Fund, and the United States, through its Voluntary Contribution to IUCN.

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## Preface

Russian forests are not only a resource of great national importance economically, culturally, socially and environmentally – they are also a key, though often overlooked, global public good. Russia contains some of the last large uninterrupted tracts of natural forest which may account for between 10% – 15% of global biotically stored carbon. The long-term future of these forests as a major global carbon sink will depend to a large degree on maintaining their integrity and intactness and this is particularly true in the boreal forest zone, which scientists have now identified as being one of the most “at risk” forest-types from global warming. There is little doubt that climate change has already started to impact on Russia’s forests but this can either be significantly slowed or accelerated depending on de facto management conditions established by forest and other land-use laws, policies and incentives.

Poor management, uncontrolled logging, fragmentation and major alterations of natural fire regimes will all dramatically accelerate the further release of biotically stored carbon into the atmosphere – possibly creating a vicious feedback loop of ever more extreme climatic events which in turn exacerbates the pre-conditions required for even larger-scale and more rapid forest loss and degradation. On the other hand, good management and the deliberate maintenance of forest connectivity and intactness will slow the rate at which Russia’s forests are impacted upon by climate change. This is critical not only for global efforts to combat climate change but also to maintain the resource base on which many impoverished livelihoods depend and for long-term conservation of threatened species such as the Siberian Tiger and Snow Leopard.

Past and current attempts to halt and reverse forest loss and degradation clearly reveal that the challenge is not primarily a technical one. More important is the

framework of laws, policies and incentives that shape the behaviour of individual actors and institutions with respect for forest management and land-use change. While this has been known for some time it has only been more recently that governments and other actors have realised the magnitude of the problem that arises from weak forest governance and inadequate (and inequitable) law enforcement. WWF estimate that in the Russian Far East alone illegal activities may account for losses in national revenue of at least USD 1 billion per year. In addition, past experience, particularly from the Asia and Africa FLEG processes, has clearly demonstrated that illegal logging is too a big a problem for governments to address alone and that an active and constructive input from civil society and the private sector is critical if government resolve is to be translated into effective action. In May 2004, during the fourth session of the United Nations Forum on Forests (UNFF), the Russian Federation announced its intention to host a Forest Law Enforcement and Governance (FLEG) process for Europe and Northern Asia. Consultations are under way among interested parties to define the arrangements although it is already acknowledged that significant preparatory work needs to be done, including adequate policy and trade analysis and, critically, the establishment of recognised platforms that would permit concerned stakeholders to make a proactive and constructive input to the ENA-FLEG process. Themes that need to be explored include livelihoods of local peoples and law enforcement, the definitions of ‘illegality’, exportation and re-exportation, lessons from countries around the world, and joint monitoring efforts.

### **Lessons learned from previous FLEG processes**

FLEG ministerial conference processes are already in place for East Asia and for Africa. It is important to share lessons

learned across countries and regions to accelerate the pace of governance reform. The experiences so far in the Asia and African processes indicate that an effective approach to the Eurasia FLEG should take into consideration the following factors:

- There is a great demand for basic information about the FLEG processes and the opportunities they offer
- There will be a greater chance of progress if governments, civil society and the private sector can move forward in concert
- Participation in preparatory consultative processes improves the level and quality of engagement of governments, civil society and the private sector in the ministerial conference
- Within government, there is a need to focus not only on the engagement of those line departments that deal directly with forest management but also other sectors which have an impact on forests, e.g. finance and agriculture
- There is also a need to work with other groups, such as parliamentarians and local authorities, to ensure that reforms receive the political support they require to be adopted and implemented
- One-off events like preparatory workshops are important but only as part of a sustained and ongoing capacity building and networking
- Momentum will be lost if follow up activities are not planned from the outset.

It is important to build a culture of collaboration and trust in a process that deals with difficult and politically charged issues involving many different interests. By creating opportunities for face-to-face sharing and exchange of ideas and experiences across constituencies over time and by providing sound information and analysis as a basis for discussion, confidence in the process will increase and prospects for meaningful negotiation and implementation of ministerial conference outcomes will improve.

### Overview of the Project

The ENA-FLEG: Optimising Russian forest resilience to climate change through improved forest governance arrangements – Pilot phase project aimed to:

- Build capacity among and equip civil society and local NGOs from two regions (Russia Far East and North West Russia) to actively contribute to ENA-FLEG preparatory processes and to facilitate their input of key messages to the June 2005 official preparatory conference.

#### *The project set out to produce the following results:*

1) *Civil society in two regions in Russia possesses the necessary information and understanding of the impacts of weak forest governance and illegal logging activities and is equipped to provide workable options to the formal FLEG preparatory process.*

This was achieved through:

- A review and synthesis of relevant information and materials to assist local civil society to engage authoritatively with other stakeholders on the issue of weak forest governance and illegal logging.
- Consultative workshops (the civil society hearings and the seminar) to facilitate the identification by key civil society messages on how weak forest governance impacts on local livelihoods and to agree and prioritize their views on immediate and long-term actions required to ameliorate the situation.

2) *Trust and cooperation enhanced between relevant government departments (notably MNR) and local civil society.*

This was achieved through:

- Keeping MNR officials well informed of the project development and progress.
- A facilitated round table between MNR officials and “self-selected” local NGO representatives in Moscow to discuss the outcomes of the regional civil society hearings and the seminar and agree on how civil society can contribute to, and receive feedback from, the formal ENA-FLEG preparatory process.

3) *Results of civil society preparatory process from two pilot regions communicated to local and national media, NGO networks and other key stakeholder groups.*

This was achieved through:

- Development of a communication strategy for key messages – with particular attention to ensuring wide distribution.
- Preparation and dissemination of press releases to key local and national (and if appropriate international) media outlets.
- Production of an accessible synthesis report in Russian and English.

4) *A full project proposal to support scaled-up civil society input into the ENA-FLEG across Russia submitted to donors.*

This was achieved through:

- Identification of the lessons learnt from the pilot phase of this initiative, in collaboration with local and national civil society representatives
- Building support within MNR for a scaled-up civil society engagement process with sufficient lead in time for the June 2005 preparatory conference and the December 2005 ministerial meeting.
- Preparation and submission of follow up project proposals to interested donors.

### **Summary of Lessons from the Project**

A wide range of stakeholders participated in the activities organized under this project yet there was an encouraging level of common understanding of the problems and possible solutions.

The participants in the civil society hearings and seminar noted:

- Serious flaws in forest and civil laws, and regulations for internal and external markets
- Inadequate coordination of state and public control over forest products production and trade, which aggravates unregulated and illegal forest use
- Serious difficulties in the development of a common understanding of the

problem, attributed to a lack of agreement among stakeholders over the definition of ‘illegality’ and a tendency to focus on timber while ignoring illegal or unsustainable NTFP gathering, littering, hunting, etc.

- Insufficient understanding of the causes for illegal logging in the Russian context, specifically at the local level, and possible ways to address these causes;
- Lack of understanding of the consequences of illegal activity;
- Lack of information on the FLEG process and the long term opportunities it offers for the Russian civil society, business and forest sectors.

These problems significantly diminish opportunities for the Ministry of Natural Resources of Russia, as well as other government authorities, NGOs and businesses to develop sound, well grounded and relevant proposals for the FLEG Ministerial Conference to be held in St. Petersburg later this year and more generally to improve forest governance and management in Russia.

Related to the above points, key recommendations on areas for action in Russia were identified, including:

- increase coordination between civil society organizations and state controlling organizations, including federal and regional authorities and customs, responsible for forest use and trade;
- develop an effective and practical mechanism for information exchange on facts of illegal activities in forests and illegal trade of logs, lumber and non-timber forest products;
- develop agreements with the countries importing forest products to limit access of illegal timber on markets;
- further develop terminology and criteria on illegal forest use, products and trade;
- further develop a system of forest certification;
- increase stakeholder awareness of the risks created by illegal forest use.

## Launching meeting of Russian Non-Governmental Organizations (Moscow, January 12, 2005)

The meeting was held on at the World Bank Moscow Office and was initiated by IUCN-The World Conservation Union Office for Russia and CIS (IUCN), Greenpeace-Russia, World-Wide Fund for Nature (WWF), the Biodiversity Conservation Centre (participating also on behalf of the Taiga Rescue Network and the Forest Stewardship Council (FSC) National Group), and the World Bank.

The discussion was on the following issues: 1) Role to be played by civil society in the FLEG (Forest Law Enforcement and Governance) process; 2) Civil society potential input to the FLEG process; 3) Workshops under an IUCN project to prepare for the FLEG Ministerial Conference.

### **Role to be Played by Civil Society in the FLEG Process**

The meeting participants discussed why and how their organizations should participate in the FLEG process. Some speakers expressed the opinion that the FLEG process, as it was then conceived, would not bring about any major change to the situation in the Russian forest sector. For example, the Bali Declaration (Indonesia, 2001) had failed to yield expected results, referring to the on-going processes in the forest sectors of Indonesia, Cambodia, Papua-New Guinea, and Philippines as most striking illustrations. The Ministerial Declaration of the 2003 African Forest Law Enforcement and Governance Conference (Yaunde, Cameroon) might well be expected to produce similar results.

The legal status of the Declaration to be adopted by the Ministerial Conference of 2005, in the context of having an effective legal and regulatory framework in Russia is questionable.

It was highlighted both the need to articulate the NGO position with respect

to the FLEG process, and to specify dates and arrangements of their possible participation.

Although the FLEG process obviously could not cope with the immense burden of forest law enforcement and governance problems faced by Russia, but it should be used as a tool to increase the visibility of the problems in forest managements and illustrate ways to solve them, i.e. as a trigger for practical actions.

The need to involve NGOs and the broader civil society in the FLEG process in order to make the outcomes of the ministerial process more proactive rather than declarative, as these entities are engaged in practical and active work to address the challenges in the Russian forest sector was emphasized. The FLEG should not be confined only to illegal logging and associated trade issues. The scope for joint international actions in the area of forest law enforcement and governance should also include such problems as poaching, compliance with conservation regulations (in particular, with respect to the environmental review), public communication and involvement in forest management and many other issues. However, such a broad scope of the process would increase the risk of merely declarative rather than proactive outcomes. In view of the aforesaid, it was suggested that proposals be prepared to address several (but no more than five) issues which were the most essential from an environmental NGO perspective. Environmental NGOs should then strive to have them integrated in the Declaration with subsequent active public oversight during implementation.

A. Kotlobay pointed out that NGOs should take advantage of the process for purposes of promoting conservation ideas under the FLEG umbrella. Russian conservation organizations have ample expe-

rience of constructive cooperation in this area, both among one another and with public authorities and business. Apart from their participation in the Ministerial Conference, preparation of proposals to be reflected in the Declaration, and informational inputs, Russian NGOs could make a significant contribution to the process of implementing these decisions through their public control.

A. Kushlin and V. Teplyakov provided clarifications concerning the FLEG processes, and involvement of NGOs and civil society therein in other regions of the world. Upon agreement with the MNR, A. Kushlin and M. Smetanina distributed among the participants the MNR's Draft Concept of the Ministerial Conference on Forest Law Enforcement and Governance in Europe and Northern Asia (ENA FLEG) to be held in 2005 so that they could review it and provide comments.

### **Civil Society Potential Input to the FLEG Declaration and Action Plan**

M. Karpachevsky from the Biodiversity Conservation Centre noted that the NGOs as yet had not been really involved in either the Conference or the Declaration preparation. There are a number of steps to be taken, including:

- To identify arrangements for cooperation among conservation NGOs, the forest business community, social NGOs, and organizations of indigenous peoples. It is essential to initiate communicating the information broadly to all the stakeholders as well as to launch the process of civil society self-selection to participate in the Conference and to develop a communication strategy.

- To ensure actual and full-fledged preparation of the Conference within the declared timeframe and actions in the case of its modification.

A. Kotlobay told the meeting about activities undertaken by the Association of Responsible Timber Producers and planned joint meetings of the WWF with the Association to work out a joint platform. A. Yaroshenko and V. Dmitriev highlight-

ed the joint initiative of WWF and Greenpeace to counteract illegal logging.

The failure of the documents which were presented to reflect the roles to be played by other Russian law enforcement entities (the Public Prosecutor's Office, the Ministry of Internal Affairs, and the customs) which have a direct role to play on forest law enforcement problems was stressed. Their importance will grow once the state forest guard functions are transferred from the FFA to the Federal Service of Nature Resource Use Oversight. As regards the promotion of public involvement in forest governance, substantial experience is already gained in this area not only by major international but also by local conservation organizations (Priluzye in Komi, D. Afinogenov's efforts in the Leningrad Oblast, Ecodal in the Khabarovsk Krai, etc.).

With respect to a communication strategy, V. Zakharov said that this work had been already initiated. It was suggested that the forest.ru web-site be used as a platform since there were plans for it to include a special page on the ENA-FLEG process. It is most important to:

- ensure that the process be transparent;
- maintain the information activities of the FLEG stakeholders;
- clarify how NGOs and other civil society groups are to participate or how they see their participation in the process;
- provide cross-references to other web sites related to FLEG issues;
- provide information support to the planned workshops.

A. Kushlin suggested that the authors of this initiative should furnish to the MNR and the World Bank not only with the NGO proposals to be reviewed at the meeting of the FLEG International Steering Committee on February 21, 2005, but also with the reference to the FLEG page on the forest.ru web-site with the invitation to others to cooperate in providing information. He also informed the audience that under the previous Ministerial FLEG processes, the number

of invited NGOs had amounted to 10 for the Preparatory Conferences and 15 for the Ministerial Conferences. Similar limits may be established for the Conference in Russia, but the NGOs should put forward their proposals on this matter. In addition, he urged the NGOs to draw upon the communications capacity of the international networks to which they belong, for purposes of conveying FLEG-related information to the relevant local and national civil society groups in other countries of Northern Eurasia and mobilizing them.

#### **Workshops under an IUCN project to prepare for the FLEG Conference**

V. Teplyakov informed the participants that the IUCN Office for Russia/CIS would hold, with UK FCO financial support, two preparatory workshops to take place in St-Petersburg (February 21 – 23, 2005) and in Khabarovsk (March 2 – 4, 2005). These would discuss the civil society role (including the role of regional and local NGOs) in the FLEG process and the impact of failures in forest law enforcement on climate change. In addition, upon preliminary agreement with the MNR and the FFA, a project wrap-up meeting is scheduled for mid-March to sum up the results of the workshops and draft civil society proposals. These workshops would bring together leading international, Russian national and local conservation organizations to discuss a broad range of issues related to the FLEG process, preparation for and participation in the 2005 Ministerial Conference in Russia, and

arrangements for public control over implementation of its decisions .

The proposal was appreciated and accepted. All the civil society meeting participants expressed their intention to attend the workshops.

#### **Proposed Next Steps**

The discussions resulted into the following agreement being reached by the participants:

- Hold an additional meeting in the WWF to discuss related issues and the first draft proposals from the NGOs to be submitted to the MNR – before February 15;
- Draft a joint position paper to reflect the NGOs vision of their involvement in the FLEG process, including the preparation for the meeting of the International Steering Committee scheduled for February 21-22;
- Prepare and review 3 – 5 major substantive proposals from the NGOs to be subsequently reflected in the Declaration to be adopted by the Ministerial Conference;
- Design a web-page and propose an information (communication) strategy;
- Draft a proposal for civil society participation in both the preparatory process and the Ministerial Conference itself, as well as a list of civil society groups to be included in the self-selection process to participate in the Conference;
- Prepare the second draft of civil society proposals to be submitted to the MNR – after the workshops in St-Petersburg and Khabarovsk.



---

## List of participants

Dmitry Akseyonov, International Socio-Ecological Union (ISEU)

Vladimir Dmitriev, World Wildlife Fund (WWF)

Alexei Grigoriev, ISEU

Mikhail Karpachevsky, Biodiversity Conservation Centre (BCC)

Anatoly Koltobay, WWF

Mikhail Kreindlin, Greenpeace-Russia

Andrei Kushlin, World Bank

Xenia Pakhorukova, ISEU

Marina Smetanina, World Bank

Victor Teplyakov, IUCN-The World Conservation Union

Alexei Yaroshenko, Greenpeace-Russia

Vladimir Zakharov, ISEU



## Meeting of NGOs on participation in ENA FLEG process (Moscow, February 14, 2005)

The second meeting of environmental NGOs based in Russia was held on February 14, 2005 at the WWF Office. As agreed earlier, it was dedicated to developing the joint position of Russian national NGOs on civil society involvement in the ENA FLEG process as well as joint substantive proposals to be included in the preparatory and final Ministerial documents, and to developing a communications strategy to support the process.

The discussion resulted in two principal documents to be submitted to the ENA

FLEG International Steering Committee meeting, to be held in Moscow on 21-22 February 2005: “The ENA FLEG Process from the Perspective of Russian Conservation Non-Governmental Organizations” and “Guidelines for Selection and a Draft List of Conservation Non-Governmental Organizations to Participate in the Europe and North Asia Forest Law Enforcement and Governance Ministerial Conference in St-Petersburg”.



## Resulting Documents

### **The ENA FLEG Process from the Perspective of Russian Conservation Non-Governmental Organizations**

February 14, 2005

Moscow

Illegal logging, its associated timber trade and unsustainable forest management inflict significant environmental, economic, and social losses upon forests and people in Russia. This problem could be addressed through improving the legal frameworks and practices of law enforcement in such areas as forest management, forest use, and timber trade, including those at the international level. The FLEG (Forest Law Enforcement and Governance) process can become an effective tool to improve the national legal frameworks and strengthen the international cooperation and coordination of efforts to combat illegal logging. However, judging by the lessons learnt from the FLEG implementation in East Asia and Africa, the Ministerial Conferences do plan actions and generate commitments but those often fail to see full-fledged on-the-ground implementation and to produce expected outputs. To make the Europe and North Asia Forest Law Enforcement and Governance (ENA-FLEG) Process successful, it is a must to review and avoid the mistakes of the previously launched regional processes, and to ensure close cooperation and coordination between the ENA-FLEG and the evolving European FLEGT (Forest Law Enforcement, Governance and Trade) process.

Russian conservation non-governmental organizations (conservation NGOs) welcome the emergence of the FLEG process in Europe and North Asia. A key factor of the process successful development is strong commitment and active participation of Russia as a major timber producer, and China, Japan, and the EU as major consumers.

Russian conservation NGOs emphasize the need for thorough elaboration of an Action Plan to meet the future ENA-FLEG Ministerial Conference commitments. Such a plan should contain explicitly worded, feasible and effective actions supported with clearly defined and adequate funding.

Russian conservation NGOs deem it necessary to make the process fully open and participatory through involving conservation and other NGOs in decision-making and control of compliance with undertaken commitments, and regard it as a prerequisite for successful implementation of the plan.

Russian conservation NGOs consider the following systemic blunders and negative phenomena to be the underlying causes of problems in the area of forest resource account, use, renewal and protection:

- High level of corruption in the governmental entities in charge of timber resource allocation and use oversight.
- Lack of legally-binding clearly structured national forest policies and strategies to govern resource account, use and renewal which should be developed on a scientific basis to generate nation-wide long-term benefits.
- Inadequate institutional framework with insufficiently equipped and funded institutions in charge of oversight in the area of timber resource account, allocation and use/renewal.
- Utilitarian approach to forest resource use, distorted perception of the resource renewal ability as if it were 'inexhaustibility'; underestimation of the importance of forest biological, environmental, and social values.

The above prime causes have the following negative effects:

High prevalence of illegal logging.

- Unsustainable extensive forest use patterns which deplete forest resources.

- Lack of effective biodiversity conservation tools for forests exposed to commercial logging.
- Infringement on indigenous peoples' and local communities' rights to exercise traditional nature resource use in areas of mass-scale forest logging.
- Inadequate level of environmental culture and responsibility in forest business.
- Substantial financial losses for the country and its people resulting from lack of effective oversight in the area of timber harvesting, processing and trade.

Russian conservation NGOs deem it necessary to focus the following aspects under the FLEG preparation and implementation in Russia:

- Proactive involvement of civil society in the preparation, work and follow-up of the Ministerial Conference of the Europe and North Asia Forest Law Enforcement and Governance process (see Annex).
- Establishment of an efficient national forest guard service with an appropriate geographical distribution/cover and staffing to effect timely and adequate control over forest use, in particular, through preserving the public sector forest guard and forest management units of the local level, i.e. the administrative district (rayon) level.
- Access for broad public to information on the forest status, management and use (including information on the dates and places of bidding and auction exercises to make forests available for use on a lease basis, etc.).
- Actual access for civil society groups to discussions of issues related to forest management and use. Establishment of public involvement mechanisms to safeguard the accommodation of public opinion and individual interests in decision-making on the said issues.
- Mandatory suspension of management activities and other sanctions for enterprises in case they fail to comply with the environmental safeguards as established by law (e.g., if they fail to obtain a positive opinion upon state environmental review).



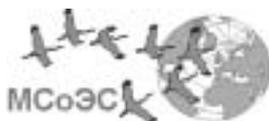
World-Wide Fund for Nature (WWF – Russia)



World Conservation Union (IUCN)



Biodiversity Conservation Centre (BCC)



International Socio-Ecological Union (SEU)



Greenpeace – Russia



ECODAL Far East Interregional Environmental Non-Governmental Organization

## **Guidelines for Selection and a Draft List of Conservation Non-Governmental Organizations to Participate in the Europe and North Asia Forest Law Enforcement and Governance Ministerial Conference in St-Petersburg**

### **NGOs Selection Guidelines**

1 Few groups will participate in the Conference, and it will not be possible, in any way, to embrace the whole range of conservation stakeholder NGOs, therefore: Give preference to those organizations which

- have been actively addressing FLEG-related issues;
- possess indispensable experience in key areas of sustainable forest resource use, forest policies, and forest management;
- are operating in regions facing most acute FLEG-related challenges;
- are willing to prepare relevant case studies for the Conference and present them there.

2. Provide evidence-based arguments to prove participation appropriateness of each organization.

3 Take into account that there are many regional groups which are not well informed about the FLEG process though actively engaged in addressing forest issues.

4. Encourage as much as possible the participation of those NGOs which are capable of representing interests of broader groups of organizations.

5. Ensure participation of the following three categories of NGOs differing in the geographical focus of their activities:

- Russian NGOs dealing with forest use sustainability and forest management at the national or regional level and/or organizations with partners/affiliated entities operating in forest regions in Russia and other countries;
- International NGOs operating not only in Russia but also in its neighboring countries; some organizations may represent selected countries importing Russian timber;
- NGOs from countries importing Russian timber which operate in Russia through Russian partners or have substantial influence on the national policies of importer countries.

6. Limit the number of NGOs to be included in the draft list to 40 organizations, with this participation quota to be shared by the three categories of NGOs in the following way:

- foreign NGOs – minimum 5 representatives in all;
- international NGOs and networks — minimum 5 representatives in all;
- Russian national and regional NGOs – minimum 10 representatives in all.

### **Draft List of NGOs to Participate in the Ministerial Conference in St-Petersburg**

#### ***International NGOs and Networks:***

WWF, including its Russian National Office and Regional Units as well as national offices in other countries;

Greenpeace, including its Russian National Office and Regional Units as well as national offices in other countries;

IUCN, including its member-organizations in Russia;

Taiga Rescue Network, including Russian and foreign participating organizations;

International Socio-Ecological Union (Moscow) and its Russian member-organizations.

### **Foreign NGOs**

Global Forest Watch/World Resources Institute, USA

Estonian Green Movement, Estonia

Naturschutzbund, NABU, Germany

Pacific Environment, USA

FERN, Belgium-UK

Finnish Society for Conservation of Nature/Finnish Nature League, Finland

Forest Monitor, UK

Forest Trends, USA

Swedish Society of Nature Conservation, Sweden

### **Russian NGOs**

AmurSEU (Blagoveshchensk, Amur Oblast)

Taiga Research and Conservation Association (Mezhdurechensk, Kemerovo Oblast)

Association of Indigenous Small-Numbered Peoples of the North, Siberia, and the Far East of the Russian Federation (RAIPON) and its regional associations

Baikal Environmental Wave (Irkutsk, Irkutsk Oblast)

Biodiversity Conservation Centre Charity Foundation (Moscow)

Bureau of Regional Non-Governmental Companies (BROK, Vladivostok, Primorsky Krai)

ECODAL Far East Interregional Environmental Non-Governmental Organization (Khabarovsk, Khabarovsk Krai)

Friends of Siberian Forests (Krasnoyarsk, Krasnoyarsk Krai)

Nature Conservation Teams Movement or its units in regions)

Kamchatka League of Independent Experts (Petropavlovsk-Kamchatsky, Kamchatka Oblast)

Kola Wildlife Centre (Apatity, Murmansk Oblast)

Independent Environmental Watch for the North Caucasus (Maikop, Adygey Republic)

Dauria Environmental Centre (Chita, Chita Oblast)

St-Petersburg Society of Naturalists (St-Petersburg)

Siberian Environmental Centre (Novosibirsk, Novosibirsk Oblast)

Birds Protection Union (or its regional units)

Students' Organization for Nature Conservation in Karelia (SPOK, Petrozavodsk, Republic of Karelia).

Tomsk Students' Environmental Inspection named after L. Blinov (TESI, Tomsk, Tomsk Oblast)

Altai- the 21 Century (Barnaul, Altai Krai)

Silvery Taiga Foundation (Syktyvkar, Komi Republic)

Sakhalin Environmental Watch (Yuzhno-Sakhalinsk, Sakhalin Oblast)

Dront Environmental Centre (Nizhniy Novgorod, Nizhniy Novgorod Oblast)

In addition, the list should separately include the following non-governmental organizations focusing on social and economical sustainability of forest use:

National Task Force for Voluntary Forest Certification under the FSC scheme/FSC's Russian Office (Moscow)

Russian National Council for Forest Certification (Moscow)

National Council for Voluntary Forest Certification in Russia (Moscow)

Trade-Union of Forest Sector Employees of the Russian Federation

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This list is in no way exhaustive; it may be expanded to include other organizations.

- All the above listed organizations should be officially notified of the opportunity to participate both in the Conference and the process per se.
- During the Ministerial Conference, NGOs should have adequate opportunities to share their vision of the problem and ways to address it.
- There is a need to develop a discrimination-free mechanism to mainstream opinions and proposals from stakeholders into the Declaration and Action Plan, which would contribute to the Conference success.
- NGOs should be given an opportunity to hold a preliminary meeting (indicatively, in May) to work out an agreed position for the Ministerial Conference.
- The Ministerial Conference arrangements should provide for NGOs' side events.
- Successful implementation of the Ministerial Conference decisions would require a mechanism of NGOs' involvement in the follow-up activities to meet the Declaration commitments and implement the Action Plan as well as a monitoring mechanism to evaluate the Action Plan implementation.



World-Wide Fund for Nature (WWF – Russia)



World Conservation Union (IUCN)



Biodiversity Conservation Centre (BCC)



International Socio-Ecological Union (SEU)



Greenpeace – Russia



ECODAL Far East Interregional Environmental Non-Governmental Organization

## List of participants

Dmitry Aksyonov, International Socio-Ecological Union (SEU)

Irina Bogdan, Ecodal, Khabarovsk

Vladimir Dmitriev, World-Wide Fund for Nature (WWF)

Alexei Grigoriev, SEU

Mikhail Karpachevsky, Biodiversity Conservation Centre (BCC)

Anatoly Koltobay, WWF

Elena Kulikova, WWF

Marina Smetanina, World Bank

Nikolay Shmatkov, IUCN-the World Conservation Union

Victor Teplyakov, IUCN-the World Conservation Union

Alexei Yaroshenko, Greenpeace-Russia

Vladimir Zakharov, SEU



## Civil Hearings on the Issues of Forest Governance and Prevention of Illegal Logging (Saint-Petersburg, February 21-23, 2005)

These were the first hearings of this sort to be held in Russia on the issues of forest governance and law enforcement. They were organized by the UCN Office for Russia/CIS, the St. Petersburg Society of Naturalist's and the Expertise Center "ECOM".

The hearings involved representatives of different stakeholders including NGOs, academics, public authorities and the forestry sector.

A set of major issues was identified for the hearings. Each of these issues was reviewed by a separate section. The first two days were devoted to expert reports. On the third day, the participants held discussions without experts, elaborated their common position and developed final documents. The experts included representatives of the Federal Forestry Agency, the government of Leningradskaya Oblast, the Confederation of Enterprises of the Forest Industrial Complex of the North-Western part of the Russian Federation, the Humanitarian and Politological Center "Strategy", the St. Petersburg Forestry Research Institute, the Forest Engineering Academy, Greenpeace, WWF and other organizations.

The section devoted to forest policy review was addressed by I. Shutov (St. Petersburg Forestry Research Institute) who spoke of the forest policy shortcomings, A. Yaroshenko (Green Peace), who talked about the forest reform and the Russian forest policy, and D. Afinogenov (North-West Civil Service Academy), who reviewed the state policy, its elaboration and its implementation.

The section devoted to unlawful cuttings discussed the acuteness of this problem for Russia and its sources. S. Orlov, representing the Leningradskaya Oblast

government, reviewed the current situation and the initiatives taken by the government to prevent unlawful cuttings; O. Rakitova, an analytic expert from the Confederation of Enterprises of the Forest Industrial Complex of the North-Western part of the Russian Federation, looked at the scale, reasons and methods of unlawful cuttings prevention; D. Petrov (Forest Engineering Academy) viewed unlawful cuttings in terms of business risks; while V. Dmitriev (WWF) made a report on the NGO position in respect of unlawful cuttings prevention.

The section focused on local and global risks and implications of unlawful cuttings was addressed by N. Shmatkov (IUCN) who presented an expert report on the issues of forest governance and climate change.

The section devoted to the efficiency of the FLEG process was addressed by N. Shmatkov (IUCN) who talked about the effect of the FLEG process on the local population, V. Zakharov (Forest RU Project) who spoke of the lack of information from the forest sector, M. (WNPC) who described the experience of voluntary forest certification in Russia and the opportunity of its use within the process, and A. Grigoriev (ISEU) who analyzed the efficiency of former FLEGG processes in other regions.

In the section focused on technical and institutional capacity to control logging activities in Russia, V. Lipsky (Confederation of Enterprises of the Forest Industrial Complex of the North-Western part of the Russian Federation) discussed the potential of forest certification for the control of illegal cuttings, while G. Ivanov (Ilim Pulp Enterprises) shared experiences

with certification of forest industrial enterprises.

In the section devoted to the social aspects of introduction of certification and reforms in the forest sector, A. Kuliasova (CISS) spoke of the problems arising from the differences in perception related to certification by different stakeholders in the process; O. Zakharova (ISEU) presented a report on the attitudes of the population to the issues of law and legality in the forest sector; M. Gorny (Humanitarian and Politological Center “Strategy”) talked about corruption in Russia and anti-corruption technologies;

while S. Morozov (Forestry Agency for Leningradskaya Oblast and St. Petersburg) presented an assessment of the scale of unlawful cuttings in Russia.

The participants discussed the meaning and objectives of the Declaration and Action Plan of the Ministerial Conference, the objective of involving civil society and the issues of forest governance and their social, ecological and economic implications. Thereafter, the hearing participants proceeded to construct a “problem tree” and discuss draft documents.

The proceedings and discussions resulted in a set of documents.



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## Resulting Documents

### **Address from the Public Hearing Participants to the People of Russia**

We, the participants of public hearings on law enforcement and governance in the forest sector in Europe and Northern Asia, appeal to you!

Of late, a disastrous situation has developed in the Russian forestry sector:

- The non-depleting forest richness of Russia is nothing but a myth. Forest reserves accessible for commercial use are limited and are quickly depleting.

- Although reliable information on the scale of illegal logging in Russia is lacking, according to different estimates 20 to 60 % of forests in Russia are logged in blatant violation of legal norms adopted in the civilized world.

- Forest legislation in force is inefficient and even this poor legislation is not complied with.

- The system of forest protection is not working; forestry is paralyzed while a well-defined state policy on forest ecosystem management is lacking. As a result, more and more forests are destroyed by fires, pests and illegal loggers.

- The existing forest use control mechanisms are either inadequate and/or not functioning.

We consider that Russia should be involved in the FLEG(T) process, which represents an international process of governance and enforcement of laws in the forest sector.

We, the people of Russia, shall:

- Request reliable information on the scale of forestry activities

- Take active part in the establishment of efficient mechanisms for public involvement in forest governance

- Buy and sell timber of familiar origin logged in compliance with the law.

Only efficient and active involvement of each of us will make it possible to keep Russian forests alive!



## **Open Letter from the Public Hearing Participants to the President of Russia**

**Dear Mr. President!**

We, the participants of public hearings on law enforcement and governance in the forest sector in Europe and Northern Asia, have studied the FLEG process documentation and have familiarized ourselves with the views of the leading experts on the key issues of forest policy in Russia and certain foreign countries.

We consider that Russia's participation in the FLEG process meets the national interests of Russia and is aimed at:

- Addressing the problem of Russia's ecological security
- Sustainable management of forest ecosystems
- Ensuring social justice
- Reduction of the level of corruption and its negative implications for the state and society.

In order to make Russia a full-fledged member of this process we propose that the following action be taken at the governmental level:

1. To elaborate the National Forest Programme and later to develop on the basis it provides the Concept of Sustainable Forest Management and only after that to proceed with upgrading the new Forest Code.

2. To ensure the efficient operation of the forest resource control and monitoring system, including real mechanisms of public control. In particular, it is necessary to introduce mandatory certification of timber in order to make transparent the origin of all timber sold both on the domestic and foreign timber markets.

3. To bring Russian legislation in line with the FLEG process ideology.

4. To bring Russian forest norms, terms and definitions in line with the FLEG process ideology.

5. To keep the Russian society informed at all stages of the FLEG process development and introduction in Russia.

6. To ensure the involvement and taking account of public opinion in the preparation and elaboration of decisions on reforms in the forest sector to be conducted in Russia.

We are deeply concerned that the image of our country is ruined due to non-compliance with international obligations and arrangements entered into by this country voluntarily, for example, the lack of a national forest programme and an ensuing consistent and well-defined national forest policy in Russia.

Mr. President, Russia can and should be a great forest power instead of being simply a source of raw materials for quasi-criminal international syndicates. We strongly request you to take the reform of the Russian forest management system under your personal control!



## Proposals submitted by the Public Hearing participants on the use of the FLEG process as an instrument for the sustainable management of Russia's forests

After having studied the FLEG process documentation and after having heard the views expressed by the leading experts on the key issues of forest policy of Russia and some foreign countries we propose to use this process to ensure sustainable governance of forest ecosystems in the Russian Federation. In particular, we propose:

1. To elaborate the national Forest Programme and later on this basis to proceed with upgrading the new Forest Code

- To mandate the Government of the Russian Federation to elaborate and to ensure wide discussion of the National Forest Programme by October 2005 (before the Ministerial Conference)

- To upgrade the draft new Forest Code on the basis of the draft National Forest Programme and to ensure its wide discussion

2. To ensure efficient operation of the system of forest resource control and monitoring on the basis of criteria and indicators for sustainable forest use

- To support the transfer of control functions to the Russian Committee on Nature Oversight with financial and personnel resources as soon as possible

- To mandate the Government of the Russian Federation to analyze the existing situation relating to the rapid outflow of qualified forestry staff from the forest sector and to take efficient measures to improve the situation

- To ensure practical use of sustainable forest use criteria and indicators available in Russia to monitor forest resources and to analyze the developments in the forest sector

- To study and to introduce practical experience in monitoring and control in the field of forest use and trade in forest products over the full chain of custody (in particular, it is necessary to make transparent the origin of all timber sold both at domestic and at foreign timber market)

- To develop and to introduce efficient mechanisms of public control

3. To bring Russian legislation in line with the FLEG process requirements

- To analyze Russian legislation in terms of its compliance with the FLEG process ideology, paying particular attention to the «Rules regulating timber sold standing», «Rules of final cuttings» и «Instructions on cleaning cuttings» with due regard to regional peculiarities

- To make necessary changes in Russian forest legislation

- To make changes in the Administrative and Criminal Codes of the Russian Federation providing for a considerable strengthening of penalties for illegal logging

- To envisage a possibility to confiscate the equipment and means of transportation used in illegal logging

4. To bring Russian forest norms, terms and definitions in line with the FLEG process ideology

- To pay particular attention to the extension of the term "illegal cuttings" to cover not only illegal logging carried out without relevant authorization documents, but also those cuttings conducted in violation of the legislation in force

5. To keep the Russian society informed at all stages of the development and introduction of the FLEG process in Russia

6. To ensure the involvement and taking account of public opinion in the preparation and elaboration of decisions on reforms in the forest sector to be conducted in Russia

- To ensure integration of mandatory ecological expertise in the draft Forest Code and subsequent regulatory instruments intended to bring about forest sector reforms

- To mandate the Government of the Russian Federation to provide institu-

tional and financial support for the organization of public hearings in forest regions of the Russian Federation within the framework of the process for assessment of the impact of the draft new Forest Code on the environment

- To give institutional and financial support to the organization of field par-

liamentary hearings on the draft new Forest Code of the Russian Federation

- To open a hotline and a simultaneous Internet forum to enable direct communication between the professionals from the regions with the working group entrusted with the new Forest Code elaboration.



## Address from the Public Hearing Participants to the International Ministerial Conference on Forest Law Enforcement and Governance in the Northern Eurasia Countries

We, the participants of public hearings on law enforcement and governance in the forest sector in Europe and Northern Asia, express grave concern over the existing practice of unsustainable governance of forest ecosystems.

Illegal logging and the appearance of a large volume of illegally cut timber and products processed therefrom on markets pose a threat to ecological security at all levels. At the global level, depletion of the forest fund and destruction of natural forest ecosystems represents a cause of climate change and natural disasters. At the national level, unsustainable forest governance leads to corruption, brings about economic losses and results in the reduction of the standard of living of the population. At the local level, it results in the destruction of the natural habitat and traditional way of life of local populations.

Being aware that Russia's forests play a special role in maintaining global ecological balance, **we welcome** Russia's adhesion to the political initiative of the countries of Europe and Northern Asia in the field of law enforcement and governance in the forest sector in Europe and Northern Asia — FLEG.

**We consider** that the plan for counteracting illegal logging of timber must include regulation of trade in timber and products of its processing both on domestic and foreign markets and consider this to be reflected in the FLEG process

**We believe** that in order to address these issues it is necessary to introduce in law enforcement and governance in the forest sector in Europe and Northern Asia those FLEG mechanisms that ensure:

- Harmonization of national legislation taking into account FLEG principles;
- Conclusion of multilateral and bilateral agreements;
- Development of National Forest Programmes that include the mechanisms of public involvement and control and guarantee forests conservation for the sake of future generations

**In our view**, the following measures will be particularly helpful:

- Introduction of a ban on trade in illegally logged timber and products of its processing;
- Introduction of mandatory certification of the origin of timber;
- International cooperation among the customs services and nature conservation institutions

**We emphasize** the importance of keeping the public informed and involved in the FLEG process.

**We believe** that the national and international stakeholders of the FLEG process will be able to find support and assistance if they address specific proposals on cooperation to non-governmental organizations and citizens of Russia.



## Presentations by experts

### **Potential IUCN Role in Facilitating NGO Participation in the Eurasian Regional FLEG Process**

*Tepliyakov, V.K.*

Efficient law-enforcement and governance are possible only under if the law is complied with. The efficiency of the law is ensured by an operational system of division of powers, established democratic institutes, developed civil society and a high level of economic well-being of citizens.

The FLEG ministerial processes and conferences have already found their place in Eastern Asia and Africa and it is important to share experience gained by countries and regions in these continents in order to accelerate the pace of governance reform. Asian and African experience shows that an efficient approach to the Eurasian FLEG should take into account the fact that the progress of the entire process depends on joint efforts of the government, the civil society and the private sector and that participation in the preliminary consultation process improves standards and quality of involvement of the government, the civil society and the private sector in the ministerial conference.

IUCN has taken an active part in the African FLEG process playing a special role in coordination of the preliminary process for the civil society, as well as consultations between non-governmental organizations and the private sector. These efforts contributed to an informed and constructive responsibility of non-governmental organizations and the private sector at the ministerial conference.

The main factor that makes it possible to entrust the Union with the task of public participation coordination is its unique and time-proved experience of involving interested parties of all sectors, i.e. the government, the civil society and the private sector. Many entities of these key parties are IUCN members. IUCN has established good working relations with

key multi-profile organizations. IUCN has rich experience in the development and organization of consultation processes leading to the elaboration of balanced approaches and results. For example, IUCN has coordinated the process with African delegates of the Conference of the Parties of the UN Framework Convention on Climate Change, which has contributed to the improvement of their capacity to participate efficiently in the political process. IUCN has an experience of working with the ITTO Secretariat (the International Organization for Tropic Timber Trade) for establishing dialogue between the civil society and trade consultation groups on issues related to non-legal timber cuttings.

IUCN has at its disposal a global network for informing the government, the civil society and other partners, instruments for dissimilation of information in an easy-to-understand form among representatives of all sectors. IUCN commissions can efficiently work for the achievement of objectives jointly with experts in the field of forest government, education and information. IUCN extensive experience is very valuable in the fields of working out and realization of thematic and regional programs including developments in such an important sphere as review of the legislation. IUCN has at its disposal a strong team both in Russia and in other countries, which will participate in the Eurasian FLEG process.

The Ministry of Natural Resources of Russia invited the IUCN Office for Russia and the CIS to take part in the work of the International Organizational Committee on the Ministerial Conference Preparation. The IUCN Office plays an important role in involving the civil society in the Eurasian FLEG process. Recently, IUCN has held two seminars (February 21-23, 2005 in St. Petersburg and on March 2-4, 2005 in Khabarovsk) within the framework of the Ministerial Conference preparation in close cooperation with regional

and local non-governmental organizations. The results of the seminars will be presented at the final seminar in Moscow. We believe that the seminars will contribute to building the culture of cooperation and confidence in the process, which is connected with complicated and politically slanted problems that concern many stakeholders. Creating opportunities for broad exchange of opinions and experience in the environment of face-to-face communication helps to build confidence to the process over time, to improve the prospects of future talks and to efficiently fulfill recommendations of ministerial conferences. We believe that active involvement of the civil society in the FLEG process will ensure a pragmatic nature of responsibilities assumed by the Parties and their further fulfillment.

The IUCN Office for Russia and the CIS has the necessary capacity for playing an active role in the Eurasian FLEG process and is proud to have among its members of such organizations as the Ministry of Natural Resources of Russia, the International Ecological Union, the Center for Conservation of Wild Nature and the Center of the Russian Ecological Policy. IUCN also has good contacts with key organizations in various fields. The IUCN Office for Russia and the CIS (as well as other IUCN members in Russia) is represented in the Public Forest Council, which has the mandate of a deliberative body of the Ministry of Natural Resources of Russia. IUCN actively cooperates with the Association of Responsible Forest Users, the Office of the World Bank and other organizations in Russia.

With financial support provided from the Governments of the Netherlands, the United Kingdom, the United States and Canada, and in cooperation with many organizations, IUCN has carried out or is currently implementing a wide range of projects in the field of public participation in forest governance, including the following:

*The future of forest conservation in Russia* – three regional and one all-

Russian seminars and a publication of the same name (2000 copies);

- *The Global Forest Watch of Russia* – two seminars. The initiative of the “Global Forest Watch” on creating conditions for the development of a system of independent monitoring of the state of forests (through WRI support);

- *Creating a framework for public involvement in Russian forest management* – two regional seminars and a publication “Forests and Society” (5000 copies);

- *Building partnership for forest conservation and management in Russia* – 10 regional seminars and elaboration of an educational program “Manager of public participation”. Manuals for this curriculum have also been developed;

- *Optimising Russian forest resilience to climate change through improved forest governance arrangements* – a pilot project – two preparatory and two regional seminars, a final meeting. A publication is prepared on results of the seminars and a booklet for the Ministerial Conference of ENA FLEG-2005.

The main factor that enables IUCN to take an active part in the ENA FLEG process is its unique and time-proven experience of engaging interested parties from different sectors, i.e. the government, the civil society and the private sector.

### **What is a State Forest Policy? How Is It Developed and How Does It Work in Practice?**

*Afinogenov, D.V.*

The meaning and significance of a state forest policy is constantly changing with time. State authorities (both representative and executive), business structures and society are involved in developing a policy. There are three approaches of policy development:

- individual (by means of directives);
- based on market mechanisms (spontaneous, uncontrolled) and
- collective (through compromises).

The policy is developed using legal, administrative, organizational, economic and socio-psychological instruments. As for the mechanisms, the following are employed:

- legislative initiative,

- lobbying,
- administrative management,
- structural changes,
- budget allocations and
- providing open and transparent information.

Type of Policy	Meaning of a Policy	Who is Developing a Policy and How?
The policy of state safety	Providing integrity and state security	Monarch (appointed by the nobility council)
Economic policy of the government	Ensuring of individual freedom by means of market development (the state is a "night guard"). Liberalism.	The state and political elite independently
Social policy of the government	Providing equal rights to everyone for self-realization (the state of services). Liberalism — Socialism.	The state is based on party programs
Requirements to the present-day state policy	Providing quality of life (the state is an instrument to coordinate various interests). Economy — Ecology	State authorities based upon wide and open discussion inviting many interested parties

Major directions, trends and tendencies of external and internal policies of the Russian Federation are determined by the President and stated in his annual message to the Federal Assembly (The Constitution of the Russian Federation, article 84). According to the power and authorities given, the State Government of the Russian Federation conducts the implementation of external and internal policies of the Russian Federation (FKZ "On the State Government of the Russian Federation", article 13, paragraph 1). As an example of documented formulation of the state environmental policy the following documents could be listed: a message, an ecological doctrine, a sub-program "Forests", and the concept of forestry development.

Usually, while developing a policy, the following order exists:

- general review (background information, the current state and condition, problems and underlying reasons);

- targets, goals and tasks of a policy;
- major directions, trends, and tendencies;
- major priorities and principles;
- prospected results.

As any decision taken, a policy is a choice made out of several options.

To develop a policy concept, alternatives have to be built up from general to particular. The choice within a framework of one alternative should not contradict other options of other alternatives of the same level. The examples of alternatives of the same level come as following:

- activity – refusal to act
- state- nature – human being
- resource (direct use) – environment (indirect use)
- global significance – local significance
- industrial use – individual use
- federal ownership – ownership of the subjects of the Russian Federation – municipal ownership – private ownership

- administrative management — market
- economic interests — social interests — ecological interests
- external market — internal market
- timber utilization — use of non-timber forest products
- position at the external market: raw materials sale — processing

There are a number of ways of taking a decision:

- simple choice (positive principle, concrete mechanism)
- hierarchical choice (choosing a principle of hierarchy of priorities — residual, proportional; concrete mechanism)
- conditional choice (negative principle, any mechanism)
- the choice of a concrete option depends on the situation (there are the following mechanisms: firm and concrete; negotiations; market, etc.; mechanism of realization of the chosen option).

When we talk about a simple choice, we actually set up the tasks of a policy.

The principles of any policy represent limitations (terms and conditions) that are laid on the activities, documents, relations, etc. A good example would be the relationship between authorities and responsibilities.

## **How to Stop Illegal Logging in Russia?**

*Rakitova, O.S.*

The forest resource potential of Russia is not yet exhausted, — almost 150 mill.m<sup>3</sup> of timber is harvested annually. The Annual Allowable Cut in Russia constitutes 500 mln.m<sup>3</sup> of timber, which is 3.5 times more than actual harvest. Why do forests have to be logged? Many reasons could be listed, and here are the key ones. Over-mature forests:

- exhale CO<sub>2</sub>,
- become a source of pests and diseases,
- have a negative effect on water bodies and reservoirs,

- become a source of flammable substances and materials,
- are low in commercially useful wood.

Earlier, forest regeneration was mostly accomplished after a forest fire took place. Nowadays more methods of reforestation are employed.

All the forests of the Russian Federation are divided into three categories:

- I group forests: protective forests, reserved forests, protected forests;
- II group forests: forests of limited exploitation;
- III group forests: forests of forest abundant regions.

Major harvesting has to be conducted in the III group forests. Intermediate harvesting (thinning, sanitary, and reconstruction felling) has to be practiced with an aim to protect forest resources and other forest values in all types of forests. As for timber harvesting (final felling), — it has to be conducted in the mature forests.

Nowadays, illegal logging is taking place:

- in the regions where valuable tree species are growing,
- in the vicinity of transportation routes,
- close to the sales markets (close to Finnish and Chinese borders),
- during partial cutting, exceeding the volumes of harvesting.

According to FAO statistics, the scale of illegal logging in Russia is 25% of the total harvested volume, which is lower than in Estonia (50%), Africa (Cameron — 50%) and Asia (Indonesia — 73%, Brazil — 80%).

The Administrative Code of the Russian Federation defines illegal logging as:

- felling of timber without official documented permission;
- felling according to the felling license which was issued in contravention of harvesting rules;

- felling conducted at the wrong place or outside the borders of the felling license;

- felling conducted over the volumes stated in the felling license;

- felling of different species than stated in the felling license or felling of trees which it is prohibited to fell.

There are many ways illegal timber gets on the market, including:

- illegally harvested timber,
- legally harvested timber stolen from a felling site;

- under-reporting of the volumes of timber harvested;

- changing of the volume of timber harvested based on differences in the standards in different countries;

- wrong information provided in the declaration of tree species;

- changing of the timber grade;
- contraband timber.

There are few reasons for illegal logging and these include: weak legislation, insufficient control over felling operations, poverty of the population, and corrupt authorities. Illegal logging is damaging in a variety of ways: forest natural diversity is exhausted, valuable tree species are taken out, the ecological balance of flora and fauna is destroyed, economic damage (financial losses) are suffered, lowering the prices of Russian timber in the international market. According to the data of the World Bank and WWF, the Russian Federation is losing 5 bln. rubles annually because of illegal logging.

There are several ways to stop illegal logging:

- to develop effective forest legislation where responsibilities for offences against the law are clearly set out and defined (as, for example, in China);

- to monitor harvesting operations from space;

- to introduce patrols to guard the forests;

- to harmonize methods to measure the volumes of timber;

- to mark the timber;

- to introduce certification: national system, FLEGT, FSC, PEFC.

At present, considerable efforts are being made to stop and prevent illegal logging at a state level: a new Forest Code is under development, a program on space monitoring of illegal logging is being developed, local “forest militia” are being created, and timber volume measurement standards are under improvement. This has led to, among other things:

- An integrated enterprise “Belgorodsky Forest” was established in 2005 in Belgorodskaya Oblast’ to strengthen control over forest harvesting

- In Irkutskaya Oblast’ “forest militia” is operating and barcodes are widely used at the customs

- In Altay Krai an operation “Forest – 3” is conducted to stop contraband timber flows.

Space monitoring was conducted in January – February of 2005 in Krasnoyarsk Krai and Irkutskaya Oblast’. The revealed infringements and offences against the law were estimated in about 190 million rubles. Court cases against tenants are being prepared and many leasing contracts are being abrogated. The forest area, which is currently under remote control and is checked for illegal logging constituted 40 million ha (47%) in 2005. In 2006, 85 million ha (100%) or the whole area of intensive forest use will be under the remote control.

According to the data of the responsible federal service (Ministry of Natural Resources), 6.8 thousand forest offences were revealed in Russia in 2004; 4.6 thousand orders to clear the offence were handed out; 345 causes were directed to the judicial branch, and 27 court cases on illegal logging were initiated.

To stop illegal logging and unauthorized harvesting the following issues have to be addressed:

- The Economic feasibility of illegal timber has to be decreased. This can be achieved by means of certification and promotion of the FLEGT process;

- Legislation must be adopted in which the responsibility for illegal logging is clearly stated;

- Reorganization is needed of the existing system of control and monitoring and active involvement of space monitoring and the “forest militia”.

### **Illegal Logging as an Entrepreneurial Risk**

*Petrov, V.N.*

Forests in Russia were never seen as a result of the hard work of people but instead have always been taken as a gift of Nature. There are two major reasons for such an approach: huge forest areas coupled with weak social security for the population. This very fact of human vulnerability forces people to break the law.

Forest can be seen as a kind of property as it has a wide range of functions to offer. The effects are diverse and lie far beyond forestry as such. A set of limitations regarding forest ownership is conditioned by this very fact. That is why punitive sanctions and measures for illegal harvesting within each of the three relevant sets of legislation (forest legislation, administrative legislation, and criminal legislation) were based on forestry requirements. Thus, they were developed artificially instead of being founded on the legal consciousness of people.

Risk as an economic category (related to illegal logging) is logical when the forest is a source of rent, or profit, or some other values.

In this article we will deal with entrepreneurial risk, as it is exactly entrepreneurs (both domestic and foreign) who bear the major economic losses resulting from illegal logging and unauthorized harvesting. The state as an owner is less influenced as on the one hand it has no idea about the price or value of this property and on the other hand it loses from its legal use.

The issue of illegal logging can be also considered from another point of view: illegal logging and the risk to countries or illegal logging and ecological or investment risks.

The activity of any forest user (same with any other entrepreneur) is subjected to various internal and external risks. External risks are linked to:

- receiving less profit because of the weather conditions;
- not following or sometimes breaking of contracts by the clients (buyers);
- not fulfilling or sometimes breaking of obligations by the subcontractors or other organizations;
- forest fires;
- outbreaks of pests and diseases;
- other circumstances not related to the activities of a forest user.

If a buyer is a foreign company, entrepreneurial risk can be coupled with other kind of risks: political, country, and financial.

Internal risks are mostly linked to the ability of a manager to organize logging operations and sales in such a way that unfavorable financial and economic conditions never occur.

The organization of harvesting processes and sales depends very much upon the:

- the level of management;
- cost price;
- quality of the roundwood timber;
- sales terms;
- the availability of working capital;
- condition of the technical equipment;
- level of mechanization of harvesting processes;
- level of qualification of the staff.

Nowadays, the concept of “organization of harvesting” has become very complex. Several components are included: activities of the technological process itself; measures to protect leased areas from illegal logging, and unauthorized activities.

Underestimation of illegal logging usually results in missed benefits and profits because of the fact that the worst forest stands (with poor tree species composition) have to be included in harvesting plans. To avoid these indirect losses, forest users have to bear additional expenses to control and protect leased forest property (see the table).

**Table 1.**  
**Economic indices of both legal and illegal harvesting**

Index	Harvesting method			
	Legal harvesting		Illegal harvesting	
	Expenses, 1 m <sup>3</sup> , roubles	Specific gravity, %	Expenses, 1 m <sup>3</sup> , roubles	Specific gravity, %
Felling outturn, thous.m <sup>3</sup>	100	100	-	-
Stumpage price	76 (152)	9,2	-	-
Service to the leskhoz	12,6	1,5	-	-
Salaries for the workers	76,8	9,3	100	17,0
Social tax	27,3	3,3	-	-
Expenses for preparation of the production cycle	40,3	4,9	38,2	6,5
Equipment maintenance and exploitation expenses	86,3	10,5	86,3	14,7
Haulage and transportation services	184,4	22,4	184,4	31,4
Forest roads maintenance expenses	17,7	2,2	-	-
Production expenses	85,0	10,3	10	1,7
Economic expenses	100,0	12,1	50	8,5
Other expenses of the production cycle	39,4	4,8	39,4	6,6
Production cost price	745,8	90,5	508,3	86,6
Commercial expenses	78,6	9,5	78,6	13,4
Total cost price	824,4 (900,4)	100	586,9	100
Sales price (average)	897,5	-	700	-
Profit	73,5 (-2,9)	-	113,1	-
Profitability of a produce, %	8,9 (-3,2)	-	19,3	-

Note: in brackets there are indices when stumpage price is doubled.

**Climate Change and FLEG:  
Expectations of the Civil Society**  
*Tepljakov, V.K.*

**Climate Change**

The buildup of greenhouse gases coupled with natural cyclic processes lead to

global climate change. The net result of this is changing the living environment, including contributing to an increase in the number of natural calamities brought on in part by an increased number of extreme weather events, and other negative effects such as to human health. Scientists all over the globe are still discussing the role humans play in climate change, and the exact extent human activities contribute to climate change.

However, it is not that important for the average global citizen to understand the details of climate change: — the important thing is that climate change is an undoubted and unquestionable fact. Numerous studies are being conducted to better forecast and predict the economic, ecological and social consequences of the process of climate change. Programs for mitigation of the major climate change and the development of adaptation mechanisms are being devised. Special importance is given to research of forest ecosystems, being a fundamental depositor of carbon dioxide, which is the major cause of the greenhouse effect (almost 80% of greenhouse effect is related to CO<sub>2</sub> emissions, and 20% of these emissions are estimated to come from land use change, including forests loss and conversion to other uses). Efforts to identify the role that improved land uses and forest management can play to reduce CO<sub>2</sub> emissions from the forest sector are of special interest nowadays.

The global importance of forests and the power of their “building material” — carbon dioxide — are generally understood, and not only in the scientific circles. The general public has basic knowledge about this, which is important. Forests have favorable effects upon every sphere of life: atmosphere, hydrosphere, soils, flora, fauna, and human beings. As a contributor to the global climate cycle, the value of forests extends far beyond the areas in which they grow. Numerous studies have concluded that the best natural vegetation that is able to bind and store carbon over the long term is forest vegetation.

### **Kyoto Protocol and Forests of Russia**

The global role of forests in maintaining carbon balance was recognized by the United Nations Intergovernmental Panel on Climate Change (IPCC). Forests are considered to be global absorbent and storage of greenhouse gases including CO<sub>2</sub> from the atmosphere (article 4.1.d of UN Framework Convention on Climate

Change). Article 4.2 runs as follows: «while calculating the levels of emission and sink of greenhouse gases it is necessary to use the best scientific knowledge, including knowledge on capacity of absorbents”.

Russian forests are of global importance, constituting over 22% of the world forests and possessing about 1/3 of the total area of boreal forests. According to estimates, the stock of annually sequestered carbon in forest boreal ecosystems constitutes 707 million tones, and Russian provides 75 % of the stock. The total stock of carbon, sequestered within the Forest Fund of Russia is 36 — 48 million tones. There are some differences in assessments caused by different calculation approaches that were applied. Also, there is uncertainty about including various assumptions such as carbon accumulation in mort mass, carbon losses due to exogenous emissions related to forest fires, pests and diseases as well as to phytotoxic pollution of the atmosphere. All of these are expected to increase with climate change, highlighting the importance of increasing the resistance and resilience of Russian forests in the face of climate change — thus making a case for reducing emissions from this sector by more sustainable land use strategies.

### **Potential of Russian Forests**

Most of the experts consider that the capacity of Russian forests to accumulate carbon is not sufficiently utilized. This can be explained by unsatisfactory forest use; insufficient volumes of both reforestation and afforestation; weak forest fire protection; inadequate protection against pests and diseases; residual-based financing of the forest sector; lack of political will to develop forestry, and, as a result — absence of a national forest policy.

During the period 1960–1990 the Annual Allowable Cut (AAC) for the forests of Russia exceeded 600 million m<sup>3</sup> and in the year 2000 it decreased up to 550 million m<sup>3</sup>. However, the actual harvest constitutes only 1/5th — 1/4th of the

AAC. Decreasing of harvesting volumes does not influence carbon emissions. However, a reasonable increase of harvesting volumes and substitution of mature and overmature forests with younger ones will result in carbon emission in the first stage. Later, an intensive absorption will occur due to the more intensive annual incremental growth in the young stands.

During the period 1970 – 1990 annual reforestation in Russia was carried out at the rate of 1.7 – 1.9 million hectares. Nowadays, when harvesting volumes have been decreased, reforestation area has also declined up to 1.1 – 1.4 million ha. According to data from the Forest Fund account, non-forested areas constitute in Russia more than 100 million ha. These are mostly in remote and inaccessible areas, mainly located in the Far East (over 50%), in East Siberia (39%) and West Siberia (about 5%). In certain scarcely forested parts of Russia, carbon stock is negative. This could be corrected and improved only if large-scale afforestation is carried out, ideally based on a forest landscape restoration approach, which balance quality with quantity.

According to the research based norms, 14 million ha of Russian forests are required to protect farmlands from draughts, hot dry winds, water and wind erosion. At the moment, only 3 million ha exist. According to the federal complex program “Rising of Soil Fertility” it was envisaged for the years 1997 – 2000 to plant forests in the area of more than 700 thousand hectares. Within the framework of this program, in the year 2000 forests were planted only at the area of 25.2 thousand hectares.

Forest fire protection is nothing else but the protection of the “absorbents” of greenhouse gases. This is a very specific issue for Russia. The expenses for fire protection of 5 hectares of forests are almost equal to the costs of planting of 1 hectare of forest. Moreover, the indirect effect is much higher as the volume of fire emissions is considerably lower. By planting forests we keep, protect, and maintain forests as such, also utilizing their capac-

ity for active carbon sequestration. Thus, the environment is protected. However, the area which is annually swept away by forest fires in Russia is about 1 million ha, while in some years it can exceed 2 million ha.

As for the influence of illegal logging of forests on climate, the following observations can be made: compared to legal logging volumes, the influence of illegal logging on climate is minor and not that noticeable. However, illegal logging and unauthorized timber exports represent carbon emissions, uncalculated under the Kyoto Protocol. For Russia, this will certainly result in considerable losses. Illegal logging leads to budget losses and it negatively affects other forest uses such as the gathering and hunting of non-timber forest products.

The capacity of Russian forests to balance the composition of atmospheric gases is to a great extent influenced by ineffective forest management and failures to observe the existing laws. This results in considerable deterioration of the forestlands, leading to: growing number of forest fires; increased areas experiencing forest fires; more frequent outbreaks of pests and diseases; decreased forest area, which actually means direct carbon emissions, i.e. the potential and capacity of the Russian Federation within the framework of a Kyoto protocol is decreased; decreased financial flows from forestry; expanding corruption; increased number of offences against the law and growing volumes of illegal logging.

Forests play an important role in the process of climate change, being directly and actively involved in the process of carbon circulation. Russian forests have high potential to mitigate the consequences of climate change. However, this potential is dramatically underused as almost all of the indices characterizing Russian forests do not correspond to the place of Russian forestry in the world context.

### **FLEG Process, Threats and Barriers**

In November 2005 Saint-Petersburg will host an international Ministerial Conference for the countries of Europe and Northern Asia on the issues of Forest Law Enforcement and Governance (ENA FLEG).

FLEG is an international and voluntary process initiated by a number of countries (building on a decision of the G8) and directed to reform of and better performance of forest legislation and management. FLEG is an attempt to decrease the level of threats through elimination of barriers, obstacles and limitations. FLEG is a systematic approach with broader applicability to any sector of a national economy. As for the forestry sector, here are the major barriers to overcome: inadequate or inappropriate legislation; ineffective forest management; inadequately socially-oriented economy, and weak democracy. FLEG is a method of systematic problem solving.

In spite of the fact that FLEG began as a response to the trade in illegal tropical timber, there is now a common understanding that this particular issue is related to boreal forests as well. It is important for both forest-rich countries and for timber importing countries. The issue of illegal logging and related trade is of political, economic, and social importance. It naturally leads to unfair forest resource distribution.

For better understanding of the essence of the FLEG process and for its better performance it is crucial to see the difference between the two terms: threats and critical barriers. Threat is something that is hard to influence or regulate. Threats lead to negative consequences, for example – loss of biodiversity. Forestry related threats can be listed as following: overharvesting; overgrazing of cattle; forest fires, and damage from pests and diseases.

Barriers however do not directly influence the object which is under a threat. A critical barrier is not a threat; it is more related to inactivity, inertia, opposition or

counteraction. Here are some examples of forestry related barriers: absence of forest policy or its vague interpretation; ineffective laws and inadequate budget.

Poverty is one of the major threats in forestry and it is an issue for consideration by FLEG. It is recognized and acknowledged that poverty contributes to loss of biodiversity, climate change, and social tensions. Combating poverty helps to eliminate many barriers to equitable and sustainable development. For example, the IUCN-CIDA project “Building Partnerships in Forest Conservation and Management” field tested a model of NTFP utilization as an alternative source of income for the local people of Kamchatka. This allowed viewing the poverty issue from a different perspective. The first steps of the project were to win peoples’ trust, to achieve mutual confidence, to overcome the indifference of the locals, and to generate interest and hope for success. The project assisted in setting up several small businesses dealing with the utilization of edible plants and the weaving of birch bark. Most of these businesses are quite successful and prosperous and have tapped into several markets locally, in Moscow and in Canada. Entrepreneurs from Kamchatka had a clear success, displaying their goods and services at the 1st International NTFP Fair held in Moscow in the year 2004 (All-Russia Exhibition Centre, former VDNKh).

Ineffective forest management and failures to observe the existing laws are barriers too, leading to: considerable deterioration of the Forest Fund; growing number of forest fires and the areas swept away by fires; more frequent outbreaks of pests and diseases; decreased forested area; reduced financial flows from forestry; expanding corruption; increased number of infringements and offences against the law, and growing volumes of illegal logging.

To overcome barriers and threats in forestry, a thorough analysis of changes that occurred in member countries of the FLEG process during the past 15-20 years is needed. These changes

require critical analysis and the reviews should be made available to the public. Improvement of legislation in general (and not only of forest legislation) is required; clear and understandable definitions have to be introduced and explained. To get more active public involvement in forestry in general and into the FLEG process in particular, a strategy of interaction between the authorities, society, and business has to be introduced in practice.

### Research on the issue

Nowadays, many studies are being conducted or supported, including by the World Bank, EFI, Indufor, CIFOR, FERN, TRN, FAO/ECE, WWF, and IUCN. Many other non-governmental organizations are reaching out to invite the broader civil society to take part in the process. WWF and the World Bank have a prolonged experience of cooperation with business structures involving them into the FLEG process; Socio-Ecological Union, Greenpeace, BCC and other organizations provide a fundamental information-sharing role and conduct training programs.

At the same time, there is a constellation of issues that require special attention: the organizational structure of forestry is constantly changing; criminal practices in forestry and related spheres are growing; information on forest management and exploitation is not transparent and open enough, and forest ownership is still under the question.

Preparation for the Ministerial conference is complicated as the terminology is not yet clarified. Key terms such as "illegal logging" and "timber of doubtful origin" are not clearly defined. Also, communications strategies involving the mass media, internet, professional publications and information bulletins are not properly developed and implemented.

The FLEG process will be very important in formulating the positions of the authorities working at different levels, ministries and departments, civil society, non-governmental organizations and for-

est businesses. Coordinated positions and joint actions within the FLEG process are of key importance. A successful outcome for the Ministerial Conference would encompass the positions of all the members of the process as the basis for the Declaration, and all the further actions will lay the grounds for an Action Plan.

Society loses quite a big portion of forestry profits due to imperfect legislation and weak law enforcement and observance. Reliable statistics are rather limited but essential: annual losses constitute tens of billion USD worldwide. About 3-4 million m<sup>3</sup> of timber was illegally harvested in 1997 in Cambodia and profit losses constituted 60 million USD. In Indonesia, in the year 1997 almost 32 million m<sup>3</sup> of timber was illegally logged; 85% of concessionaires were working against the law and annual losses summed up to 500-700 million USD. Almost 800 million USD were annually lost in Philippines in early 1990's. In Cameroon 30% of timber was harvested illegally in 1995-1996 and considerable financial losses occurred due to falsification of marking.

### Strategies of Actions

Consequences of illegal and unauthorized activities in the forest sector go beyond forestry sector. Illegal forestry activities lead to land use conflicts, to forest access restrictions for the locals, to considerable losses due to unsustainable forest management practices and to some other negative effects. Illegal forest activities result in a number of environmental damages such as: biodiversity loss; destruction of habitats; rare wilderness species (flora-fauna) trade; soil erosion, and forest fires.

Indirect economic losses are also worth mentioning as they are quite important also. These are: loss of long term profits, benefits and advantages for the society; absence of reinvestments; negative forecasts for logging industry, etc.

Strategies focused at elimination of illegal activities in the forest sector include: analysis of the character, scale and rea-

sons for illegal activities; combating the corruption in a broader context of forestry and interdepartmental policy; active support of high leveled decisions related; civil society participation, and involvement of forest industrial representatives and local population.

The development of strategies for long term sustainability is of primary importance. Assessment of strategic impact on a changing environment (monitoring) is also needed as well as more effective 'public' control.

Several strategies go beyond the forestry sector. These involve complex policy reforms including economic, financial, departmental and constitutional components. These reforms include strengthening of the institutional infrastructure; development of local communities, mass media, parliament, and court agencies. Civil society participation is very important, so conducting seminars to raise awareness and to mobilize, to find out ways of cooperating, and to cultivate a feeling of complicity which includes the public is essential. Data collection and processing, inspection and investigation have become important components of a process of strategy development and public awareness-raising.

### **Suggestions**

Having analyzed some of the issues related to the FLEG process and its closest perspective, the following measures should be suggested to strengthen implementation of and compliance with laws in the forest sector:

- ensure due and effective control;
- set up cooperation between the authorities, private sector and civil society;
- develop an effective system of check-and-control;
- introduce certification;
- secure due professional qualification, due equipment and due salaries for the staff within the forest sector;
- organize and maintain the consultation process;

- get information on positive and negative country experiences and to promote open exchanges of these experiences;
- recognize the importance of studies on awareness raising when illegal logging and FLEG are concerned.

### **The Main Outcome of the Reform**

*Zakharov, V.P.*

It is an obvious fact that the forest reform is making progress. Amendments are being made to the Forest Code in force. At the same time, an entirely new Forest Code is being drafted. The very structure of forest management has been completely revised. Generally, we could soon celebrate the fifth anniversary of the reform (since the adoption of the Decree of the President in May, 2000 which had abolished Rosleskhoz and Goscomecology).

What is the outcome of these five years? Some aspects have already been discussed while others are being talked over throughout the country right now. In our view, the main result of changes, which have been taking place in this country, is actually not limited to a crushing defeat of the forest farms system or prospects of private forests' ownership legalization.

A characteristic feature of our time represents an ever-growing isolation of the Ministry of Natural Resources from the society. This assertion could seem ironic against the background of regular statements of high-level officials of the Ministry of Natural Resources and Rosleskhoz in mass media. However, these intensive informational activities seem to be ostentatious in many respects. A real dialog with the society does not exist.

Currently the entire state system in general and the Ministry of Natural Resources in particular resemble a wood grouse, which is uttering a mating call. They tell us choking with emotions that everything is going well, and they do not see and hear what actually happens around.

They even fail to hold a dialog with the employees of the forestry department itself. Thus, the majority of employees of forest establishments have been acquainted with the draft of the new Forest Code only owing to public efforts. It appears that the supervisors were not interested to find out the opinion of their own subordinates. One would not grudge the subordinates – every statement about the essence or the form of processes underway could have been regarded as disloyalty and in the environment of the present reorganization or staff reduction that would equal to dismissal. Supervisors themselves have been put in a complicated situation as well. As one of our colleagues put it, “formerly subordinates were afraid to state their opinion in the presence of their supervisors, while now it is supervisors who do not dare speak in the presence of their subordinates”. As a result, now we lack those forestry specialists, who disputed these points of view in the stormy discussions at the beginning of the last century in a far more complicated environment.

May be mass media has remained the last stronghold of democracy and publicity? The majority of journalists from social and political periodicals are extremely far from the problem of forest governance and they conceal their superficiality under cynicism and daftness, as well as a far-fetched and utilitarian approach to presentation of forest problems.

Professional periodicals could not as well escape the processes, which have been taking place in the forest sector. The oldest “Lesnayay Gazeta”, being an independent periodical, has been eagerly included in the “opposition”. And this is not a point of financial support as such. It is a well-known fact that a secret ban on publications in the “opposition” press has come through from the depths of the Ministry for Natural Resources to its affiliates. It is quite natural that nowadays subscription to the newspaper at the expense of the organization has become impossible. “Rossiyskaya Lesnaya Gazeta” has been brought into life instead of the edition of high quality and of proven worth. Many

forest specialists are still mixing up these two totally different publications due to resemblance of their titles.

Things are no better in the field of Internet technologies’ application. In spite of all the variety of the Internet sites serving the Ministry of Natural Resources, none of them has become a forum for professional and public discussion; moreover, none of them even performs the task of informing the community about the reform process. As for the Forest Code, the draft text had been brought to the attention of the public in general only three days after the decision had been taken to submit it to the State Duma. Ministerial web-sites have been all subjected to censorship on ideological reasons, and very soon even this rather narrow “window” for communication with people at large has been closed.

To be quite frank it is necessary to note that the present leadership of Rosleskhoz has achieved a substantial progress in the field of transparency and general public informing, although, in our view, that is not apparent enough. Chief of the Federal Forestry Agency V.P. Roshupkin stated in his presentation at the recent Internet conference: “If the society indifferently reacts to many other laws, this is not the case here. This means that forest today has become an important social component...”. We fully support this statement, but we should like to underline that in the time of reforms intended to change completely the entire system of forest governance in the country it is extremely important to use all the potential of the public discussion. Forest specialists, scientists, ecologists and, simply, concerned citizens should say their word. They have something to say in spite of the presence and absence of stars in their buttonholes.

### **Efficiency of the FLEG Process and What Shall We Do with That?**

*Grigoriev, A.Yu.*

Currently, there are two products of the FLEG activity – 1) declarations and 2)

plans of action for South-East Asia and Africa. The Asian set of good wishes has been produced at the meeting, which took place in Indonesia. Developments of the last three years strikingly demonstrate the efficiency of this process.

Indonesia seems to be the largest country in terms of infringements of the law in the forest sector. While the prescribed calculated forest-cutting area is fixed at 6 million cubic meters a year, Indonesia needs about 50–60 million cubic meters a year. This means that 50 million cubic meters a year are cut down illegally. This illegally cut wood meets the needs of not only local indigenous population, but that of large modern wood-processing (mainly plywood production) and cellulose and paper production enterprises with export orientation as well (one of the largest Asian cellulose and paper production companies is Asia Pulp and Paper — APP). At the time of expedient increase in the forest products' processing capacity during the last twenty years it was supposed that these products would be provided by plantations of fast-growing species. The processing plants have been built, but plantations have never been established.

In addition, there exists a thriving sector of illegal export of round timber from Indonesia, especially of its valuable species. The flow of illegal round wood from Indonesia to a substantial degree provides the furniture industry of the neighboring Malaysia with raw materials. Results of researches conducted by non-governmental organizations published in 2004 show striking evidences of participation in this activity of not only the Indonesian officials which persistently fail to stop illegal exports of round wood, but the Malaysian official structures which are engaged in the large-scale (counting hundreds thousands of cubic meters a year) laundering of illegal Indonesian wood as well.

As a result, under the pressure of a number of the European Union member-countries, which threatened to take action against Malaysian furniture producers who actively use illegal wood from

Indonesia, Malaysian and Indonesian officials have again promised to put necessary measures in place.

In January 2005, the results of regular research on the issue of illegal exports of round wood from Indonesia, this time to China, were published. According to data available to non-governmental organizations, up to 3-4 million cubic meters of round timber are illegally delivered annually from the Indonesian province Papua to China. A large timber port and a timber-processing center, which links up to 500 enterprises, has been built during a few years near Shanghai to a substantial degree to handle these supplies. The output of this center (furniture, carpentry, etc.) is intended for export, inter alia to the United States. In the course of an international scandal which has been breaking up nowadays it becomes clear that this operation has probably involved a sort of legal laundering of the illegal Indonesian wood through Malaysian companies.

At the same time, it appeared that sea transportation of the Indonesian wood has been made under the "cover" of navy forces' officials of that country. Pieces of information appearing from time to time in mass media about arrests of timber ships which sometimes took place show that these arrests are the results of refusals of their owners to pay bribes, the size of which amounts to 10-20 % of the entire cost of the shipment of exported wood.

We can make a long list of examples demonstrating that the FLEG ministerial process is not efficient in its present configuration. In this respect, Indonesia is a large and striking example although not a sole one. Similar processes of large-scale illegal timber cutting and trade of illegal timber which are controlled by corrupted representatives of official circles, armed forces and police (or their relatives) are registered in Cambodia, Philippines, Malaysia, Papua-New Guinea, Thailand, Liberia, Congo and many other countries.

The authorities of countries taking part in the FLEG process take any meaningful action only after large-scale international scandals, based on information provided

as a rule by non-governmental organizations, or after disasters caused by the consequences of deforestation.

An example of a post-catastrophic option of intensification of efforts aimed at combating against illegal forest cutting is a flood which took place in the Philippines in December 2004 and resulted in the death of more than 1000 people. Only after that the national authorities started the next assault on illegal forest cutters and banned cutting of the country's state forests in general. As a result, more or less legally recognized forest users have faced some serious problems, while the level of corruption among the officials, who enforce the decision on the ban of logging, has substantially increased.

Another vivid example has been the situation which took place after the tsunami in the Indian Ocean, which victimized about 300 thousands people. For many years, the authorities of Indonesia, Thailand, India, and Sri-Lanka were passively watching logging of coastal mangrove forests. Ponds for breeding shrimp have replaced these forests and these areas have witnessed the process of agricultural development and colonization of lands and tourism and resort industry development. Now in the countries of this region there works have been launched to restore these mangrove forests.

In respect of all these problems, in order to avoid developing a third series of "good wishes" which would not result in anything real except for a pleasant way of spending time of relevant ministers and participants of official delegations, it seems to be reasonable to submit a limited set of demands and, consequently, to require their strict fulfillment. These requirements should be inexpensive, really feasible under the existing conditions and specific.

For instance, under the present conditions in modern Russia it would be unrealistic to require that authorities and law enforcement bodies should stop engaging in corruption and start fighting for law compliance. A wish to put a holographic

or magnet marker on every log in order to watch its transportation with the help of remote control devices would be too costly. A wish to make Russian citizens rich enough in order to make them stop stealing timber cannot be fulfilled in the Russian environment in the visible future.

Based on discussions it seems possible to identify the following set of inexpensive and really feasible and specific requirements:

**1. Forest guard and desirably representatives of state bodies in charge of governance in the forest sector should be represented at least to a minimum extent at all levels right down to administrative districts**

After January 1, 2005, the number of officials endowed with powers of the state forest guard has been reduced from 38 thousand to 400. There are only six forest inspectors in the Moscow Oblast with its 2.1 million ha of forests. In regions with a more extensive territory they simply unable to arrive in time to places where law infringements have been disclosed. Without at least 4-5 thousands of state forest inspectors further talks about law enforcement in the forest sector would be meaningless.

**2. Provision of information to the population and the public at large:**

*2.1. On the organizational structure, contacts and responsible persons of forest governance bodies and the forest guard*

Now, it is simply impossible to find out who is engaged in what and who is responsible for what. One of the main challenges of coordination between the general public and the state authorities that are responsible for law enforcement in the forest sector, including illegal logging control, is to discover these very bodies. We need handbooks, Internet sites, very simple charts of zones of responsibilities, location of forest farms and forestries (in case they are preserved), places where it is possible to find representatives of the state forest guard.

*2.2. Provision of widely available and open information on the state of affairs in the forest sector, lease, plans of logging, inspection activities*

Today even in case of discovering a case of wood cutting or capturing of forest lands, it is impossible to understand, whether they are legal or not, due to absence of open information about official plans, namely what persons concerned are going to do with forests and forest lands. The State inspections should inform citizens about their actions and their results. Otherwise, an image of total incapability of state authorities will be formed, sometimes purposefully, in the public consciousness or people will view all this as a new version of the official racket.

**3. Establishment of a system of the civil society participation in forest governance**

*3.1. Provision of ecological expertise of plans of forest sector development*

Essential materials and expert conclusions should be summarized on a website in the form of schedules for drafting new documentation, terms of carrying out ecological expertise and conducting public hearings instead of being of “heard – approved” type. If nobody wants to take part in an expertise or a hearing — let be that way. However, it is necessary to record this fact, and then to let discontented citizens blame themselves. Meanwhile, now they are totally ignored and deceived. It is clear that in response citizens would either ignore the authorities with their laws or protest.

*3.2. Establishment of a system for working with applications submitted by citizens and representatives of the public at large and taking their views into account*

Concrete actions could be very different. Where to apply in case of discovering that something really illegal is going on? That is a big problem. Power authorities and law-enforcement bodies most likely would not react to an appeal, while the offenders would come to “settle down” with the applicant. But this is not the

worst scenario. Very often the same local authorities and various bodies would send bandits to the applicant’s home. What shall we do with such cases?

First, we should come in contact with the local population to get information on things that happen in the forest. May be, to a certain extent it would be useful to set up Public Councils. However, they should openly and sincerely inform people of their activity. Probably, it is reasonable to consider preparation of annual reports on their activities presenting different views on the current situation, i.e. ranging from “The report on the state of law-enforcement in the forests of Russia” to “The report on the state of law-enforcement in the forests of Podushkinsky forestry after a recent reform of a forest farm” (that is one of the most popular zones of building estates in the forests located to the west from Moscow).

In such reports representatives of forestry, forest guard and inspection and local authorities could report on their successes, and the local public or the local population could express all their ideas on the topic. And again it should be placed on a web-site in order to make it available to each and every stakeholder.

**4. Comparative analysis on what is considered legal and illegal in the forest sector. Elaboration of general requirements of stakeholders from different countries**

Law-enforcement in the forest sector should not be limited to the sole problem of illegal cuttings.

There are still problems of “illegality of authorities” (for instance, ignoring demands to carry out an ecological expertise, informing and taking into account the opinion of the local population and the general public, violation of regimes for water-protecting zones, sometimes extreme neglect of normative base, etc.). There are also poaching, illegal capture of lands, tax legislation violations and crimes and so on. Besides, the FLEG process includes not only law-enforcement challenges but that of forest governance as well.

The FLEG process stakeholders should agree upon what should be viewed as acceptable and what – as unacceptable, since the legal framework in member states is rather heterogeneous and its enforcement is characterized by even more clearly pronounced peculiarities.

#### **5. Creation of a system for suspending illegal activities in the forest sector and supporting actions aimed at introduction of sustainable and socially responsible forest governance**

Currently, the country lacks a really working state system for suspending illegal activity. Systematic activities are substituted by campaigns such as “criminal in shoulder-straps”, “space monitoring” and so on. At the same time, recently we could more vividly see the escalation of the repressive nature of the state machinery. In the absence of tradition of persistent and fair law-enforcement, collapse of the system of state forest governance, corruption of authorities and law-enforcement bodies, lack of an independent judicial system, poverty of the local population [introduction of a system for suspending illegal activities] would cause social protests instead of solving problems. One of the saddest results could be growth of violence in forests and an increased probability of arsons.

The state system for supporting actions aimed at introduction of a stable and socially responsible forest governance and forest use system is also lacking. It is difficult to say now what does the state do in order to support any positive tendencies in general.

#### **Certification According to the Chart of the Forest Stewardship Council and the FLEG Process in Russia**

*Karpachevsky, M.L.*

As defined, certification is a procedure under which a third party issues a written conclusion that a product, a process or a service complies with certain rules. Following the results of certification a

certificate is issued — a document that confirms that a quality system of the supplier meets the standards of a given quality system and other additional requirements. In case of forest certification the object of evaluation represents the system of forest governance in terms of its compliance with certain standards of responsible forest governance.

Targets of certification in many points intersect with the aims of the FLEG process: thus, FLEG is aimed, generally, at providing law-enforcement in the forest sphere, including liquidation of illegal cutting of forests and improvement of the quality forest governance in general.

Voluntary forest certification according to the Chart of the Forest Trusteeship Council (FSC) emerged in 1993 as a response to requirements of consumers from ecologically sensitive west European markets. Certification under the FSC Chart takes into account observance by an enterprise of high ecological standards, its social responsibility and economic stability. The main tasks of certification under the FSC Chart are defined as identification of forests with the best quality of governance and provision of an opportunity to monitor the production of certificated output “from the counter to the forest”. Availability of the FSC certificate would help companies to meet the requirements of the FLEG process. Nevertheless, the FSC certification for the time being is available only for the most serious companies that are ready to bear expenses of overcoming inefficiency of the Russian forestry and to fight against administrative barriers.

A system of forest governance in a certain forest area is subject to certification, involving both a system of documentation of forest governance and practical quality of managing a forest farm. A mark of conformity is put on any product that originates from such a forest, what is confirmed by a certificate for a range of deliveries. At the present moment (as of January 31, 2005) the FSC incorporates more than 600 members, 31 national initiatives, 13 bodies for certification. Under

the FSC Chart 51.3 hectares of forests were certificated, 685 certificates for forest governance in 62 states and more than 3.6 thousands certificates for delivery chains were issued. In the whole world there are more than 10 thousands types of products produced with the FSC marks, including furniture, window frames, floors, packing tare, paper and pencils.

A national initiative supporting the development of certification under the FSC Chart in Russia has been launched after the establishment in 1998 of an initiative group for the development of certification under the FSC Chart. In 1999, there a National Working Group (NWG) was established and as early as in 2000 the first area of the forest fund in Altai received the FSC certificate. Since 2000 three regional groups have been operating in Russia and in 2002 a Coordination Council of the National Working Group was legally registered. In 2003, the National Working Group approved draft framework standards. In 2004-2005, the National FSC Office was established in Russia. On January 1, 2005, 13 forest areas with total area of 3,857 thousands ha were certificated under the FSC Chart, and eight certificates were issued for the delivery chains. Today about 0.7 millions ha in Russia are in the process of certification. The process of certification also involves such large companies as IKEA, "Noyzidler Syktyvkar", "Titan", "Ilim Pulp Enterprise", "Stura-Enco".

Nevertheless, there is a range of obstacles on the way of certification development in Russia. Thus, forest farms lack motivation for conducting stable forestry while timber producers in practice are not engaged in forest sector activities at all. Today, Russia lacks an efficient system of controlling forest use, including real institutional incentives for long-range planning, deep processing of timber, conversion to the principles of non-depleting use and etc. Successful development of forest certification in Russia is hampered by low social standards in the forest sector and timber-procurement industry. Views of general public and local popula-

tion in the process of making decisions on the forest use are often ignored. There are considerable legal barriers impeding introduction of ecologically safe methods of logging and preservation of biological diversity at the leased plots.

Massive forest certification focused on the forest sector is impossible if the state does not establish normal systems for forest governance and monitoring of forest use. In order to meet the FLEG process's requirements it is necessary to elaborate clear and well-defined criteria permitting to conduct an objective evaluation of the quality of forest management and to monitor timber production right up to a plot of its cutting. A part of requirements for the FLEG process could be adapted on the basis of the Russian FSC standards.

### **Certification as an Instrument for Controlling Illegal Logging** *Lipsky, V.A.*

The Russian Administrative Code considers the following cuttings illegal: cuttings conducted without permitting documents, cuttings conducted with permitting documents issued in violation of the existing rules of cutting, cuttings that are made at wrong plots or beyond right plots, cuttings that exceed prescribed quantities, cuttings of wrong species or trees not allowed for cutting, cuttings of trees forbidden for cutting by the legislation in force law and so on.

Illegal timber is cheap and thus profitable for both the forest code offenders and forest consumers. The main motivation for illegal cuttings is economic interest of forest users. In order to stop illegal cuttings it is necessary to establish a complex of factors affecting forest users including economic, restricting and moral factors. Is certification capable of incorporating all these factors?

After certification of its output, a company gains an image of an ecologically responsible company, which strengthens its position in the market. The cost of certified timber is 15 % higher than that of non-certificated one. With that in mind,

certified output amounts to 7 to 15 % of the world market of timber materials. Taking into account the fact that the main quantity of the Russian timber exports enters ecologically sensitive markets, we can talk about a certain economic interest of timber producers in certification. North America, the European Union and Japan are ecologically sensitive as far as forest production is concerned. On the other hand, Russia, the CIS countries, countries of the Asian Pacific Region, African countries, Latin American and Middle-Eastern countries are not sensitive.

Certification could be economically reasonable only for companies oriented at ecologically sensitive markets, since certification is accompanied with additional costs, certified output has no cost benefits and a company loses opportunity to use cheap illegal timber. It is necessary to take into account that the share of ecologically sensitive markets in the structure of timber output export is decreasing while domestic consumption of timber output is on the rise. At the moment there is strong competition between certification systems at ecologically sensitive markets. There is not a single unified subgroup of certified goods and consequently there are no benefits, while the costs of carrying out certification and its realization are rather high.

Is certification capable of controlling illegal cuttings? Forest certification presents a range of requirements to the systems of forest governance and chains of moving timber from places of growth to final consumers. In order to prevent illegal cuttings it is necessary to control and monitor both systems.

Currently, it is forest farms and inspection bodies that ensure day-to-day control of forest code violations. The existing system of management and control of forest resources is non-transparent and inefficient. It does not stimulate better quality of control and management and lacks legal foundation for cooperation with external structures. Regrettably, control of the movement of certified output on the basis of marking and accompanying documenta-

tion is not sufficient, since it does not guarantee the legality of documents. On the other hand, full legality of timber does not guarantee its compliance with a place of growing. In this connection we need a system of control and monitoring movement of certified timber. Creation of such a system would be possible under condition of interest from the part of forest users and forest consumers. The certification implies application of principles, criteria and indicators for organization of management, control and monitoring. The final performance depends on local controlling organs and interest of forest users. It is necessary to create our own system of control and monitoring of legal timber.

Are moral factors capable of stopping illegal cuttings? Moral factors imply responsible attitude on the part of forest users to the forest, which is formed in the process of public education. Certification could promote popularization of control over illegal cuttings, creation of the culture of certificated goods consumption, strengthening of public pressure on producers of non-certified timber.

We can come to the following conclusions: certification does not guarantee a 100 % prevention of illegal cuttings, it is rather an additional system of control of illegal cuttings. The system of control and monitoring of illegal cuttings should be established by the owner of the forest, i.e. by the state with participation of forest users. Currently, certification is of no economic interest to forest users since the growing domestic market and expanding ecologically non-sensitive markets do not stimulate development of forest certification in Russia and, as a result, illegal cuttings become more profitable in economic terms. Nevertheless, forest certification is profitable in terms of creation of an ecologically responsible image of large vertically integrated companies. At the same time, there is no established public opinion while general public is unfamiliar with the state of forests and the scale of illegal cuttings.

Today, it is necessary to take the following actions:

- to form public opinion and to keep general public informed of illegal cuttings;
- to create economic instruments which could instigate interest on the part of forest users;
- to harmonize national laws with the international law and to promote the process of certification as an additional controlling element.

### **Perception of FSC certification and public involvement opportunities**

*Kuliasova, A.A.*

The stakeholders of the FSC certification process at the international level include international network-type environmental NGOs (WWF, Green Peace, Rain Forest Alliance Network, Earth Ethic, etc.), international forest business community (Stura Enco, IKEA, Home Deport, etc.), financial and industrial groups and banks (City Group, World Bank, Bank of America, Agricultural Bank of Canada, some European banks). At the national level they include national offices of international environmental NGOs, Russian and foreign companies and holdings as well as governmental structures. At the regional and local level the certification process involves forest logging and forest processing enterprises, regional offices of international environmental NGOs, regional and local environmental NGOs, trade unions, public and the local population.

The main FSC norms are subdivided into the following general blocks:

#### **1. Economic block**

- Enterprises' economic efficiency
- New technologies introduction

#### **2. Ecological block**

- Biodiversity conservation
- Sustainable forest governance and forest management
  - Forestry activities to improve a water protection and fishery function of the forest and bio-resources growth

#### **3. Social block**

- Labor protection and provision of social guarantees to workers
- Empowerment of the indigenous peoples and the local communities
- Public awareness raising on the enterprise's plans of economic, ecological and social development
- Public involvement in decision-making in the area of forest governance on the issues of particular public concern

The forms and areas of public relations work are laid down in the national norms and described in the FSC principles.

*Principle No. Two – Rights and obligations of owners and users*

Local communities that have legal or traditional rights to own or use resources should exercise control of forestry activities in order to be able to protect their rights and resources.

*Principle No. Four – Relations with the local population and workers' rights*

Forestry activities should support or improve the social and economic well-being of forestry workers and the local population. In addition to defining relations between the enterprise and the local population as a labor resource (for instance, the local population residing within or near the areas included in forestry activities should be granted an opportunity to get a job or other services), this principle regulates the relations between the enterprise and the local community.

The certification system lays down certain norms for interactions between forestry enterprises and the local population. Thus, the enterprises' plans on forestry and forest use should take into account their social implications and provide for interaction with the local population and all groups and persons concerned in order to assess possible social implications of forestry activities, while the enterprises' activities should be carried out with due regard to the legal rights of the local population to the traditional use of forest and other biological resources.

Enterprises should take necessary measures to consider and settle all disputes and to compensate for damages caused to the local population as a result of the economic activities.

The FSC norms resulted in the following forms of public relations activities:

- Round-tables for professionals in the field of forestry and sustainable forest governance and forest management involving all the groups and persons concerned (enterprise's management, local administration, trade unions, NGOs, population);
- Consultations between the enterprise's management and the local population and all groups and persons concerned to elaborate plans of economic, ecological and social development;
- Public hearings on the adoption of the plan of the enterprise's economic, ecological and social development, leasing of blocks of forests to particular companies, etc.;
- Questioning the enterprise's staff, representatives of the local self-government bodies and the local population;
- Forest clubs that are involved in intersectoral consideration of forest-related issues;
- Continuous ecological education on sustainable forest governance and forest management;
- Distribution of information through the media and Internet on the key events, successes and problems of forest certification development and implementation of plans on the enterprise and community development

Due to novelty of the certification issue, the peculiarities of its perception by different stakeholders come at the forefront. Thus, the FSC is perceived by the owners and managers of companies (holdings, timber-processing and paper and pulp enterprises) as a requirement of western partners and buyers and as the only possibility to start and to continue work with a particular western market. In other words, it is viewed as just another regulation that should be complied with in order to achieve the desired result. This perception forms the essence of the FSC

potential as an instrument of changing the mentality of owners and managers of large forestry companies.

Managers of forest enterprises perceive FSC from a somewhat different point of view. Certification requirements are perceived as the requirements of the owner and they are to be complied with as supplementary instructions on modernization and ecologization (or ecological modernization). Managers view these requirements as an additional incentive for making investments in machinery and technology. Certification helps to provide social guarantees and benefits for workers and the local community and to defend them in front of the owner company (if the forest enterprise's management views itself as a member of the local community. Nevertheless, there is lack of understanding of the need and essence of public interaction and too formal implementation of awareness raising requirement (some information is distributed through Internet, mass media and billboards on FSC in general, pre-audit and audit activities, certificate issuance; however, it contains no specific details on the process of the enterprise's certification, changes in forest governance and forest use patterns). The workers of the forest enterprise and the local population usually know that certification did take place. Workers know additional ecological requirements to the activities at the workplace. At the same time the population does not understand all the benefits resulting from the forest enterprise's certification and has no idea of its rights and opportunities of their implementation.

Trade unions and the public understand that certification represents an actual mechanism for social guarantees and rights implementation. At the same time, it is still unclear what should be done in order to make this mechanism working? This social group is mostly interested in the FSC social aspects and to a less extent is concerned with ecological ones. On the other hand, international environmental NGOs that press for certification under the FSC system in Russia are main-

ly focused on its ecological aspect, while business community would have hardly engaged in this kind of certification if it turned out to be unprofitable in economic terms. This is the essence of the main intersectoral conflict of interests. However, it is quite natural if only it is balanced. For the time being, business community and international environmental NGOs have united forces in order to protect forest of the population, although in practice it is only possible to conserve forest through joint efforts.

Measures to be taken in this respect should be of comprehensive nature. It is required:

- To put pressure on auditors in order to bring the forms of their work in line with the Russian environment
- To inform the local population through mass media in a more frequent and specific way, as well as through NGOs
- To actively involve regional and foreign trade unions in the certification process under the FSC procedure
- To conduct workshops on FSC capabilities and requirements for directors of forestry farms and forestry industrial complexes as well as trade union and public leaders, MSU managers, work safety and health engineers and FSC responsible persons
- To exchange experience in both the FSC certification development demonstrating successful examples and public involvement organizationю

**On the Issue of Public Attitudes to the Problem of Law and Legality in the Forest Sector**  
*Zakharova, O.A.*

In this presentation, we would like to show in brief the social and psychological vision of forest and forest relations and the background against which the FLEG process will take place. This presentation is based upon longstanding experience of the author in working with current forest problems, talks with residents of different regions, analysis of information reports and scientific materials and so on.

**Factor No. One – All reforms lead to ill-being**

We all remember voices against the new Forest Code, which provides for private ownership of forests. Of course, a very small group of people went to protest in the streets. However, both residents of big cities and small settlements at their kitchens and orchards actively discussed “how bad it will be if they don’t let us use forests to gather mushrooms and berries and fence all the forests”.

One can draw a conclusion from these statements that people are against private ownership of forests in general. We decided to conduct a small poll on this theme. It appeared that the majority of people were against private ownership of forests but the same majority said that they would be glad to have their own plot of forest. On the question what will happen if the private ownership is nevertheless introduced, they answered that some oligarch will buy another “Chelcy” and paint a fir-tree on a T-shirt.

It is clear from the poll that people are sure in advance that the reforms will not bring anything good to the main part of the population, that their rights by no means will be protected or taken into account (in any case – in a practical way). This opinion has been formed by a long experience of reforms of the last 15 years. It is necessary to pay a increased attention to the mechanisms of protection of the interests and specific nature of the main part of the population as well as to dissemination of information on these mechanisms and explanation of their possible applications.

**Factor No. two – Distrust in official sources**

The next factor, which is necessary to take into account, relates to distrust in official sources of information. People do not believe in promises and assurances that their rights will be protected and taken into account.

This situation is deeply rooted in those times when food was made more expensive

“upon numerous requests of the working people”. Now interests of state departments, business structures, etc. are presented as the interests of the population. In doing so, electronic mass media reports cheerfully about growth of well-being. Naturally, this contradiction between reality and propaganda cannot pass unnoticed. That is why people who do not want to believe that they live well, are not convinced by official sources of information and propaganda in mass media. We can assess the percentage of distrust, and it is impossible not to take into account this factor in our work.

Therefore, organization of public hearings in the course of various initiatives implementation can become, on the one hand, a means of a two-way communication and will help to take into account the real interests of the population and to increase trust in the initiative as well. On the other hand, imitation of public activity will only increase tension and distrust.

### **Factor No. three – The traditional law**

It is not accidental that the forest reforms have caused a strong public reaction. Traditional forest use, traditional culture and a way of life are usually connected with so called peoples leading a traditional way of life and residing at a certain small territory. It is of these peoples we speak when we say that if they are deprived of forest, they will disappear as a nation and their culture will vanish, too. Just because of that, certain plots of forest are left for traditional use.

However, in terms of forest relations reforms and strong opposition to them, we propose to look at this situation from different angles. The fact is that the remaining part of the Russia’s population also leads a definitely traditional way of life and has a traditional vision of forests and forest use. This fact is often neglected in the assumption that most people have lost mutual relations with the forest. However, for a considerable portion of the population forest still remains if not the main

but a very serious source of support in their attempts to attain self-sufficiency.

Following the logic of traditional culture, every local resident has a right to his share of benefits produced by the forest. It is obvious that now due to changes in the cultural environment as well as intensive migration of population this system of forest relations and forest culture in general have been strongly damaged but its elements are still deeply vested in the people’s memory. Just because of that, attempts “to take away”, “to close the forest” or to make it a private asset in the course of reforms cause loud and obvious protests and wide grumble and discontent. Nearly at every big and small town and village people discuss the gloomy future coupled with no access to the forest.

Local people have a special moral “traditional” right to the forest as well as to all its resources. In the present environment, the local population that resides near forests begins to think that their destiny is decided by an alien. They begin to fear that an alien will come and take away what belongs to the local people. Their way of life determines their negative attitude to the forest reforms aimed at privatization and strengthening of exploitation on the part of these “alien” structures.

### **“The “traditional law” and the legality concept**

In terms of “the “traditional law” a peculiar notion of the legality and illegality of forest use emerges. Thus, in terms of “the “traditional law” there is nothing wrong in the fact that local people cut forest for their needs – for firewood, fences, hothouses. At the same time, such an activity can be illegal from the point of view of the state but an “offender” does not feel himself guilty as he view this situation just as “aliens” try to limit his right to use what has always belonged to him (his forefathers and so on).

The reverse side of that is the perception of “alien” activity in his forest as an “illegal” one. The scale can vary – from simple disapproval and hostility to

stronger actions. In this case the availability of an official state license does not make any difference. The main thing is that “our” forest is taken by “aliens”. There is another important fact – everyone in this country knows that “the law could be turned for the benefit of any side” and so the matter of any license is just a matter of money. That is why people from the very beginning are motivated by their vision of justice formed on the basis of traditional notions and relations rather than by the official concept of law. As a result, local people believe that their right to life and use of resources is violated which they can tolerate no further. They start active actions, which could be qualified as illegal such as, for example, burning of equipment. Such radical actions are explained by distrust in the fact that the law will stand on their side and will help them to protect their rights.

In this case, people’s trust in the FLEG process directly depends on how illegal logging will be qualified. We have regularly received signals from people on “pseudo-legal” cuttings (destruction of blocks of forest intended for traditional use, substitution of one way of cutting by another, “official” cuttings without due assessment and so on).

#### **“Forest mafia” of local significance**

Illegal logging and production of saw-timber are obviously caused not only by social and psychological factors but by the weakness of law-enforcement and poor transparency of borders with China and Turkey. Here we will not address problems connected with non-legal export of timber but rather dwell on the industry which essentially supplies the domestic market.

Social precariousness on the part of the state plus the idea of the traditional right

to the forest as the means of existence has led to the appearance of a great number of “pseudo-legal” half-private loggings, saw-mills and production of goods, for example, fellings. Local population unites in groupings based on the traditional territorial character and collective guarantee, and local inspection bodies do not approach to them fearing for their life and health. All these cases take place not only in Siberia and the Far East, but in the European part of Russia being very close to Moscow. One example is found in the southern regions of Vladimirskaya Oblast. A system of provision of free timber “for own needs” of farms in rural area caused “self-organization” of people in groupings which can be considered criminal. Farms for needs of which timber was provided ceased to exist long ago but practically in every village there is a saw-mill in operation. If the provision of free timber “for own needs” is stopped as a result of reforms, logging and production of “black fellings” will continue since these villages have already developed a “wood addiction”.

According to our information, similar “forest and industrial complexes” operate in other regions of the European part of Russia. Cessation of such practices requires serious legal and social measures.



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## **Regional Seminar “Civil Society Involvement in Forest and Forest-Related Law Enforcement, Governance, Use and Trade. The ENA FLEG Process Development” (Khabarovsk, March 2-4, 2005)**

This seminar was organized by the UCN Office for Russia/CIS, the Far East Interregional Ecological Public Organization “Ecodal” with support and participation of regional structures of the Ministry of Natural Resources of the Russian Federation.

The participants discussed the perspective of Russian NGOs to the ENA FLEG process. There were three groups of issues discussed at the seminar on legislation, timber industry and public participation.

In legal group of questions, V. Teplyakov has acquainted the participants with the Russian initiative on the FLEG Ministerial conference of the countries of Europe and Northern Asia. F. Frolov and G. Borets have depicted current position in wood sector of the Far East, M. Karpachevsky spoke about changes in forest legislation of the Russian Federation, M. Moroz has told about prosecutor’s supervision of forest law enforcement. I. Prorok reviewed the condition and analyzed the reasons of illegal logging; E. Zabubenin spoke about forest conservation in the Far East with the help of democratic institutes and project FOREST.

In timber industry group, D. Smirnov has presented an analysis of current tendencies in wood export from the Russian Far East; M. Karpachevsky has told about opportunities of forest certification in Russia, and V. Pilipenko spoke about problems of the timber industry in Khabarovsk Krai.

On public participation V. Teplyakov spoke about problems of civil society and

law enforcement in forest sector; N. Shmatkov has touched a question on what problems process FLEG can face at a local level; I. Bolgova has presented experience of struggling against the illegal logging available at public ecological centre “Dauria”; I. Bogdan spoke about opportunities of use of environment impact assessment (ecological expertise) as a tool of public participation in forest management, and A. Panichev has told about preservation of virgin forests in a valley of the river Bikin.

Other participants of a seminar have also made their presentations: N. Gelevskaya (Federal Forestry Agency for Khabarovsk Krai), V. Saikov (the Khabarovsk regional branch «The Russian Ecological “Green” Party), Eichiro Noguchi (International nature conservation NGO “Friends of the Earth — Japan»), S. Aushev («The Institute of the International Ecological Safety»), V. Kuznetsov (Association of Indigenous Peoples and Minorities of Irkutskaya Oblast, and «The Baikal Ecological Wave»), G. Stetskaya (Non-profit partnership “Ecopatrol”), and N. Veher (The Public ecological organization «Zov Arshana»).

At the last working day of the seminar the round table was held on practical aspects of combating the illegal logging and promotion of the FLEG process. The proceedings and discussions resulted in the recommendations from the seminar.

## Recommendations from the seminar

The participants in the seminar endorsed the position of environmental non-governmental organizations on the issue of ENA FLEG conveyed in the statement dated February 14, 2005. This document was submitted to the International Coordination Committee on the 21st of February 2005.

The participants also considered that under the current circumstances the following tasks should be prioritized:

- Development of an adequate and effective legal framework to ensure nature protection and ecological safety. It is suggested that improvement of legal practices is needed to guarantee liability for offences against ecological legislation;
- Elimination of contradictions and inconsistencies between the natural resource and nature protection legislation of the Russian Federation as well as between environmental legislation and some others, including tax and customs legislation;
- Ensuring the implementation of legislation through adoption of legal acts for the execution of the federal laws;
- To make the necessity to submit environmental grounds a legal requirement when conducting tender processes, contests, and auctions for allocation of forest use rights;
- Harmonization of the legislation of the Russian Federation in the section on environmental protection;
- Bringing the laws of the Russian Federation into conformity with the norms of international law (in the field of forestry). This has to be done within the framework of the obligations of the Russian Federation to comply with adopted and ratified international agreements;
- Ratification of the Convention on Environmental Impact Assessment in the transboundary context (Espoo, Finland) that was signed by the Russian Federation in the year 1991;
- To sign and to ratify the Protocol on Strategic Ecological Assessment of the above mentioned Convention;
- Development and catalyzing of judicial mechanisms to resolve conflicts between the public, companies, and the state in the field of forest use and environmental protection;
- To improve the system for the involvement and control of public prosecutors in the field of forest use and environmental protection;
- To improve calculation methods and compensation mechanisms in case damages and losses occur as a result of the offences against ecological legislation;
- To ensure the application of mechanisms to cease and combat illegal logging;
- To consider alternative groups and detachments to guard and protect the Forest Fund sites;
- To direct state authorities and public ecological organizations towards an ecosystem approach instead of supporting silvicultural, resource-oriented forest management;
- Development of regional strategic programmes to support large-scale forest industries, 'big timber men' and those who invest in the forest industrial sector;
- To consider gaining higher profits as a major economic task for the forest use instead of striving for maximum sizes of timber harvested;
- To conduct an economic and ecological assessment of the forest resource to assess the potential for further growth and development, considering alternative possibilities for socio-economic development;
- To ensure legal support of regional interests and to consider the social and ecological risks of projects dealing with nature use (through deposit/security funds);
- Strengthening of international cooperation on regulation of forest markets;
- To assist in developing a system of ongoing education in both legal and envi-

ronmental disciplines. These have to be introduced in secondary and high schools as well as in institutions of higher learning;

- To actively cooperate with business structures, being based on the principle of distribution of social responsibility.

Taking the above mentioned into account, the seminar participants expressed their will to appeal to the legislative bodies and to the executive power of the Russian Federation and also to the Far Eastern subjects of the Russian Federation. The participants called for the following urgent measures:

1 To change the organizational structure of the forest guard to give preference to mobile, flexible, well equipped and armed interdepartmental groups of inspectors. These groups have to include representatives of legal protection departments. The existing system of forest guard by plots and forest sites also has to be maintained.

2 To develop a law to regulate the transportation and export operations of timber harvested within the Russian Federation. This law has to be adopted at the federal level taking into consideration:

- Prohibition against exporting unprocessed roundwood timber from hardwood species;

- Introducing a set of accompanying (covering) documents with several levels of protection, eliminating forgery and falsification;

- Introduction of additional monitoring and control systems over logged timber on the roads, at storage sites, and dispatching areas. Both legal protection representatives and customs representatives have to be involved;

- Reinforcement and strengthening of levels of responsibility for the transportation and sale of illegally harvested timber;

- Limiting the number of exporting companies that work with unprocessed timber;

- Creation of a single database containing information confirming the

legality of timber harvested. Also, data on felling licenses and other documents that would allow tracing the timber should be included. Quick and easy access to this information has to be provided to the representatives of mobile monitoring groups, stationary observation posts, and customs representatives;

- Creation of special storage sites and dispatching areas equipped with stationary observation posts to check the origin of incoming and outgoing timber;

3. To take measures to re-equip enterprises for deep processing of timber. To support and stimulate the development facilities for deep processing of timber it is advised to introduce additions to customs' legislation. It is suggested to differentiate between customs and duties for new technologies in timber processing.

4. To establish the scheme for financing of forest management and planning in due time and quality. This has to be done to improve transparency and reliability of information about the Forest Fund;

5. To raise the status of and to promote state guards who monitor forest use, forest protection and reforestation. To involve high professionals and invite them to the guarding service. At present the indifferent attitude and low respect to state guards are reflected in low salaries; absence of decent working conditions, absence of means of conveyance and means of communication and almost no budget means to perform state management and control. Given all these it is hard to retain high quality specialists and keep them working;

6. To fix the number of staff members and the structure of the state forest guard based on the following parameters:

- work load: area to guard per person;
- work load: volume to check and control per person;

- the level of infrastructure development;

- inter-replacement: not more than 2 persons per region;

- the value of forests in a region;

- the level of crime in a region.

Also it is important to guarantee the right to get, to wear, and to keep arms;

7. To strictly control issuing of licenses to forest logging enterprises. The biggest enterprises have to be prioritized when the forest sites are divided between the parties. The company has to have a history of success in the market, of using the forest resource in the most sustainable and effective way, of being able to develop deep processing of timber, of complying with the nature protection legislation and to be actively involved in forest fire suppression. All the above mentioned requirements have to be reflected in the legislation of a region;

8. To develop programs of reconstruction of the forest industrial sector including addressing the issue of subsidies to forest settlements that do not have future development prospects. There could be several reasons for this (for example — lack of or inaccessible forest resources). The assistance has to be directed either to resettlements or to the creation of new positions in alternative branches of industry;

9. To develop a system of incentives for deep processing of timber (taking into account existing wood raw materials/stumpage) and for the development of alternative industries in forest settlements. Good examples of alternative livelihoods would be: coastal fishing, farming, food industry, sustainable use of non-timber forest products, ecological tourism, etc. The major aim of these activities would be to provide employment, social stability and economic effectiveness at all levels;

10. To adopt federal and regional programmes to revise the status of forest

resources. Based on these, corrective amendments should be introduced for the Annual Allowable Cut (should be done by regions and by leskhozoes);

11. To adopt regional normative requirements prohibiting the allocation of forest resources to foreign companies that employ foreign workers and do not have the capacity to develop facilities for deep processing of timber within the region;

12. To set up special, interdepartmental forest inspections within the governments of the Russian Federation to control forest use and ensure compliance with forest legislation which is striving to combat illegal logging;

13. To safeguard ecological safety, the Convention on Environmental Impact Assessment in the transboundary areas (Espoo Convention) should be ratified. This Convention was signed by the Russian Federation in 1991;

14. To ensure ecologically grounded decisions, plans and programs and to implement the rights of the public to participate in the process of decision-making, the Protocol on the Strategic Environmental Assessment that accompanies the above mentioned Convention should be ratified.

The participants of the seminar approved major principles designed to assist in the selection of public nature protection organizations. Also, they agreed upon the preliminary list of NGOs to take part in the ministerial conference on Forest Law Enforcement and Governance in Europe and Northern Asia". However, it was also suggested that selection take into account regional and territorial characteristics.



## Presentations by participants

### **The Situation in the Far-Eastern Forest Sector**

*Frolov, F.F.*

The main reason lying behind illegal logging is inefficiency of legislation. Today we observe an increase in the scale of illegal logging as a natural result of the process of changes in the legislation. These changes have been introduced not only in the forest law, but in the social law as well, which leads to deterioration of economic life of the population in the rural areas of Khabarovsky Krai. As a result, the local residents have turned to what is closer, i.e. forest resources. Today the legal access to forest resources has become rather difficult and only people with large assets could gain this access legally, in other words the times when it was possible to enter the forest industry without any capital had been gone for good.

All these factors have resulted in the increased scale of illegal logging. The scale of such cuttings has increased mainly in the southern districts — Bikinsky, Vyazemsky, S. Lazo District, Nanaisky District. The main volume of illegal cuttings takes place mainly in these districts. I use the term “illegal logging” instead of “illegal cuttings” because illegal ones are somewhat different in nature. These districts account for about 55 % of the forest code violations in Khabarovsky Krai. It should be mentioned that the forest code violations in the territory of these districts occur irregularly. The highest share of these violations is registered in S. Lazo District and in Khorsky forest farm. This is caused by the fact that the territory of Khorsky forest farm has a good road network, it is situated near markets and the forest fund has valuable species of timber. Today, illegal logging of coniferous species are very rare, while cases of illegal logging of soft-leaved species are also very few. The main share of the forest code violations falls on solid-leaved species and cedar trees. Recently, we have been witnessing an increase in violations

connected with cuttings of lime-trees because the market demand on lime-trees has increased rapidly.

The current reorganization of forest governance bodies gives impetus to the increase in the scale of illegal logging. We have been talking about that for a long time. The Concept of the forest sector development until 2010 identified the need to separate economic activities of forest farms from management-related activities. The current changes in the legislation and recent statements lead to a conclusion that nobody understands how to do that. Meanwhile, we have practically arrived right at that point. The Federal Forestry Agency should conclude separation of economic functions from managerial ones by the end of this year. Now the agencies, some officials of which have already visited Moscow while the others are still in Moscow, describe their vision of reorganization to the officials of the Federal Agency.

The entire volume of all cuttings in the territory of Khabarovsky Krai in 2004 amounted to 9 million cubic meters. At the same time, the volume of disclosed illegal logging amounted to 20 thousand cubic meters. As compared to 2003, the growth rate amounted to 5 thousand cubic meters. The number of violations has also increased. Thus, in 2003 there were 283 discovered cases, while in 2004 this indicator amounted to 329 cases.

In the northern and central districts of Khabarovsky Krai there are practically no cases of illegal logging. Illegal logging there amount to about 10 % of the total volume and of total number of illegal logging.

Changes introduced in the Forest Code in connection with the adoption of the Federal Law No. 199 practically eliminated the state forest guard from the system of the federal forest service as of January 1, 2005, while for the time being in Rospirodnadzor service there is no unit capable of performing these functions. Article 77 of the Forest Code provides for

the establishment of the state forest guard under Rosprirodnadzor: however, two very important concepts have escaped this article: safeguarding and protection of forest, i.e. the state forest guard without functions of safeguarding and protection of forest. In this case a state forest guard of Russia with the strength of 400 men would substitute the army of the state forest guard consisting of more than 120 thousand people. Khabarovsk Krai would get 15-20 guards. This number is obviously insufficient.

Regrettably, changes in the Forest Code have resulted in the exclusion of article 53 on the powers of federal forestry bodies, their regional organs and forest farms. Due to this fact, even at the level of surveillance organs such as nature conservation office of the public prosecutor, District offices of the public prosecutor make statements that today forest farms' workers have no right to fill in protocols or to consider cases of administrative offences and are not in charge of the forest fund. This means that in view of certain officials of surveillance organs, nowadays forest resources have become "ownerless". We, on our part, make every effort to persuade them in the opposite since the administrative law rather clearly provides that persons authorized to fill in protocols and consider cases on administrative offences are official persons of bodies competent in the field of use, safeguarding and protection of forests. Article 1 of the Administrative Code states briefly and clearly that the administrative procedure and administrative offences are regulated solely by this Code and normative acts of the entities of RF, which does not contradict to the Administrative Code. In this case, the Forest Code, which establishes norms of the administrative law as well, is invalid. In the current transitional period this case makes a big problem because it is not clear what are the powers of the forest service? For the time being the forest service has not been reduced in its strength, which is a promising sign. However, it is difficult to judge of its future powers. Our author-

ities do not give us unambiguous answers to this question. Deputy Chief of the Federal Service M.D. Giryaev has visited Khabarovsk recently. He has held a coordination meeting of executive bodies devoted to the issues of forest fires control in 2005 and to changes introduced in the forest law. Representatives of all executive bodies of the Far-Eastern region took part in this meeting. However, there were more questions than answers during that meeting.

As for the question of illegal cuttings, we understand that a part of timber produced which is much larger than that produced as a result of non-legal logging is being cut in the territory of central and northern districts of Khabarovsk Krai. Illegal cuttings are those that are made in violation of the forest law in force and with deviations from the modern cutting technology. Both in Khabarovsk Krai and in other regions the volume of illegal cuttings is rather large since the forest law in force provides for too many types of violations. All these violations have naturally been transferred to the Administrative Code. So instigation of administrative proceedings against offenders for cuttings executed under the issued forest cutting tickets in those places and using the means indicated in the tickets but made in violation of the forest law in force, we come to regard such cuttings as illegal ones.

According to assessments conducted by different experts, who have studied this problem in Khabarovsk Krai and in the Far East, the volume of such illegal cuttings in Khabarovsk Krai reaches 30 to 35 % of the total volume of logging, while in Primorsky Krai it amounts up to 45 to 50 %. Therefore, the problem is very serious here.

How are we going to solve it? The first thing, which prevents us from solving this problem, is low reliability of information on the state of the forest fund. We have already talked here about state registration of the forest fund. In the first place, I would like to draw the attention to the fact that today forest improvement

is not at a proper technical level. Therefore, it is practically impossible to develop forestry any further and to carry out logging activities using that information base on the state of the forest fund, which is available in the forest sector. It is necessary to change priorities, to raise the quality of forest improvement in those regions where forests are subjected to intensive exploitation. Today, forest improvement activities are carried out systematically in all territories, although with different quality. However, it is necessary to change this approach.

Currently, pilot sites are being restored in the course of forest improvement activities, were engaged in this process before but were liquidated and substituted by monitoring of changes using the means of aerial photography. For that end, equipment has been provided within the framework of a pilot project conducted in Khabarovsky Krai. This equipment is rather expensive, with one set costing about 750 thousand dollars. Three sets being purchased total about 2.5 million dollars. This purchase is made at the expense of acquiring forest fire protection equipment for the entire region. However, this problem is being settled down, and some software has been developed which has already been installed in the office of the Far East forest improvement enterprise. In the framework of this pilot project, forest workers would receive more high-quality taxation instruments. They are to get modern JPS for improving quality of forest improvement works. However, we do not expect a considerable decrease in illegal cuttings in the nearest future due to these measures alone. This problem is rather complicated and it would remain so in the years to come.

Nowadays the volume of illegal logging if compared to illegal ones is rather small. Illegal logging as such do not present serious threat to the forest fund. Although they concern forests of the highest quality, their volume is small and therefore illegal logging do not threaten the forest fund. Problems connected with illegal log-

ging, which have a wider classification of violations, are more extensive.

### **The Forest reform and the FLEG Process in Russia** *Karpachevsky, M.L.*

I have to acknowledge that the reform of the forest law in Russia has become somewhat. In the nearest future and for the third time in half a year the forest law could be radically modified once again. The history of previous three changes during the last half a year is as follows: Federal Law No. 122 was elaborated but did not come into force. Just on the eve of its coming into force it was abolished, although it is not yet clear whether all its provisions were abolished. As of January 1, 2005, Federal Law No. 122 was replaced by Federal Law No. 199 and a new Forest Code has been submitted to the State Duma in December 2004.

Forestry and forest industry cannot develop normally in the absence of stable principles of forest governance. Nevertheless, the stability for the time being is out of the question under the environment when the fourth main forest law has been in fact worked out in a row in the last 15 years. All these last years the system of financing and the structure of the forestry underwent drastic changes.

Federal Law No. 199 has introduced a number of novelties in forestry. Thus, according to this law governance of forests (with the total area of 40.5 million ha) has been transferred to the entities of federation. Financial means for the governance of rural forests would come from the federal budget through subventions (700 million rubles in 2005, i.e. 17 rubles per ha). If the modern system of evasions is preserved, that would make only one tenth of the required financing. According to the new law, the regions are charged with preparation and organization of anti-fire works and direct extinguishing of forest fires (possible financing – 500 million rubles a year or 50 kopecks per ha of the forest fund). This is three times less than it is necessary for an ordi-

nary year and 10-20 times less than the sum required for a drought year. The lease term has been prolonged from 49 to 99 years, but the rights of the tenants are not protected. That is why nobody looks into the future. Powers for holding forest tenders (except for rural forests) have been transferred to the regional subdivisions of the Federal Forestry Agency.

According to the new law, workers of forest farms are no longer workers of the forest guard. Nevertheless, the Federal Forestry Agency has preserved its responsibilities to protect forests against fires, pests, etc., while the functions of the forest guard have been transferred to Rosprirodnadzor. Today, Roslekhos has at its disposal 69 thousand forest rangers, and the question is what would they do now? Meanwhile, Rosprirodnadzor has only 400 forest guards. There are 10 guards in Arkhangelsk and 6 in Moscovskaya Oblast. It would be fair enough to ask: how efficient the forest guard would be taking into account its small strength? It is possible that we will succeed in increasing the number of forest inspectors up to 1.5-2 thousand guards, i.e. one guard per one administrative region, but this figure is still too insignificant.

Forest farms financing is to be continued under the old scheme only until April 1. What will happen with them after that? Will they acquire rights of main users, or will they be transformed into joint stock enterprises and become the largest loggers?

The fate of the new Forest Code is full of collisions. The Forest Code was made public in February 2004 and submitted to the State Duma in December 2004. In January 2005, it was sent for two months to regional authorities in order to collect their comments. For the time being the date of its hearing in the first reading is unknown. Within the State Duma, parliamentarians hold very different views on the content of the Code itself, although all of them agree that it needs further improvement. We consider that the more tough and concrete would be the proposals on improvement of this document submit-

ted by regional authorities, the better it would be.

The existing version of the new Forest Code has a range of serious shortcomings. In particular, it provides for a possibility to restrict access of citizens to forests that are leased or owned (article 26.3) under the demand of a forest user or forest owner on condition of consent of the local self-government body and a possibility to build constructions on the leased plots of the forest fund (article 23.3). The draft law lacks legal foundations for involvement of the general public in making the most meaningful decisions in the sphere of forest governance. The Code does not provide for documents that ensure a possibility to distinguish legal cutting of forest from non-legal one in case of exercising control over forest use directly in the forest, since the system of permitting documents – forest-cutting tickets and orders – has been liquidated. The Forest Code substantially weakens requirements related to forestry activities management in protective forests.

In the proposed version of the Forest Code there are no clear requirements relating to the system of forest governance, particularly at the level of administrative districts. The Code does not define the scale on which tenants and owners of the forest fund should carry out forest development activities. The Forest Code does not identify the terms for elaboration of new technical regulations (enforcement of new regulations is impossible until 2007). The new Code separates control and managerial functions, but not managerial and economic ones. Under the long-term lease, the functions forest management are to be transferred to tenants of the forest fund, it is stipulated that leasing plots of the forest fund shall be made possible only through tenders. The new Code does not clear up the problem of forests ownership, since the real mechanism of privatization of forest lands would be elaborated in a draft law “On the transfer of lands of the forest fund” which does not exist yet.

In our view, today it is more important to prevent introduction of changes that would result in the destruction of the existing system of governance than to propose our own versions of its organization. Now forest farms are put by the state in the environment when they are forced to steal forest products. Qualified personnel either have been fired from the forestry system or are eager to leave it any moment. Many specialists consider that governance of forests by means of forest farms is far from being an ideal system but there does not seem to be any reasonable alternative.

Statements to the effect that the stock of forest resources is three times more what is logged imply that instead of developing forestry it is necessary to encourage more loggings. In reality, almost all available forest territories are “deforested” and it is necessary to make every effort and to provide financing in order to make them again economically profitable. Supporting the myth of forest resources abundance, forest officials actually destroy forestry.

### **Civil Society and Forest Law Enforcement and Governance** *Tepljakov, V.K.*

Civil Society and Law Enforcement and Governance in the Forest Sector represents a rather extensive segment of a project we are working on and concerns the theory and methodology of public involvement in forest governance. We would like to address a set of problems related to power and civil society, social justification of public involvement, its forms, the concept of the level of public involvement as well as negative and positive sides and the pattern of public involvement.

At what level does the general public really operate and at what level should the issues of forest policy, legislation, etc. be addressed? Are legal issues addressed and is there a mechanism for such public involvement? What is the attitude of the international community, the state and authorities

at different levels to the general public? What are the resources of power?

A Czech writer, Gabriel Nauf, once expressed a peculiar idea which is still true after 50 years that each power originates from the people and then never descends to it.

So, let us first speak of the resources of power. They include economic resources, i.e. normal functioning of the economy. If this resource is not used then power is inefficient. Then come social resources that include the protection of rights and freedoms of human beings and citizens and provision of a required standard of living of the people. If power does not do it then it is working inefficiently. Spiritual and informational resources are usually independent of power. However, in any case if power forgets that citizens should develop in a spiritual sense and that we have clever and interesting people and replaces everything with fist-fights then no further comments are required.

Political resources include the provision of security and social and national agreement as well as protection of sovereignty (in Russia it has always been more or less normal), protection of state borders, keeping the state secret, etc., at the expense of ordinary people.

In a modern society, people vested with some economic power try to transform it into political one and visa versa. Examples are numerous: the oligarchs are striving for power, while people with some sort of political authority try to exercise it in the economic sphere. Therefore, concentration of economic power in the hands of large owners poses a threat of plutocracy, i.e. of direct political rule by a handful of wealthy people and companies. Fortunately, this is yet not the case in Russia, although we are very close to it. These people in modern Russia are called oligarchs.

As far as division of powers is concerned, there are two opposite concepts of the state. Under the first one the state is viewed as an organized violence (Marx, Engels, Lenin), while under the second it is regarded as an instrument for provid-

ing well-being for all (Aristotle). These two concepts are just over 2 thousand years apart. A modern state is an instrument that usually balances different interests of different groups of persons and organizations. In accordance with the norms of international law, the purpose of state authorities is to recognize, protect and promote human rights and freedoms. It is on this principle that the division of powers is based.

Legislative power is a representative power, which is based on the constitutional principles and the rule of law. Legislative power is formed through democratic elections. However, the rule of law does not mean full power of legislative bodies and they are not above the law and are usually inside the law, which ensues from the delegation of legislative authority given to legislators by the people.

Practically at all times, except in primitive communal and slavery systems, people entrust someone with an authority to speak on their behalf, which means that it is people who have the full state power. Legislative power represents just delegated authority and therefore all deputies possess delegated powers.

Executive power is of administrative, i.e. by-law nature. An administrator in French means a low-profile person, i.e. a person executing somebody's instructions. The Government carries out the instructions of the people. The issue of whether this takes place in every case is questionable. In Russia, the Government does not always act with the interests of the people in mind. A characteristic feature of executive power is that it usually conducts its activities behind closed doors. Well-known lawyer, Koni said that "the authorities cannot request people to respect the law if they do not respect it themselves".

Judicial power is a specific branch of state power, which actually exercises justice. Judiciary power should proceed from the principle "judge everyone according to the law" rather than from the saying "you judge but look around". In order to prevent this, a judge should be guided, first and foremost, by the law and should look

how the law and a specific deed correlate with each other.

It is needed to emphasize that the court of law is not a repressive body but is required to protect the law as it stands rather than to protect certain interests or to take certain sides. The court should guard the law. It is an independent structure of the state organizations, which serves as an arbiter in case of disputes. Recently, some conciliation courts have been established and a system of the courts of arbitration is developing, which represents a softer form than the courts of general jurisdiction.

The fourth power (mass media) is a tool that powerfully affects people's mind, particularly in a market society where everything has a money value. By the way, money is not the material on which one can build-up for a long time or forever. In any case, mass media that are interested only in money are either broken or bought and change their policy, color, etc. However, it is an undisputable fact that mass media affect people's minds and attitudes.

Finally, let us see what civil society actually is. There are two basic concepts – the concept of a social institution and the concept of civil society. Politics, power and the state represent the form shaped by vital interests of individuals, groups and organizations. People who in their everyday life face any problems unite in non-political institutions in order to address them. These non-political institutions include church, family or any other unit such as consumer rights' protection society, sport, scientific, trade union or other organizations. All these are non-political institutions. In fact, they can all be united under one common name – civil society.

Civil society is a set of individuals, interpersonal relations and structures. It is implied that they exist without state interference. The state has no right to interfere, for instance, in family relations unless it is requested by any of the spouses and if a family is safe and secure the state is not entitled to interfere in its affairs.

Civil society is centered on an individual. The state is built around political and

have required means of transportation, radio communication equipment and service weapons. However, it is unclear what will happen to them in the future. Currently, they are all financed through forestry farms' own resources.

Recently, an inspection of forestry farms' activities has taken place. The Federal Forestry Agency has sent its representative – chief of Forest Use Division Gagarin Yuri Nikolaevich. He has inspected five forestry farms and moderately reprimanded Shkotovsky forestry farm. He has also visited Tchuguevsky and Anuchinsky forestry farms, which have made a favorable impression on him.

In 2004 the scale of illegal logging in Primorie amounted to 16.3 thousand cubic meters and the damage was close to 672.3 million rubles. There is no data for 2003 available, but in any case in Primorie the level of illegal logging is much higher than that in Khabarovsk Krai. As far as suggested cuttings in the upstream of Bikin River are concerned, they are conducted in Verkhneperevalnensky forestry farm with the total cut of 1.5 million cubic meters. Only 208 thousand cubic meters are used (leased). The rest is a nut-collecting zone and Verkhnebikinsky reservation with the total timber reserve of 700 thousand cubic meters, which has been established for a term of ten years. Currently the status of 1.3 million cubic meters in Verkhneperevalnensky forestry farm is unclear. However, there are rumors that logging will be performed in Bikin upstream area and that in order to replenish the budget of Russia and Primorsky Krai it is planned to reduce the area of the reservation. There are also plans to cut about 300 thousand cubic meters of timber in Bikin upstream areas.

### **Let us negotiate the terms *Bogdan, I.B.***

In light of Russia's integration in the international FLEG process, legal accuracy of terminology used acquires an utmost importance. In Russian forest nature conservation and other related legislation in

the fields of forest governance, forest use and trade in timber, there is no such concept as "illegal logging".

Russian legislation uses the term "unlawful wood-cutting", which appears to have been adapted from the related English term. The term "unlawful wood-cutting", according to Decision No. 4 On the Practice of Application of Legislation on Liability for Ecological Offences by the Courts adopted by the Plenum of RF Supreme Court on November 5, 1998, covers cuttings of trees, bushes and lianas conducted without a forest-cutting permit or a warrant or cuttings carried out under a forest-cutting permit or a warrant issued in violation of the existing rules of cutting, as well as cuttings conducted at a different site or outside the boundaries of the site, cuttings made in excess of the fixed volume, cuttings of non-permitted varieties of trees, bushes or lianas instead of those listed in the cutting permit or warrant, cuttings conducted before or after the deadlines set in the cutting permit or warrant, as well as cuttings of trees, bushes and lianas prohibited for cutting by the rules that regulate trade in forests sold standing in the Russian Federation, adopted by Decision No. 551 of the Government of the Russian Federation of June 1, 1998, or made after passing a decision to suspend, to limit or to terminate the activities of the forest user or his right to use the site of the forest fund.

The cited text demonstrates that even an official forest user can act in violation of the law.

The most typical examples of such 'unlawful cuttings' include logging activities conducted without a project of final felling or logging at a leased site of the forest fund approved by the public ecological expertise.

According to paragraph 17 of the Regulation on the Lease of the Sites of the Forest Fund adopted by Decision No. 435 of the RF Government of March 24, 1998, "in case of leasing a site of the forest fund of more than 200 ha for logging for a term of more than 5 years the lessee is required within a year after the signature

non-political institutions. In fact, civil society is an intermediate link between the family and the state. The family is the lower unit while the state is the upper one.

Thus, we have come to understand that civil society includes everything that surrounds us. I always say that even those who from 9 a.m. to 6 p.m. are officials from 6 p.m. to 9 a.m. are members of civil society. When an official comes to a store, dry-cleaner's, etc., he does not demonstrate that he is a general or an official. And when he has a suit ruined by the dry-cleaner's or when he is overcharged in a store he directly or indirectly fills the ranks of a consumers' rights protection society. He writes claims and sees the same officials as himself who remain deaf to his requests or desires. In his turn, that official when he comes out to the street also becomes member of civil society. So only when people begin to respect each other and respect each other's human rights we will be able to talk about the existence of civil society in Russia. However, this is too far away.

I always say: let us all live peacefully enjoying peace not only in relations among non-governmental organizations but also in relations between NGOs and business community as well as business community and the state. In any case, even if business community pursues some bad objectives, which manifests itself in its desire to get profit, and if it is impossible to affect it directly, it is necessary to appeal to its conscience and to say that by destroying the world heritage it violates moral norms and so an alternative should be found. Probably, it is exactly the task of civil society – to prompt business community that it can operate in a slightly different way rather than to show that it is bad.

### **Illegal Logging in Primorsky Krai**

#### ***Borets, G.P.***

Our problems are no less acute than those witnessed in Khabarovsk Krai. Probably, the situation in Primorie is even more complicated due to the fact that we

are situated in the south of the Far East and have a larger area of ash, oak and cedar than that in Khabarovsk Krai. As a result, the picture here is even more gloomy than in Khabarovsk Krai despite the fact that the Federal Forestry Agency owns here the area of 11 million ha and 31 forestry farms with the total estimated timber reserves of 8 million cubic meters, including leased 6 million ha with timber stock of 6 million cubic meters. In 2004 lessees, budgetary organizations and forestry farms logged about 4 million cubic meters of timber.

It is typical of Primorsky Krai that the territories, except for the northern part (Samarga, Svetlaya) are being well-developed. Recently, a lessee organization has appeared in Samarginsky forestry farm with an annual cutting norm of 566 thousand cubic meters. This project is still at its development stage and just commences.

In the vicinity of Dalnegorsk Krasnoarmeisky, Pozharsky, Kirovsky and Kavalerovsky districts are located. Most of them have roads and many of these sites have been leased, while the lessees themselves maintain the roads network, which is of utmost importance for logging activities.

In 2004 there was much fuss in Khabarovsk Krai in respect of lime cutting. Formerly, lime tree was viewed as melliferous tree and its cutting was forbidden. It is mainly cut in the course of preparatory activities. Some lessees actually did that, but due to forests farms' control lime trees nowadays are logged extremely rarely.

In general, we face practically the same problems that are seen in Khabarovsk Krai. However, we are working and trying to address them. We continue to devote particular attention to three criminal districts, where 14 inter-sectoral groups of state oversight are operational. Each forestry farm has inspectors who make raids together with local militia personnel. This staff is not engaged in any logging activities and their work is focused only on protection of forests from offences. They

of the transfer instrument to provide the leaser with a final felling organization and forestry management project at the leased site, and in the case of leasing a site for a term of 2 to 5 years – with a felling plan.

Article 3 of the Federal Law on Environment Protection provides for mandatory organization of public ecological expertise of projects and other documentation justifying economic and other activities, which can adversely affect the environment and pose threat to life, health and property of the population as one of the basic principles of environment protection.

According to article 12 of the Federal Law on Ecological Expertise felling plans and projects have to be subjected to public ecological expertise.

The main principles of ecological expertise include:

- Assumption of a potential ecological danger of any planned economic or other activity;
- Mandatory organization of public ecological expertise pending the decision on the use of the object of ecological expertise

According to article 18, paragraph 5, of the Federal Law on the Ecological Expertise favorable judgment of the public ecological organization represents one of mandatory conditions for financing and use of the object of the public ecological expertise.

Article 43 of the Rules regulating trade in forests sold standing in the Russian Federation, adopted by the Decision of the Government of the Russian Federation of June 1, 1998, provides that at sites under a long-term lease allocation of felling areas should be made only if the lessee has felling plans approved in accordance with the established procedure and only in full observance of these plans.

Article 34 of the Rules provides that forest farms allocate and transfer to forest users forest sites on the basis of requests submitted 2 years in advance of intended felling and prepared in accor-

dance with felling plans approved following the established procedure.

In accordance with the legislation in force, felling projects and plans *shall be approved* only after they receive a favorable judgment on the part of the public ecological expertise.

Public ecological expertise represents a legal guarantee that the intended economic activity meets ecological requirements established by the RF legislation in the field of environment protection, that the use of the object of expertise is allowed and that its social and economic implications are fully taken into account.

Public ecological expertise guarantees compliance with technological norms of logging activities since these can be dangerous for the environment and always imply a possibility of potential uncontrolled damage to the environment. Therefore, public ecological expertise supports the requirement of mandatory compliance with formerly elaborated and adopted rules aimed at risk minimization, potential threat reduction and forced restriction of negative ecological implications.

The activities of enterprises that conduct final felling in violation of the nature conservation legislation – under felling plans or projects that have not received a favorable judgment of public ecological expertise **endanger the natural environment and ecological safety and violate the constitutional right of citizens to a favorable environment provided for in article 42 of the RF Constitution.**

In addition, article 30 of the Federal Law on the Ecological Expertise and article 8.4 of the RF Code on Administrative Offences include the use of the object of ecological expertise without receiving a favorable judgment in the list of ecological offences that imply administrative liability.

According to article 34, part 3, of the Federal Law on Environment Protection, failure to meet the requirements in the field of environment protection leads to complete termination of the use of sites

following a decision by the court and (or) the court of arbitration.

Therefore, the activities conducted in advance to the provision of a favorable judgment of the public ecological expertise in respect of felling are unlawful.

### **On the enforcement of the Forest Law in Khabarovsk Krai**

*Moroz, M.N.*

The problem of safeguarding and use of the areas of the forest fund is a very pressing one and includes the increased criminality of the forest industry complex. I would particularly like to highlight the work carried out in 2004 by Khabarovsk inter-district nature conservation office of the public prosecutor as a body that exercises control of compliance with the forest law in the territory of districts surveyed. Not all the districts of Khabarovsk Krai fall within our jurisdiction but only a part of them: under the terms of powers division, the other part is under jurisdiction of the nature conservation office of the public prosecutor of the Komsomolsk basin.

In the process of exercising control of compliance with the forest law by the nature conservation office of the public prosecutor about 500 different violations were discovered in 2004. As a result of inspections, 73 representations were made to the authorities and officials. Following their consideration disciplinary cases were instigated against 70 officials. According to prosecutor's orders, 53 official and legal entities were called to administrative account for different breaches of the law connected with the use of plots of the forest fund. They included both the officials of forest-cutting organizations and legal entities — forest-logging organizations. The prosecutor's office inspected the activities of 15 forest farms, 2 PAs and 24 timber logging organizations as well as that of 23 self-government bodies. As in the past, the analysis of the breaches of the law in the forest complex took place during sanitary cuttings and tending cuttings. This

conclusion has led to organization of inspections in Suklaysky, Bikinsky, Avansky forest farms and in the Far East specialized seed cultivating forest farm and Vyazemsky forest farm college. Besides inspections of the activities of the above-mentioned forest farms inspections of timber logging organizations were carried out. These inspections discovered that allotment of plots of forestland and identification of trees for cutting as well as documental registration of the cutting area of forest farms was of poor quality and was conducted in violation of requirements provided in articles 76 and 77 of the Forest Code. Forest farms did not exercise due state control. Following this inspection relevant official and juridical persons were called to administrative account, representations were made and a number of disciplinary cases were instigated against guilty parties.

In 2004, the nature conservation office of the public prosecutor took measures, which resulted in calling to administrative account those forest users who carried out their activities without projects of tending cuttings and without positive conclusions of the state ecological expertise in respect of their projects. It was established that the majority of forest users carried out their activities with considerable breaches of the forest law. That is why in 2004 we did not take measures in respect of all forest users, since they were too numerous. In 2005, we will continue our activities intended to eliminate these breaches of the law and to ensure, in particular, that all forest users should have projects of tending cuttings organization together with positive conclusions of the state ecological expertise on their projects. Under these measures and orders 10 officials were called to administrative account in 2004. We also made representations to specially authorized bodies in respect of calling to disciplinary account those officials who exercised insufficient control over forest conservation and use of the forest fund.

Besides, in 2004 the nature conservation office of the public prosecutor conducted inspections of the use of the forest

fund in the territory of Nanaisky and Vyazemskiy Districts, particularly of allocation of forest resources for municipal needs under the meaning of article 43 of the Forest Code. These inspections have also helped to discover breaches of the law in this respect. It appeared that earmarked timber intended to meet the needs of the local population was used for commercial purposes. We prepared draft claims for instigation in the court of arbitration demanding to terminate such contracts concluded between forest-logging organizations and local self-government bodies of a municipal entity, particularly in Nanaisky District. Draft claims were presented to the office of the public prosecutor of Khabarovskiy Krai, and the prosecutor addressed the court of arbitration with a claim to declare these contracts invalid since they were in violation with the terms of article 43 of the Forest Code.

In 2005, we are planning to intensify our activities in this area in other districts and we will try to cover all districts falling under our jurisdiction, to reveal similar breaches of the law and to take adequate prosecutor's actions.

In 2004, inspections were also focused on the readiness of local self-government bodies and organizations of different forms of property in the territory of the Nanaisky District and S. Laso District to the period of high fire risk. These inspections showed that there were many breaches of the law on fire safety, chiefs of municipal units were not provided with means of fire extinguishing, fire detachments were not organized, mineralized belts were not established. All these things including dumps located in municipal units facilitated fires. As a result of breaches revealed 13 representations were made and 50 officials were called to disciplinary account.

As a result of general surveillance inspections we instigated 9 criminal proceedings on the facts of illegal logging. Regrettably, that was a just a small portion of those illegal logging being underway and officially registered in Khabarovskiy Krai. In 2004, 200 offences under article 260 of the Criminal Code

(illegal logging of trees and bushes) were registered there. These are the official statistics. Naturally, the actual level of illegal logging is much higher. In my opinion, latency is present here, and not all offences were registered. That does not imply that they were not registered intentionally – it is possible that they are yet to be revealed and would be revealed later since this sector is subjected to an increased level of criminal activity.

I think that the main reason of criminal activity intensification lies in the fact that timber is exported to China practically unimpeded, including valuable species. In my opinion, this is made possible because the law does not regulate or restrict exportation of timber in a due way. Thus, according to the Customs Code, a document needed for customs legalization could be a license for exportation of valuable species of trees. Nowadays, exporters of timber often use such documents as forest cutting tickets or commission contracts. They create so-called “false firms” in order to export timber obtained by non-legal means. The Customs Code in force does not recognize forest cutting tickets and commission contracts as obligatory documents to be submitted to a customs body. That limits our capacity as law-enforcement bodies to prevent breaches of the law. In 2004 the nature conservation office of the public prosecutor instigated criminal proceedings in respect of exportation of timber across the customs' border, the whole volume and the whole cost of which exceeded 2 thousand cubic meters and 11 million rubles. At that time, I was deputy prosecutor of Khabarovskiy inter-district nature conservation prosecutor's office and was engaged in the investigation of this case. Under this case it was made possible to call to criminal account Talalayev, deputy director general of “Khorlestrading” LTD, and Nikiforov, inspector of Vyazemskiy plants quarantine post. Together these persons were engaged in smuggling of timber. According to the decision of Zheleznodorozhny District court they were called to criminal account. Talalayev

and Nikiforov received a suspended sentence of 5.5 years of imprisonment with a 5-year period of probation.

Questions may arise: why such offences provided for in article 260 of the Criminal Code (illegal logging and smuggling of timber) are subject to such soft sanctions. Alas, these sanctions were stipulated by the legislature. In my opinion, they are not adequate for such kind of offences, bearing in mind that persons responsible for such crimes and sentenced for them usually continue their illegal activities in the future. Naturally, the court cannot exceed the limits of those sanctions which are provided for in the Criminal Code. Besides, amnesties take place and I expect that soon there will be an amnesty declared on the eve of the 60th anniversary or the Great Victory. As for article 260 of the Criminal Code (illegal logging), even such an authoritative qualification as the one, which relates to an offence committed by a group of persons, a stable and united organized group, provides for a term of imprisonment of up to 3 years. As a rule, if persons are first-time offenders, they are sentenced to fines or in the worst case they receive a suspended sentence. I think that sanctions provided for in the Criminal Code should be made more severe.

In December 2004, I instigated a criminal proceeding under article 188.4 of the Criminal Code (smuggling of timber committed by an organized group of persons). Such an offence is punishable by imprisonment for a term of up to 12 years. The case was very complicated since the law in this sphere is inefficient, there are many problems connected with investigation, collecting proof, but we still did our best. Today, nobody has yet been called to account, but in the nearest future, some figurants will appear who will be called to account. All that would be covered by mass media because we have very few such cases. These cases are very difficult to prove. Only after collecting sufficient proof we start to instigate criminal proceedings and to investigate the case. For the time being, I cannot speak of any prosecuted officials since the case was insti-

gated only two months ago. Moreover, only the court can acknowledge the guilt. However, in the case of “Khorlestrading” LTD we revealed that an officer of customs legalization service was engaged in timber smuggling using false declarations. Now her case is in the court, investigation bodies proved the fact of forgery of official documents – cargo customs declarations and several episodes of smuggling. Currently, I ensure prosecution under this case in Zheleznodorozhny District court of Khabarovsk, and the final verdict is yet to be passed.

Besides, in the case of “Khorlestrading” LTD, a fact of negligence was revealed on inspector of the customs service, although the former article.293 of the Criminal Code (negligence) provided for implications in the form of considerable violation of rights and legal interests of citizens, the state and organizations. This article has been revised in the new version. Now it provides for implications in the form of damage to the amount of 100 thousand rubles. When goods are transferred across customs border, this is not a damage but rather a cost and that is why the guilty person is able to escape criminal proceedings.

For the time being I cannot say for sure, but I suppose that in the nearest future a number of criminal cases will be instigated against some managers of commercial organizations. In the interests of investigation, I cannot tell their names or the title of the organization that exports timber. However, the case is very interesting and requires much effort in order to bring it to the court. For this case an investigating special team was established consisting of officials from the Chief Department of the Ministry of Interior for the Far East Federal Okrug, customs officers, officers from the Khabarovsk transport office of the public prosecutor and investigators from inter-district nature conservation office of the public prosecutor.

In November 2004, I instituted a criminal proceeding on the so-called “Vyazemsky case”. The case was instigated in respect of official authority abuse by the officials of the Department of Interior

of Vyazemsky District, namely head of criminal militia Zakharchenko, his deputy, head of criminal investigation section Pomazkov and deputy head of criminal investigation section Shelengovsky. We made tremendous efforts in cooperation with the body of the Federal Security Service in Khabarovsk Krai since it required a lot of time from us in order to collect documents about criminal activity of these officials. However, we did manage to instigate criminal proceedings. These persons at first were detained, then arrested and prosecuted. At first they were prosecuted under article 285 of the Criminal Code, and then this case was returned for further investigation to the department of the office of the prosecutor general in Khabarovsk Krai where it is being investigated further. These persons who were in charge of preventing and stopping crime in the last 3 to 4 years knew those who were engaged in illegal logging in Vyazemsky District, although instead of stopping this illegal activity they rather encouraged this illegal activity. Besides, they started to build up forces and means for this activity, they closed eyes on the fact that cars with non-legally cut timber unimpededly achieved places of destination and, naturally they received their compensation. This case is also very complicated. It is not yet brought to the court. A strong investigation team was set up which includes investigators for particularly important cases from the Khabarovsk office of the public prosecutor.

General supervisory inspection of the execution of the forest law discovered a fact of undue fulfillment of duties by the employees of the Vyazemsky forest farm college. There is an organization which carried out forest-logging activity without a forest-cutting ticket. A worker of the forest farm did not stop that activity but even allowed it to continue although he knew that a forest-cutting ticket which is permission for forest logging and removal of timber had never been issued to that organization. Now this case is under investigation in the office of the public prosecutor. I think that in the nearest future the

case will be brought to the court and guilty officials will be called to justice. This case has again happened in Vyazemsky District, but this is quite natural, since the lion's share of forest logging in Khabarovsk Krai is carried out in Vyazemsky, Khabarovsk, Lazovsk and Bikinsky Districts, belonging to a so-called "southern group". According to available statistics, about 70 % of all illegal forest logging are carried out in these districts.

Of course, the percentage of disclosure of these types of offences is insignificant. In 2004 the rate of disclosure of these offences throughout Khabarovsk Krai amounted to only 17.7 % and this percentage is too small. For example, in S. Lazo District where the biggest number of these types of offences was registered – 72, only two criminal cases were brought to the court according to available statistics. At the beginning of 2005, I held a coordination meeting of law-enforcement and specially authorized bodies attended by the heads of interior affairs bodies of the so-called "southern group" and of nine supervised districts as well as representatives of the forest agency. At that meeting we summed up the results of our activities in 2004, they were sad and we were far from being satisfied with them. It was decided to hold such meetings every quarter in order to sum up and to discuss problems encountered. For instance, everybody knows the persons engaged in illegal logging, but their activity is not stopped, guilty persons are not called to account and are not punished. If that situation continues we will be forced to report to the officials of higher executive bodies – the Khabarovsk Department of Interior that it is necessary to bring pressure upon the territorial bodies of internal affairs. Otherwise, our work will be considered very inefficient due to low disclosure of crimes.

In 2004, a criminal procedure was also instigated in respect of several facts of illegal logging in Vyazemsky District made by the same persons. Three persons were convicted under article 260 of the Criminal Code for carrying out illegal log-

ging by an organized group of persons. Total damage caused to the forest fund amounted to more than 29 million rubles. On behalf of the state, I brought an indictment under article 44 of the Criminal Proceedings Code in order to recover damages caused by criminal actions of these persons. Now the case is in the court and is pending investigation.

You all know that Federal Law No 199 has introduced considerable changes concerning the activity of specially authorized bodies, particularly the Forestry Agency. This is very important since the bulk of crimes were discovered by the workers of forest farms after they were authorized to exercise control of the use and protection of the lands of the forest fund. Regrettably, now forest farms have been stripped of these powers. These powers have been transferred to Rosprirodnadzor which has at its disposal just 5 persons to exercise such functions. For comparison, in forest farms these functions are executed by more than 2 thousand persons. I think that some changes would be made in the staff strength of Rosprirodnadzor. Otherwise, they would not be able to exercise control. This work is very important as far as documents preparation, crimes investigation and their reporting to internal affairs bodies is concerned, and this is why this challenge has emerged. In fact, now workers of forest farms have no rights even to fill in protocols on the breaches of the administrative law, since they have been stripped of supervisory functions. Now, Rosprirodnadzor has received these powers. Naturally, the office of the public prosecutor as a supervisory body is not satisfied with the fact that forest farms have been striped of these powers, since it is not clear how Rosprirodnadzor would execute at such small strength of its personnel.

I hope that the situation will change to the better, it should be changed, and otherwise everything would be worse than it was before.

I would like to draw your attention to changes introduced in the Forest Code in respect of cessation, restriction and suspen-

sion of a lease of the areas of the forest fund by a forest-logger. Formerly, these functions rested with forestry bodies, particularly with the Forestry Agency. Now, these functions are vested in Rosprirodnadzor. It is desirable that these bodies use their powers in respect of those forest-loggers who break the forest law and commit systematic violations. According to the legislation in force, in case of breaches of the forest law, such body is entitled to restrict or suspend the use of forest plots. In case of systematic violations (three and more times) an authorized body is entitled to stop this activity. Regrettably, I have to say that the body, which is authorized with these powers, does not use them very often. I think that if this year we discover violations of the forest law, it would be possible to make representations to Rosprirodnadzor bodies demanding them to settle the matter of cessation, suspending or restricting the use of forest plots in order to stop abuses on the part of forest loggers. The latter exceed the borders of forest plots, which have been fixed for them, and commit other considerable violations. I think that we should take efficient measures in respect of such offenders in order to avoid future violations. In my view if the Forest Code has authorized Rosprirodnadzor with such powers, the latter should use them to the full extent.

As for the term "illegal logging" there is the ruling of the plenum of the Supreme Court No. 14 "On Ecological Offences", which contains its interpretation. The interpretation of illegal logging as just of poaching is a very narrow one. Illegal logging includes such cases when activity of a forest logger has been suspended or stopped but he continues to carry out this activity, i.e. the forest logger has been stripped of the right to carry out forest logging in the established manner but he continues to do that. Other examples of illegal logging are cuttings in the wrong quarter or at a wrong plot, other than are fixed in his forest-cutting ticket, exceeding the fixed quantity of logged timber. All these cases are qualified as illegal logging if such facts are

revealed and registered, but that here comes a matter of proof.

If a forest logger is entitled to perform selective cuttings while he carries out clear cuttings, it is regarded as a violation of forest use entitlement, and the guilty person will be called to an administrative account.

In order to raise FLEG's efficiency it is necessary to establish very close and tight interaction between the general public, law-enforcement bodies, including the office of the public prosecutor, and mass media. In fact, mass media is a very effective instrument. Information of the population about the facts of illegal logging and instigation of legal proceedings against convicted persons even notwithstanding suspended sentences are good preventive measures against crime that affect people's conscience. As a rule, some persons who came to commit such crimes due to hardships begin to hesitate. Obviously, the public ought to render assistance to the law-enforcement bodies. Many people know, see and hear who, when and where carry out illegal logging. If citizens report to internal affairs bodies or the office of the public prosecutor information on the facts of illegal logging known to them and more on persons who commit such cuttings, that would be an extremely positive development. First, that would help to reveal so-called latent crimes and lead to instigation of criminal proceedings and conviction and sentencing of guilty persons.

In accordance with existing instructions, all anonymous reports by citizens should be directed to territorial bodies of internal affairs. In their turn, special units of criminal investigation and a division on economic crimes should check up arguments of the anonymous reporter in the course of their investigation activity and in case of their confirmation to prepare a report to the effect that Illegal logging at some plot has been discovered. This very report will serve as a reason for inspection and instigation of criminal proceedings.

Recently the number of anonymous communications has increased. Evidently,

this is connected with the problem of citizen's security. Although the criminal proceedings law includes a provision that personal data of citizens interrogated as witnesses or victims should be kept confidential. This year a law on witnesses and victims' protection was adopted, although citizens remain skeptic about it since they do not view it as a helpful mechanism because the law is still at the stage of its realization. However, we still have managed to instigate some criminal cases of such a kind.

I call upon all the participants to report more enthusiastically to internal affairs bodies and the office of the public prosecutor about facts of the forest law violations.

In order to make amendments to the federal law it is necessary to come up to legislative bodies with a legislative initiative. It is ironic that nature conservation office of the public prosecutor does not have such a power. We can submit our proposals to the Khabarovsk office of the public prosecutor, and if the latter considers our arguments convincing it will address the office of the prosecutor general and the latter in its turn will address the Government or legislative bodies.

Information about forest resources should be transparent. If you have applied with inquiries to forest farms and they have refused to present information, I advise you to address our office of the public prosecutor. If your request for such information is legal, we will consider your request and give our legal conclusion on legality or illegality of such a refusal. If the refusal to present information was illegal, we will take relevant measures in order to eliminate and prevent such facts.

Absence of a project on tending cuttings means a breach of the forest law requirements, i.e. an administrative violation. We call to account forest users who do not have projects for tending cuttings or a conclusion of the state ecological expertise. I believe that in this case there is no such corpus delicti as illegal logging. It is a violation of the forest law requirements if a forest user has a project for cuttings

but does not have a positive conclusion of the state ecological expertise (regulated by chapter 8 of the RF Administrative Violations Code, articles 8.4 and 8.25 – depending on an individual case).

As for differentiation of illegal logging between the criminal and administrative codes, first, article 260 of the RF Criminal Code directly provides that if illegal logging is carried out there should be damage present. Damage caused to forests of the first category under the law amounts to 10 000 rubles, which implies that all cases amounting to less than 10 000 rubles fall under the category of administrative violations, while all those amounting to more than 10 000 rubles are qualified as illegal logging (part 1 of article 260 of the RF Criminal Code). All other qualifying indications are regulated by other parts of article 260 of the RF Criminal Code, i.e. differentiation is drawn according to the level of a damage caused.

Forest fires represent just another headache. They form a separate corpus delicti provided for in article 261 of the RF Criminal Code. There are very few cases of criminal proceedings instigation under this article. Only once in 2003 did I bring to justice one person and that is all. These crimes are committed under unobvious conditions. How can we establish a person who has purposefully or because of carelessness or negligence caused a fire at a forest plot? It is a very complicated matter. Only if corpus delicti is obvious we can bring an offender to justice, if not – we have to collect proof using evidences given by witnesses. This is why the situation with this corpus delicti is even worse than that of illegal logging.

### **Current Trends of Timber Exports from the Far East Including Exports of Illegally Harvested Timber**

*Smirnov, D.J.*

According to the data from the year 2002 major consumers of the Russian timber in the Asian Pacific region are:

- China (64% of the total volume),
- Japan (27%), and
- Korea (9%).

Timber exports from Russia to China in the year 2002 constituted 15 mln.m<sup>3</sup>. Major exporting regions at the Pacific Asian market are Khabarovsk Krai (33.2% by the total value), Irkutskaya Oblast (24.6%), Primorsky Krai (13.8%), Amurskaya Oblast (7.8%), Krasnoyarsky Krai (6.4%), Chitinskaya Oblast (3.9%), and Buriatia (3.5%).

Timber demand is growing in China and this can be explained by several reasons:

- Natural Forests Conservation Program (NECP) launched in 1998;
- drastic decrease of forest harvesting volumes in China from 32 mln.m<sup>3</sup> in 1997 to 23 mln.m<sup>3</sup> in 2003;
- increase of timber exports;
- development of a network of specially protected areas in North-East China and internal Mongolia:
  - 47 specially protected areas were established since 2001 (3.649.238 ha in total);
  - 29 new specially protected areas are scheduled to be established by the year 2010 (1.550.000 ha);
  - 4 new specially protected areas were planned to create during the period 2004 – 2005 (754.370 ha).

Meanwhile, since 2001 the system of specially protected areas in the Far East is not developing any further and timber export prices are steadily decreasing.

According to the data from the year 2003, 6.006 thousand m<sup>3</sup> of timber was harvested in Khabarovsk Krai and almost 153 thousand m<sup>3</sup> was received from other regions. About 791 thous.m<sup>3</sup> was utilized in sawmilling, 21 thous.m<sup>3</sup> was used in the field of building and construction, 35 thous.m<sup>3</sup> was transported to other regions, and 7.186 thous.m<sup>3</sup> was exported abroad. Unaccounted timber constituted 1.874 thous.m<sup>3</sup>.

The following data on timber exports of valuable tree species from the Far East (from the year 2003) comes as following:

Region/ Tree Specie	Primor sky Krai	Khabar ovsky Krai	Evreis ky Auton omous Okrug	Total Volume	Primor sky Krai	Khabar ovsky Krai	Evreisky Autono mous Okrug	Total Volume
	Timber (unprocessed)				Sawntimber			
Pinus sibirica, (koraensis)	81566	44191	380	126137		537		537
Oak	160911	130363	2886	294160 (306691)	46589	12357	1795	60741 (60818)
Linden	16806	282870	11159	310835 (310855)	1878	508	1183	3569
Ash tree	130249	208966	3023	342238 (354045)	34770	9025	1981	45776
Elm	72794	18451	349	91594	6097	69	113	6279
Nut	1993	3711		5704	711	454	25	1190

The structure of coniferous and broadleaved forests that are currently under exploitation in the Far East can be represented as following: III group forests – 31%; II group forests – 8 % and I group forests – 8%.

As for the forests that are out of commercial exploitation:

- sanitary zones – 1%;
- protected zones – 6%;
- fish breeding protective zones – 6%;
- I group non commercial forests where final felling is permitted – 5%;
- II group non commercial forests (excluding cedar forests, *Pinus sibirica*) – 3%;
- cedar forests, *Pinus sibirica* ( II group and III group forests) – 23%;
- III group non commercial forests (excluding cedar forests, *Pinus sibirica*) – 9%.

As for the Primorsky Krai by groups: group I commercial forests – 8% and non-commercial forests – 18%; group II, respectively, 5% and 4%, and group III – 41% and 24%.

The following priorities have been set to combat illegal logging:

- preservation of the protected forests and of the forests that are prohibited for final felling (specially protected areas, I group forests);

- cooperation with timber consumers in North-East Asia to set up ecologically sensible markets;

- introducing a model of interdepartmental groups (EAO, “Sable”);

- supporting private agencies of guard and security (Primorsky Krai, “Kedr”);

- active support of certification schemes and the development of regional standards.

### Local Communities and the FLEG Process

*Shmatkov, N.M.*

The ministerial process aimed at law enforcement in the forest sector will not succeed until its influence affects the local level. Putting things in order in the forest law will obviously benefit the entire forest sector and the local people who reside in the forest areas both in short-term and in the long run. Nevertheless, in a short-term period, any reforms are connected with risks and it is necessary to

work out a strategy for their management. In its turn, the activities of the local communities in forest areas present considerable risks for forest ecosystems and the FLEG process is aimed at decreasing these risks.

The role of forest in the life of local communities is enormous. There are well known global roles of forests such as maintaining the air composition balance and moderation of the global climate change, prevention of soil erosion and shallowing of rivers and the habitats' role for thousands of living organisms. No less important are local functions of the forest. For rural residents forest is the main source of building materials, fuel, berries, mushrooms and other non-timber forest products. People go to the forest to hunt and fish; while in many regions forest has become one of the main tourists' attractions.

Many of these benefits of the forest are the target of activity of local communities, which create threats for forest ecosystems. Illegal logging represents one of these threats. Mostly, local communities log forest illegally to produce building materials and fuel for their own needs. In many cases, this activity is connected not only with low living standards, but, on the one hand, with complexity of bureaucratic procedures connected with provision of timber and, on the other, with insufficient development of trade of timber on the local markets. A rather serious damage is caused by a non-legal "small business" when local people earn their living by logging timber illegally and reselling such timber to larger legal logging companies. Control over illegal logging by local communities is complicated due to inefficiency of the system of raids, which existed until recently when forest rangers ought to counteract their friends, neighbors and relatives from the same communities where forest rangers are living. The new system of protection will be even less efficient. The fight against illegal logging and many other threats to forest ecosystems on the part of local communities is complicated by a wide dissemination of harmful stereotypes when a small

earning in the short-term overweighs the long-term prospects and long-term utility.

Collection and use of non-timber forest products, on the one hand, imposes a serious threat to forest ecosystems while, on the other, it helps to overcome such a serious social threat as poverty by organization of NTFP use based on economic and ecological sustainability. Besides that, NTFPs are an important element of the traditional nature use.

According to the research carried out by the IUCN on Kamchatka within the UNDP/GEF project, about 95% of families living in rural areas use NTFPs for their own needs. Only 20% gather NTFPs for sale, although the species composition of resources used both for sale and own needs is very limited. Thus, on Kamchatka, less than 10 species out of several hundreds of promising resources are actively used. Risks connected with the use of NTFPs are rather diverse and include fires caused by smoking in the forest, violation of rules of fire safety during halts. In addition, the presence of collectors in the forest disturbs animals, un-controlled collection causes reduction of the abundance and number of species as well as degradation of natural habitats for a number of species including rare ones. In general, an un-controlled NTFP harvesting poses a big risk to biological diversity.

Activity of the local communities in the forest is the main cause of fires. Thus, according to data collected by the FOREST project, 80% of forest fires in the Russian Far East were caused by people and 60% – by imprudent use of fire. The reasons lying behind the high scale of this threat are connected with insufficient anti-fire protection of forests and insufficient financing, poor use of the potential of education, non-regulated access to the forest during fire risk periods, use of damaged means of transportation (all-terrain vehicles) and so on.

Law-enforcement in the forest sector, particularly at the local level, can give rise to a range of problems. The majority of population experiences a well-justified

fear of the reforms and it is difficult to change quickly the stereotypes of a being “a pioneer”, “an exploiter of nature”, etc. Limitation of access to a “free” resource will be inevitably viewed as an unpopular measure. Strengthening of control of the forest use can lead to a loss of real (though non-legal) sources of income of rather numerous groups of the population.

In order to ensure success of the initiatives aimed at law-enforcement in the forest sector it is necessary to clarify the terms and concepts of illegal cuttings and illegally logged timber used by the stakeholders. Strengthening of control of the forest resources use should not necessarily take the form of increasing the number of rangers and experts but undergo serious quality changes. Changes in the law and the order of its enforcement should be carefully elaborated with due account to its possible consequences for the small business community and the local population, and they should not lead to deterioration of the real economic situation in the forest areas. The programs on developing the alternative livelihoods including small business development based on sustainable NTFP use should be realized hand in hand with considerable advancement of the process of tightening control of the use of forest resources. At the same time, particular attention should be paid to the reduction of risks connected with the use of forest resources based on using the sustainable practices of logging and production of goods with high value-added.

The IUCN-CIDA project “Building Partnerships for Forest Conservation and Management in Russia” demonstrated an urgent need of the Russian and international markets in goods produced by the regions as well as the possibility of organizing harvesting and NTFP processing business based on the principles of ecological and economic sustainability. Responsiveness of public opinion and active involvement of the population in forest governance will contribute to the reduction of social tension and will promote a more efficient implementing of initiatives within the framework of the

FLEG process. Against this background of particular importance are efforts made by the authorities not only to prevent non-legal activities of the local communities in the forests but, to a more significant extent, to prevent violations on the part of forest loggers, tenants and forest management units. The scale of illegal logging made by the latter or under their permission quite often exceeds the volumes of unauthorized cuttings conducted by the local communities.

### **Activity of “Dauria” Center *Bolgova, I.G.***

Our organization has been in operation since 1996 and, naturally, in nine years we have developed approaches to foster our work in a certain direction.

The mission of the organization is to facilitate the development of people’s initiatives and involvement of civil organizations in the process of socio-economic ecologically balanced development of the region.

The organization is of an infrastructure type and due to that it affects the situation in the society in general, i.e. it influences changes in systemic relations between “power – business – civil organizations”. This is our basic approach. Besides that, it is important to recognize and to demonstrate interrelation between nature use and social rights and guarantees of citizens. Formation of an alternative social stand contributes to the development of an equal dialog between the power and business circles in order to minimize ecological and social risks. Strategic directions include dissemination of socially and ecologically meaningful information, formation of a favorable regional legislative framework, public control of nature use, promotion of development of a network of protected areas.

We have implemented a project on cooperation with the population in establishing Krasnochikansky national park. We have conducted a public campaign directed at drawing attention of the society to the necessity of preserving these areas.

Besides that, we have carried out marketing research in order to study the attitude of the population to the idea this national park development. I would like to say that this issue has received different responses from the population. We expected that the population was eager to establish the park, but it appeared that we were wrong. First, there is a negative experience of the existing Burkalsky reserve, which to a certain extent is a patrimony of the authorities, while common people have no access to it. Naturally, the population is discontented. Second, people ought to have a reasonable alternative. Supposedly, we will establish this national park but what shall we do next? There should be a program of social and economic development of this part of the area taking into account the future park. This program should indicate alternative forms of economic activity and ways of investments use including those enabling people to live and work in the national park. Such a policy is carried out by our organization.

Some other efficient instruments for working with the population include public relations, technologies of social partnership and realization of joint international and inter-regional projects.

If five or ten years ago it was difficult even to talk about realization of ecological rights, i.e. we were a social organization which tried to address ecological problems of Chitinskaya Oblast on its own, while citizens were not actively involved in these activities. Today citizens have begun to protect their interests actively enough, to take part in public hearings, to exercise public control of actions of the power and business circles. We can refer to a project on construction of a cellulose plant in Amazar village in Chitinskaya Oblast as an example of such active involvement. Public hearings were held and the population expressed different views, though it seemed that the project promised all kinds of goods such as jobs, etc. Nevertheless, the majority of the population stated that further improvements of the project and additional agreements with the population

and other nature users in these areas were necessary.

There was another case when people had self-organized and used mass media and public hearings to express their protest against a project on construction of a staging base for uranium concentrate transportation.

Besides that our organization renders assistance to citizens in preparing applications to nature conservation office of the public prosecutor on the issues of unauthorized dumps and illegal logging. We organize conferences, public campaigns and fairs for the protection of citizens' rights. These technologies are rather efficient. For the last two years we have organized fairs with involvement of not only non-commercial organizations, but of small and medium businesses as well both as sponsors and partners. In the framework of fairs talks and discussions are held on the most pressing social and nature conservation issues. It is also important that the authorities have replicated these technologies, for instance, nowadays the committee on public relations of Chitinskaya Oblast regional administration organizes and holds fairs.

Another area of our activity includes training on social design and development of local resources for socially meaningful projects' implementation, using, for example, regional and municipal grants. The chief of "Dauria" is a member of the expert council of the regional budget ecological fund. We have launched an initiative of competitive allocation of the resources of the fund using the procedures adopted by the Siberian Center for Public Initiatives Support. Education of young leaders, development of a network of public activity and voluntary movement of the youth, informational and consulting support of non-commercial organizations— all these approaches contribute to the creation of the infrastructure of civil movement in the region.

Another important component of our activity is our information policy including web-site maintenance, cooperation

with mass media, public PR actions and our own newspaper "Fragile Forest" which is a supplement to the official newspaper of the regional administration. Its big circulation (14 thousand copies) and a system of distribution provide wide coverage throughout the region. The newspaper covers acute ecological and social problems, ecological and social rights of citizens and cases of violations in the sphere of nature use. When such cases are disclosed in a newspaper and become a focus of public reaction, the authorities cannot leave such a case without attention. The newspaper is a strong instrument of influence.

We organize annual campaigns and actions that help to intensify work with citizens, using such means as social advertising, movies and video clips focused on nature conservation topics. Thus, public campaigns include a certain educational component.

One important quality achievement of our organization is involvement of public leaders as experts in target programs and projects in the field of nature use. Proposals made by scientific and ecological experts on minimization of ecological and social risks were included in the final package of public hearings on the cellulose plant. Participation of the organization in the work of inter-agency commissions, the consultative council on ecological and economic safety, the expert council of the regional ecological service and the expert group on social and ecological safety of the pipeline mains system. All these inter-agency commissions and committees review draft laws and plans of action, which are designed to secure the region's interests as well as social and ecological rights of citizens.

Another important aspect is joint planning of measures and their incorporation into the regional budget. In 2005, final meeting was held under the leadership of the Governor, which accepted our proposal on the elaboration of a regional target program on public initiatives development for 2006-2008.

Each region has its own peculiar features, but their general nature conserva-

tion problems are similar. I would like to emphasize the following immediate tasks, which could be possibly included in recommendations of this seminar:

- Coordination activity of all structures which are in one way or another engaged in the nature use control. This represents an eternal problem including discrepancies between the federal and regional laws, lack of will to cooperate on the part of the state authorities. However, it is always possible to find points of interaction;

- Dismantling of stations for timber reception, since only forest users should export timber;

- We need regional strategic programs which would make it possible to allocate a part of resources the forest industrial complex development, in other words state support of large forest industrial enterprises, long-term lease, concession and responsibility for the area used. We need a complex program especially in connection with reforms when local budgets have to address all their problems on their own;

- Income generation rather than obtaining the maximum volume of logging should be viewed as the main economic task of forest use;

- Ecological and economic evaluation of resources and capacity building of regional development aimed at finding new factors of social and economic growth. The raw materials base is not inexhaustible, resources will sooner or later be depleted and it is necessary to think of what to develop in the future;

- Legislative provision of regional interests, taking into account social and ecological risks of nature use projects implementation using, for example mortgage funds;

- Elaboration and realization of long-term programs on sustainable development. For example, a regional plan of actions for preserving biological and landscape diversity at the territory of Amur basin in the administrative borders of Chitinskaya Oblast. This plan incorporates

the development of an SPNA network, evaluation of social and ecological risks, alternative methods of management, legislative provision of stable nature use and ecological education;

- Development of international cooperation in the field of the forest market regulation;

- Facilitating organization of a system of life-long ecological and legal education in the system of secondary and higher education, professional education within the system of staff training and retraining;

- Establishment of a system of rendering support to non-commercial organizations and social initiatives;

- Making an order for carrying out public ecological expertise and application of its results;

- Development of socially responsible mass media. There is very little analytic information in mass media. It mainly covers news and information is sometimes distorted;

- Systematic cooperation with business circles based on the principle of social responsibility assignment. I cannot assert that work in this field was successful. It has just started. For the time being, it is too early to maintain that there are some responsible business circles in Zabaikalye or even that we fully understand what the term “responsible business” means. We are going to carry out research on this problem. However, when we cooperated with business enterprises at fairs it was clear that there was hope that this understanding would come in time.

### **Problems of the Forest Industry in Khabarovsk Krai**

*Pilipenko, V.V.*

I believe that this seminar is undoubtedly useful since it helps to clarify our vision of the situation with illegal logging. As far as the activities of public organizations in the field of ecological problems are concerned, their role has substantially increased. Today, ecological problems should become one of the main

challenges for every person and the entire state. At the seminar, we paid much attention to illegal logging and illegal cuttings.

However, I believe that today this problem is not the most pressing one for Khabarovsk Krai since even 22 % of illegal cuttings (there are different data and precise information is unavailable) do not play such a big role in causing damage to the environment, preserving animal world and forest resources. That is a matter of law-enforcement in the field of forest governance. I believe that both for Khabarovsk Krai and for Russia in general, the most acute issue is to preserve forest resources and the biosphere from fires. Today, this is the most pressing challenge. Through fires no less forest is destroyed than through cuttings. This is a global challenge, and I think that is the most acute and the most pressing one for all. It is especially annoying that the Government has withdrawn itself and has put responsibility for it on others' shoulders. Being the owner of forests, lands and the forest fund it wants to solve the problems using others' hands. That is bound to have terrible consequences.

The second issue concerns the use of raw resources, not only forest resources, but their side products, i.e. all raw resources of the forest. For both Khabarovsk Krai and the Far East the main goal is to ensure processing development and capacity building. It is awkward that the Government has withdrawn itself from addressing these problems relying on the following principle: if you need it, attract investments and solve these problems yourself. This is a wrong approach and the role of the state in this matter should be more meaningful and appreciable. There should be a specific policy. Today we are lacking a detailed forest policy. This is why I would rather put the question of illegal cuttings at the background since today with forest loggings conducted on such extensive areas and with such huge wastes a considerable part of forest resources is left, thrown or lost all over the Far East. This creates a fire prone sit-

uation. This is why the issue of rational use of forests should stand at the forefront in the activities of all stakeholders – not only the Government, but public organizations and all others concerned as well.

The third issue relates to the forest law and its observance. There are many such issues where there is room for improvement, but regulation and observance of the forest law is almost negligible. Whatever laws we adopt, good or bad, if we do not observe and implement them and if we do not persecute the offenders, we will achieve nothing at all. This is why this issue be the third in our list.

Today the state wants to get rid of the system of governance and control of forest resources. It wants to collect taxes and does not want to do anything else. This will not yield any positive results. What can do 10 to 12 inspectors in such an extensive territory (Khabarovsk Krai is three to four times larger than the territory of France)? They would need a year in order to reach their territories. Besides, it is necessary to find honest people to exercise control.

However, illegal logging can be placed on the fifth place in our list. It is possible to stop illegal logging immediately. It is necessary to introduce clear definitions into the legal system and to work according them — that is all. Everybody knows perfectly well who commit illegal logging.

As far as Bikin River problem is concerned, I should say that I have been working in the forest industry for 40 years and know the Far East within the limits of Khabarovsk Krai, Primorsky Krai, Sakhalin, Amurskaya Oblast and Kamchatka. I know Bikin as the only remaining unique corner of Sikhote-Alin with its virgin taiga. If we let to do something with Bikin then people would never see virgin taiga in its original state. The volume of timber planned to be logged there is a drop in the sea for the Far East. This will have an adverse effect not only on people who live there. Many people do not understand that it is a unique world treasure, that it is the last remnant of Sikhote-Alin in the Far East. It should be pre-

served. Everybody including public organizations should do something in this field. I would like to agree with the NCO position that all questions are raised correctly.

In conclusion, observing the outcome of activities of our Government in all fields beyond the scope of the forest reform and the Forest Code, I would like to say, although maybe it is my biased opinion, that the role of public organizations is increasing tenfold in order to help people show the Government the right direction. From this point of view, the present seminar is very useful. If the state cannot protect us, we ought somehow to stand for our rights ourselves.

### **The State and Analysis of the Reasons of Illegal Logging Activities**

*Prorok, I.M.*

Modification of the Forest Code as a result of recent amendments, which were adopted and entered into force on January 1, 2005, relieved forestry farms and the Forestry Agency that had been engaged in forest protection since the times of Peter the First of the public forest protection function. Forest ranger has always watched the compliance of the law in the forest. Of late, this system has been dismantled and no new structure has been established. We live through an intermediate lawless period. Since the topic of the workshop concerns illegal cuttings, we can provide data on those cuttings in Khabarovsk Krai from 2001 to 2004, i.e. for the period when we still had Forest Administration and Chief Administration of Natural Resources in Khabarovsk Krai. We can assess how many illegal cuttings were authorized by forestry farms in Khabarovsk Krai and to evaluate the resulting damage.

In 2001 the Forest Administration in Khabarovsk Krai and forestry farms revealed 284 cases of illegal logging with the total damage of 47 051 thousand rubles while damages paid amounted to just 314 thousand rubles under 81 claims.

In 2002 298 cases of illegal logging were identified with the total damage of 159 885 thousand rubles. In 2002 a Chief Administration of Natural Resources in Khabarovsk Krai was established and the system of control became more or less efficient.

In 2003 296 cases were revealed with the total damage of illegally cut timber amounting to 189 646 thousand rubles.

In 2004 329 cases of illegal cuttings were revealed with the total damage amounting to 380 969 thousand rubles.

Just look at the scale of damages caused by illegal logging. You should bear in mind that these are only those cases that have been revealed, fixed and prosecuted under criminal law.

Since 2005, new amendments to the Forest Code have been adopted. The former system of the state forest protection has practically ceased to exist while a new one has not yet been established. Moscow has just recently sent an order to establish a system of state forest protection and these functions have been entrusted to the State Committee on Nature Oversight.

It is unclear why it was necessary to destroy the old system just to revive it later. Probably it was done to establish a smaller forest protection service, which formerly had two thousand employees, since nowadays an obvious aim is to conduct much more logging with a less degree of control. At the state level, there is a pronounced tendency toward a lower level of state control of illegal cuttings. No measures have been taken at the state level to increase wood processing rates in the regions in order to prevent its export in a "round form" in such big volumes. That means that no legal acts have been passed within the framework of customs legislation which allows continuing these activities, which is beneficial for logging companies who quickly log and take timber out. Currently, logging companies are not interested in developing their wood processing capacities since the legislation in force is constructed in such a way that allows exportation of round timber. Moreover, China constantly reduces prices

on imported timber. Our raw materials cost little, and in China its price increases manifold and therefore the Chinese are lobbying low prices on exported timber.

At the state level it is necessary to pass relevant laws regulating trade in logged timber and the rules of its export outside Russia. They should include provisions, envisages low fees on processed timber to make logging companies interested in exportation of final products instead of round timber take out. Meanwhile, there are no such laws. If this situation continues, nobody will engage in timber processing. It will continue to rot in the forest and only first class timber will be taken out. If a relevant legislation is passed at the federal level then the situation can change drastically.

### **Activity on the FOREST Project *Zabubenin, E.V.***

The project entitled "Forest Resources and Technologies" (FOREST) (2000-2005), which is financed by the US Agency for International Development is realized by a consortium of companies headed by Winrock International with participation of Cemonics International and the Heron Group. The main task of the project is to preserve forests of Siberia and the Far East as the most important ecological and economic resource and to mainstream the project's results in the activities of public and commercial organizations at the national level.

Involving governmental structures, non-governmental associations, private enterprises and public organizations the project contributes to principles of non-exhaustible forest use, democratization of society and expansion of market relations in the following fields:

- Prevention of forest fires – decreasing the number of fires caused by human activity through informational and educational campaigns organization;
- Management of forest pests populations by means of introduction of new monitoring technologies;

- Non-wood forest products and deep processing of timber aimed at optimization of the activity of associations and enterprises of the forest and timber processing complex, introduction of advanced technologies and incorporation of the principles of stable non-exhaustible forest use in their practical activity;
- Biomass energy aimed at introduction of technologies of efficient utilization of timber wastes.

In order to reach its targets the “FOREST” project in partnership with Russian organizations and partners renders assistance in carrying out practical trainings and conducting market research provides consulting and expert support, gives grants, etc. The “FOREST” project is operational in the territory of Khabarovsk Krai, Sakhalin Krai, Primorie, Krasnoyarsky Krai and Irkutskaya Oblast.

The “FOREST” project covers a complex of interacting factors, which influence the environment, such as development of the civil society and local self-governance, policy, democracy, human health and so on.

The activity of the project’s component concerning fires prevention is connected with institutionalization of a comprehensive system of promotional, educational, informational and advertising activities aimed at decreasing the number of fires caused by human activity. In the framework of this component a manual for forest specialist on public relations activities and a fire prevention program for children 10-14 years old have been elaborated, information centers have been established, seminars have been held and educational activities, experience-sharing and distribution of information materials have been organized.

The system of forest pests monitoring aimed at preservation of the forest fund from damage caused by entomological fauna pest populations tracing covers pest mass outbreaks prevention and introduction of technologies for pheromone pest monitoring; moreover a system of monitoring of Siberian silkworm populations has been established. Russian and

American specialists have drafted new specialized maps of forest protection, a handbook on the methods of pest monitoring and forest diseases and conducted forest pathology research activities in the area of Sakhalin, Krasnoyarsky Krai, Khabarovsk Krai and Primorie.

Within the framework of the activities timber and non-wood forest products processing component businessmen have undergone training in the USA (some 12 exhibitions and educational tours have been organized), negotiated contracts totaling 7 million dollars, purchased equipment worth of 3.7 million dollar, created 250 new jobs, commissioned 14 new processing lines, produced 84 types of products and established 4 sectoral associations. The project has facilitated the development of forest enterprises, testing of the market methods, and introduction of new technologies and expansion of trade markets. The project has substantially contributed to the elaboration and adoption of the regulation by the Governor of Khabarovsk Krai entitled “On the adoption of rules of the forest fund use for carrying out certain types of by-side forest use and procurement of secondary forest resources for obtaining natural vegetation products in the territory of Khabarovsk Krai”, No. 129, issued on May 14, 2004. The “FOREST” project is also actively involved in the elaboration of such documents as “The concept and general directions of development of the forest sector of Krasnoyarsky Krai in 2004-2005”, “On the development of collecting and processing of non-wood forest products in Krasnoyarsky Krai in 2004-2010” as well as the Law of Krasnoyarsky Krai on collecting, processing and exporting of non-wood forest products.

The component on the use of biomass energy contributed to utilization of timber wastes, development of power engineering at enterprises and drying of timber, provision of remote villages with heating and electric power. We can be proud that the project’s target to generate power capacity for biomass of 50 mWt has

been already exceeded by more than one and a half time.

Voluntary and grant component of the project's activities includes about 150 scientific research and production associations and enterprises, Fifty nine volunteers from the USA and 112 Russian volunteers take part in this activity. Grants have been provided to 21 companies to totaling nearly 500 thousand US dollars.

The "FOREST" project carries helps to reinforce the Russian forest sector. The project's goals are in many respects similar to the targets of the ministerial FLEG process.

### **On the Illegal Logging in the Far-Easter Region in 2001-2004**

*Kazakova, R.I.*

In the Far East the number of disclosed illegal logging in 2004 amounted to 1192, i.e. as compared to 2001 (1045) the net increase amounts to 14 %.

In 2004 the largest number of violations was discovered in Amurskaya Oblast – 238 (Svobodnensky and Shimanovsky forest farms), Primorsky Krai — 351 (Dalnerechensky, Kirovsky, Krasnoarmeisky, Chuguyevsky, Pozharsky Districts), Khabarovsk Krai – 329 (Khorsky, Avnsky, Khabarovsk, Bikin-sky, Komsomolsky, Prigranichny, Inno-kentievsky, Gursky forest farms), the Jewish Autonomous Okrug -122, the Sakha Republic (Yakutiya) – 124 (Aldansky, Indigirsky, Neryungrinsky, Olek-minsky, Tommotsky, Ust-Maisky). The smallest number was revealed in Sakhalinskaya Oblast – 45 (Smirnykhovsky, Gastellovsky, Yuzhno-Sakhalinsky, Korsakovsky forest farms) and Kamchatskaya Oblast – 36.

In 2001, the volume of non-legally logged timber was 44.091 thousand cubic meters, which amounted to 77 % of the level of 2004 (57.258 thousands cubic meters).

The largest quantity of non-legally logged timber falls on Amurskaya Oblast – 12.477 thousand cubic meters, Primorsky Krai – 13.37 thousand cubic

meters, Khabarovsk Krai – 19.831 thousand cubic meters and the Sakha Republic (Yakutiya) – 9.267 thousand cubic meters.

In 2004, the value of suits for damages for the revealed illegal logging amounted to 475430.7 thousand rubles, while damages recovered amounted to 1309.1 thousand rubles, which is equal to 0,002 % of the total value of damage caused.

Officials and physical persons have been more often called to account for revealed illegal logging. In 2001, the total sum of administrative fines amounted to 92.6 thousand rubles, in 2004 — to 1428.5 thousand rubles, while recovered fines in 2001 totaled 48.0 thousand rubles (or 52 %) and in 2004 — 576.3 thousand rubles (or 40 %).

### **Activities of Regional Public Organizations (IMEB Example) for Addressing Issues on Forest Use in Tomskaya Oblast**

*Aushev, S.V.*

"IMEB" is engaged in ecological training and communication with population, ecological education and public ecological control. The forestry problem is also included in the list of its projects and fields of activity. All these fields interrelate and comprise one big objective – to lobbying public interests and approaching and bringing into life the ideals of civil society.

Our forest program consists of several blocs; some of which are underway. Currently, we are implementing a Canadian project which is entitled "To protect taiga forest – the Siberian pearl!". The main goal under the project is to collect and analyze information on the problems of the forest sector of our region, to obtain conclusions and recommendations for solving problems and to present these conclusions to decision-makers. We collect information in several ways. We have held a round-table with participation of official representatives, public and business circles as well as academic community. The round-table has been focused on the prob-

lems of a particular reserve. There is no reserve in Tomskaya Oblast in spite of the fact that there are blocks of rather rare species of coniferous forests. As one representative of the Siberian Department of the Russian Academy of Sciences put it at the round-table, these relict forests are practically the last ones left in the Eurasian continent. The round-table has also discussed the problems of specially protected national areas in Russia in general. It has been stated that we are witnessing systematic destruction of the system of specially protected national areas. The particular reasons of this destruction have been also discussed.

After the round-table, we have held a session of a marketing club. It represents one of the methods to collect information from the business community. On March 21-22, we intend to hold a scientific and practical conference, intended to collect information from representatives of the academic community and public at large. After the conference, we are going to hold parliamentary hearings, meetings with deputies where we could find out their opinion on these problems and to get their support for implementation of recommendations in order to improve the situation. In the process of the project's realization we regularly hold working sessions with representatives of the state authorities, including the Federal Forestry Agency, the Department of Natural Resources and Environment Protection of Tomskaya Oblast and the Main Regional Department "Oblcompriroda". At the same time we exercise public ecological control which is one of the priorities of our organization. We recognize this activity as protection of citizen's rights to favorable environment through various activities such as provision of consulting services for the population on cooperation with the state authorities, exercising public ecological control in the form of joint raids with representatives of state inspection bodies and conducting public ecological expertise. Our main objective is to launch such raids and to focus the attention of the state inspection bodies on those places where we

would be eager to conduct our inspection. Recently, we have visited the territory of the designated reserve where we have discovered a lot of violations. There, in the buffer zone cutting activities have been carried out without a positive conclusion given by the state ecological expertise. The most interesting thing is that the territory had been leased in 2001 but the project on tending-cuttings and forestry management at that leased plot was developed as late as last fall and it has not yet received a positive conclusion of the state ecological expertise. Besides the above-mentioned forms of ecological control, we could refer to representation of interests of the local population in the court of law. However, our organization has not yet had such an experience due to unavailability of required professionals.

In Tomskaya Oblast the problem of illegal logging is not so acute as in the Far East and Primorie. According to official reports, a few years ago cuttings in the province amounted to 4.5-5 % of the entire volume of the estimated forest cutting. Now, this number has increased to about 6.6 %. (The Report on the State of Environment in Tomskaya Oblast in 2003). According to data provided by the Department for Business and Real Sector Development, in 2003 there were only 41-42 big forest users. Now their number has decreased, since many forest users have been liquidated and disappeared.

The main challenge for the regional administration and forest farms is to attract, possibly, educated and responsible investors to forest business. Our foresters, specialists working in the forestry sector have an old breeding and they are well-educated specialists. They have nowhere to go, their only place of work is a forest farm and they remain there. They contribute to expelling all sorts of irresponsible forest users from the territories under their jurisdiction. Besides, this fact affects the number of forest users. But, on the other hand, those forest users who remain carry out logging in a more responsible and educated way.

Two years ago, we were faced with constant negligence by forest users of their duties to present projects of tending-cuttings and forestry management to the state ecological expertise. Even now, this fact is a usual state of affairs for Irkutskaya Oblast – cuttings without a positive conclusion of the state ecological expertise. Moreover, forestry workers themselves believe that the above-mentioned projects do not need this expertise. With the help of the office of the public prosecutor, we have managed to convince forestry specialists and now all the projects have been subjected to obligatory expertise. Besides, finally we had a very interesting talk with a deputy head of a forestry agency who told us that it was very easy and cheap to make this expertise and that they were wrong quarreling with us. Now there is another problem – the one of low quality of expertise and its formal character.

As for violations in the regional forest sector, I can list a range of characteristic violations such as deviation from a technological map, leaving brush wood, lack of permitting documents and agreements for workers accommodations (camps, settlements), non-compliance with cutting technology, environmental law violations (leaving oiled rags, pollution of plots by mineral oil), lack of conclusion of the state ecological expertise, etc. In some cases, cutters are simply unable to observe all norms owing to some objective reasons: for example, on the one hand, it does not pay to take out brush wood and fuel wood to the nearest settlements because of economic unprofitability, and, on the other, they do not have time to liquidate it at the spot in a fire-dangerous season. Besides, when a conclusion of the state ecological expertise is lacking, loggers face big problems: as a result of our last raid the activity of such an enterprise was suspended by a prosecutor's order. And now forest rangers are interested neither in inspections, nor in control. As one chief forest ranger from a forest farm put it they do not want other people to report on their work, for instance, through Rosprirod-

nadzor where foresters should send all inspection acts and where they later would be turned into protocols and fines.

In my opinion, the main problem in the field of specially protected natural areas is poor organization of the process of research of territories and justification for the establishment of nature conservation sites, reserves, reservations and national natural parks. When we trace the history of our reserve from the very beginning, we saw that in fact the idea of establishing a reserve in Tomskaya Oblast turned out to be a heap of ambitions with minimum research. There was a woman sent from the affiliate of the Novosibirsk Forest Institute, who visited the place in 1984, carried out some work, then defended a thesis and after that nobody never came here and did not carry out any research. An actual impetus to the establishment of the reserve was given by a letter sent from the Forest Institute, and further this matter was used by some people to promote their political careers, including our Governor, who stated that he would set up the first reserve in Tomskaya Oblast. After coming to office of a new head of administration, being a very educated specialist who used to work in a timber processing enterprise and was an active nature conservation advocate within ecological councils established on the wave of democratic enthusiasm in 1995, certain changes did take place. He correctly maintains that in spite of all clamor around the planned reserve and the existence of a customer, nobody has ever studied the territory. That is why we have decided to focus on research activities. In summer, we are going to launch a program of international scientific tourism. We will invite a group of Cambridge students to the reserve in order to study its territory, since from the moment of establishment of the reservation 21 years ago no research has been ever conducted.

There is no network of specially protected natural areas in Tomskaya Oblast, which results from its poor justification. All our specially protected natural areas were established either with the aim of

improving statistics or for satisfying somebody's ambitions. Meanwhile, there is no well-founded plan for the development of this network of specially protected natural areas. Such a network has never existed but it is worth developing. Thus, lack of any sound research implies that information on all these specially protected natural areas has become outdated and obsolete.

We held a public ecological expertise once and it seemed that the authorities looked at it, possibly took it into account but made decision on their own. In our opinion, such an activity was not effective in terms of lobbying public interests but was useful for obtaining information. However, we have our own traditional ways of receiving information, and we find common language with the majority of main holders of information. This is why we do not need to use public ecological expertise to obtain the information required.

We think that scientific tourism would contribute to sustainable forest use. For example, when local administration and people see Cambridge students arriving they will look with other eyes at their own forests and think: "Look! Cambridge students came here, so there is something in our forests!". May be it will contribute to the improvement of the situation and the local authorities will appreciate the fact that they have forests, unique natural landscapes as an individual value, but not a block of rooted logs.

Our organization joins the NCO stand concerning the FLEG process with the only remark that our region has its own peculiar features that change a little a general vision of problems of the forest sector.

### **Illegal logging and Biodiversity Preservation in Khabarovsky Krai**

*Balagansky, N.M.*

Illegal logging and export of timber are serious international problems. For our region the most important aspect of this

big problem are cuttings of Mongolian oak which make a forage reserve for hooved animals, especially for wild boar, both in Khabarovsky and Primorsky Krai. We could unambiguously forecast that in some five years oak will disappear due to cuttings and forest fires. Some time ago, cedar was cut out completely, now oak can be cut out and the number of wild boar will decrease in spite of all measures taken. Wild boar will simply have nothing to eat.

I support this seminar and the importance of problems being put forward, although I would like to emphasize that in the course of administrative reforms at the governmental level serious problems emerge both in the forest sector and in the sphere of hunting farms. It is necessary to establish law and order in these branches as well as in the system of their management. In this situation the voice of public against illegal logging is very important. If we are silent then they would disforest everything.

It is necessary to underline the problem of interrelations between hunters and tenants of the forest fund. Recently the situation has extremely aggravated, there is a flood of complaints and there have even been attempts of physical reprisals, especially, in the southern regions of Khabarovsky Krai. The main problem is the absence in Khabarovsky Krai of model regulations on handing over plots of the forest fund for hunting purposes. Contracts on hunting are not negotiated with forest farms, i.e. the territory is reckoned as unsettled and it could be leased on a tender basis. Tenants begin to cut down trees and we face problems of lack of coordination among users, while quite often leads to a situation in which the interests of hunters suffer. The thing is that the subjects of lease are resources of hunting animals within the boundaries of a certain territory but not the territory itself, although such types of forest use as the use of the forest fund for needs of hunting farms has been envisaged.

This question was raised as early as in 1992 when forestry governance bodies

proposed to lease the territory of the forest fund to hunting users and to fix a certain rent for the entire area. When this question was discussed, we pointed out that we needed the forest fund precisely for needs of hunting farm. As a result, we did not manage to reconcile positions, while the forest code of Khabarovsky Krai says that this type of forest use shall be regulated by a separate instrument. That document has not been worked out yet. On the basis of the law "On Wildlife" hunters can use the resources of game animals instead of land, territory or hunting grounds. We grant them a license, but there is still one "but"... In the process of negotiation of a contract with the government of Khabarovsky Krai, the terms of

hunting use should be agreed with land-, water-, forest- and other forms of use. Regrettably, such a coordination procedure does not exist.

Unfortunately, public influence on decision-making in this sphere is very limited. The only public representative in the Commission on Forest Use under the government of Khabarovsky Krai is the president of the Association of the Indigenous Small Peoples of the North and that is all. The same situation is seen in the Commission on Hunting. At the same time, the problems of non-compliance with the law and insufficient involvement of the population in decision-making are very acute in Khabarovsky Krai.



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## **Europe and North Asia Forest Law Enforcement and Governance (ENA-FLEG) Ministerial Process. International Steering Committee Meeting (Moscow, February 21-22, 2005)**

The meeting was held in Moscow at the Ministry of Natural Resources of the Russian Federation.

It was for the first time when representatives of civil society and business were invited to the meeting of International Steering Committee. Russian NGOs have presented their position on process FLEG and criteria of self-selection, and for the first time this document from NGOs was included in minutes of the meeting.

At first session K. Canby has presented the general information: about concept FLEG, about preparation of Declarations and action plans, preparatory conferences and other actions, and also about the fur-

ther steps at a national level. Then, N.B. Bantsekin and B.M. Bol'shakov have presented the concept prepared by MNR of the Russian Federation.

On the round table devoted to the role of private sector and civil society in the FLEG process, invited speakers made their presentations: D.D. Chujko (Ilim Pulp), I.E. Artem'ev (Consulting service under foreign investments), E.A. Shvarts (WWF-Russia), V.V. Moshkalo (IUCN) and Lars Laestadius (GWF/WRI).

During the second and the subsequent sessions, representatives of ISC delegations worked within the framework of the agenda adopted.

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## **Brief summary of the Meeting “On the Preparation to the Ministerial Conference ENA FLEG in Russia” (Moscow, March 14, 2005)**

The meeting was dedicated to the challenge of involving public organizations in the process of improving law enforcement and governance in the forest sector of Europe and North Asia (ENA FLEG). One of the main objectives of the meeting was an exchange of opinions between representatives of the civil society and governmental bodies, in particular, in consideration of the results of the civil society hearings and seminar on the FLEG process held in St. Petersburg and Khabarovsk.

The Deputy Heads of the Federal Forestry Agency, V.V. Nefed'ev and B.M. Bol'shakov, underlined the importance of cooperation between the public and governmental bodies in the field of controlling negative phenomena in the forest sector. The representative of the Federal Forestry Agency, N.M. Muraviev, informed participants of the outcomes of the meeting of the International Steering Committee for ENA FLEG held on February 21-22, 2005 in Moscow. In particular, he pointed out that:

- For the first time non-governmental organizations and business representatives were invited to the first meeting of the International Steering Committee;

- On February 22 a confirmation was received from the authorities of the Chinese forest department concerning their interest in the ENA FLEG process and in the ministerial conference which is to be held in November 2005 in St. Petersburg;

- A preparatory ENA FLEG conference is to be held on June 8-10, 2005 in Moscow. Confirmations were received from half of invitees from 53 countries. Furthermore, about 15 non-governmental organizations and 10 business community

representatives will be invited to attend the conference;

- In 2006 Russia will host a meeting of the Group 8 which will also focus on the FLEG problems.

Presentations by non-governmental organizations illustrated a general vision of the process (V.K. Teplyakov), results of the meeting in St. Petersburg (A.S. Karpov) and in Khabarovsk (I.B. Bogdan) as well as the dual character of the process (A.Y. Yaroshenko): on the one hand, the improvement of law-enforcement and forest governance and forestry activities and, on the other, the protracted reform of forest governance with unknown and non-transparent objectives. In particular, new provisions of the forest law are leading to destruction of the existing system of state forest guards, which has existed for a long time, and are creating threats to the system of specially protected forest areas and resulting in personnel wastage.

A.A. Kotlobay informed the participants of a planned meeting of non-governmental organizations and the business community which is to take place in Moscow on March 23, 2005. The meeting will be dedicated to the elaboration of proposals concerning illegal logging, monitoring of timber flows etc., and will inform representatives of the Russian forest business community of the ENA FLEG process.

M.I. Smetanina informed the meeting of the World Bank experience in the Asian and African FLEG processes implementation. V.P. Zakharov informed the participants of communications under the process. In particular, in the course of discussion of the latter issue proposals were made to establish as soon as possible

relevant pages on the web-sites of the Ministry of Natural Resources and the Federal Forestry Agency dedicated to the ENA FLEG process, since the Ministerial Conference is the most important event on their calendar. There is a clear deficit of official information both on the ENA FLEG process and on improvement of the forest law and measures taken in respect of illegal logging.

In this regard proposals were again voiced concerning joint preparation of the Ministerial Conference with the involvement of not only representatives of the

civil society and forest business community, but with a more extensive participation of the federal ministries and agencies, responsible for problems of economic development, customs, taxes, transport, supervision, including prosecutors' supervision and so on.

In conclusion, it was proposed to speed up the activities of the expert council established by the order of the Ministry of Natural Resources issued late in 2004 in the preparation of Russia's position at the 2005 Ministerial Conference on ENA FLEG which has not started its work yet.



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## Annexes

### Annex 1.

#### Forest Law and Other Related Laws Enforcement Analysis

*Shuvaev Yu.P.*

##### Introduction

The general understanding of such a notion as “forest” comes to a concept that forest is a key component of the natural environment, regulating most of its processes over the territory of one third of the total land area. Forests are considered to be one of the global and very basic factors providing sustainable development of mankind and its ecological safety.

Over 55% of annual timber increment is used by mankind annually. This very fact perfectly explains the main reason why forestry related business interests are still dominating in forest policies of many countries in the world. Still, environmental protection and biodiversity conservation are not yet prioritized.

##### The Role of Forest Legislation in the Russian Federation

Forest legislation plays one of the key roles in a set of measures focused on sustainable use, reforestation, forest guard and protection.

According to the article 72 of the Constitution of the Russian Federation, forest legislation is under the jurisdiction of both: the Russian Federation and the subjects of the Russian Federation. Legal aspects and regulation of forestry activities directly involve daily interests of the people.

Forest legislation belongs to a single and interrelated field of general law and is based on the Constitution of the Russian Federation. It consists of the Forest Code of the Russian Federation, of other federal laws and legal acts and documents of the Russian Federation as well as of the codes and acts of the subjects of the Russian Federation.

In Russia, legal regulation of forestry activities is conducted, taking into

account that forests are a combination of forest vegetation, land, fauna and other components of natural environment. It is clearly understood that forests have high ecological and economic importance as well as social significance.

According to the legislation, objects of forest relations can be listed as following: the Forest Fund of the Russian Federation; Forest Fund sections and sites; the right to use the above mentioned categories; forests outside the Forest Fund, their sections and the right to use them, tree and shrub vegetation.

These objects are recognized as key components of forestry production and are actively used taking into account multifunctional role of forests.

##### Complicated Aspects of Russian Forest and Timber Sector

The forest and timber sector of the Russian Federation has a stable economic potential as it is based on a huge stock of wood raw materials. The forest stock is 82 mlrd.m<sup>3</sup>, which allows harvesting 518 mill.m<sup>3</sup> annually. This amount could be harvested with no silvicultural and ecological damage.

However, this huge potential is not used effectively. The development of forest industries in Russia is limited due to low technical level of production. Harvesting machinery and related equipment have become obsolete. The level of deterioration of harvesting machinery is critical – it has reached 70%. Old machinery and low technological discipline of the employees have lead to numerous violations and do not guarantee obeying rules, following regulations and law enforcement.

Annual Allowable Cut is underharvested due to following reasons: constantly

changing timber demand (mostly at the domestic market); separate and disconnected programs approved by the subjects of the Russian Federation in the field of forestry; inadequate pricing policy (forest products); limited capital investments into the construction of forest roads and into the development of forest complex in general, and imperfect administrative, tax, and customs legislation. According to Rosleskhoz data submitted by January 1, 2005, 179 mill.m<sup>3</sup> of state forests (under the jurisdiction of Ministry of Natural Resources, MNR) was harvested in 2004 (final felling included — 115 mill.m<sup>3</sup>). This makes only 22% of the official and adopted Annual Allowable Cut.

Location of forest logging enterprises and forest processing companies throughout the country proved to be irrational. There is a clear lack of production capacities in sawmilling, timber processing and deep processing of raw materials in Siberia and in the Far East. The percentage of forest land in these regions is quite high (70%) and the production is very low: 37 % of roundwood; 36% of sawn timber; 10% of plywood; and 8% of paper and board.

Vast forests of the Asian part of Russia are almost inaccessible due to the undeveloped infrastructure and lack of forest roads.

Forest resources of the European part of Russia are utilized ineffectively. Vast areas of broadleaf stands and coniferous forests of low quality are not properly used due to the lack of wood processing capacities. Almost 200 mill.m<sup>3</sup> of timber increment is underharvested annually, leading to high accumulation of overmature trees, decaying wood and waste, high inflammability and high vulnerability to pests and diseases.

### **Destructive Consequences of Illegal Logging in the Bordering Forests**

Illegal logging is, however, still conducted in several regions of the country. According to Rosleskhoz data, the volume of illegally harvested timber has reached

800 thous.m<sup>3</sup>. Independent experts from non-governmental organizations claim that this figure is much higher.

To give an example, unauthorized harvesting and shady forestry business in certain regions of Primorsky Krai have become a norm. This happened due to the following characteristic features of forestry of nowadays:

- presence of rare and valuable tree species (Siberian cedar — *Pinus sibirica*, oak, nut, and ash) in all parts of Russia's forests and their uneven distribution;
- application of selective harvesting (final felling), ignoring silvicultural requirements and regulations of the forest legislation;
- groundless exclusion of huge forested sites from final felling calculations where later on intermediate harvesting is conducted with offences against adopted laws and regulations;
- close location of huge markets such as China, Korea, and Japan;
- weakly developed timber processing and unsustainable sawmilling in the region (low investment interest);
- loose administration of the forest use, weak forest guard and protection, ineffective control over illegal logging;
- imperfect legislation and weak legal normative base related to forest use, reforestation, forest guard and protection (Far East).

### **Offences against Forest Legislation while Conducting Timber Removals**

The results of the survey clearly show that illegal logging of nowadays differs greatly from the illegal logging of the past years. Earlier, illegal harvesting took place reticently and destructively, taking out either the best tree species or the most accessible valuable trees. Unauthorized harvesting was not supported by any documents and was absolutely exterminating. Nowadays, illegal logging is more “legalized” getting under either selective harvesting (final felling) or improvement cutting, or intermediate felling.

There is a common practice of timber removals conducted “by the area”. This allows for the forest user to considerably overharvest and exceed felling volumes stated in the felling license and in the leasing contract.

According to regional regulations of final fellings, forest management units (leskhozoes) have to practice selective harvesting. The grounds are the following:

- presence of tree species prohibited to harvest;
- high steepness at the slopes of a felling site;
- big portion of Group III forests.

That is why neither enumeration of trees, designated for felling nor marking is used. Timber removals, including tree species of economic value are conducted by the control diameter. This results in numerous violations and infringements. For example, in Shkotovsky forest management unit (Primorsky Krai, the Far East) 70 hectares were designated for selective harvesting (final felling). However, the volume of commercial timber was only 2, 4 m<sup>3</sup> per hectare. Naturally, it is clear that during felling operations or during the revision of felling records it is very hard to check the actual amount of timber harvested. Also, it is hard to check its quality and value as well as the diameters of the felled trees.

Thus we can assume that the basis for infringements is laid at the stage of designation of forest sites for harvesting, while registering logging claims and felling licenses.

According to the Rosleskhoz data selective harvesting is prescribed for plain areas with limited amount of valuable tree species. This clearly conflicts with the Final Felling Regulations in the Forests of the Far East. Harvesting conducted in such a way will result in:

- leaving trees of low economic value on a felling site;
- lowering of the value and the price of timber harvested;
- leaving deadwood and damaged trees;

- exemption of a forest user to conduct reforestation measures.

The above mentioned types of felling operations are actually focused at removing the best valuable trees. This leads to the worsened tree species composition in Primorsky Krai. Based on the above mentioned facts, it is clear that forest harvesting in Promorje is not conducted according to the forest legislation.

According to the State Forest Fund Account (2003) the area of hardwoods in Primorsky Krai is about 3.125 thousand hectares, which is about 27.6% of the total forested area.

Most of the intermediate cuttings conducted in Primorsky Krai (up to 70%) are complex fellings, thinnings, or improvement harvesting. These intermediate cuttings are not very different from selective harvesting (final fellings) apart for one thing: most part of timber from intermediate cuttings is harvested with no payments for the Forest Fund use. When timber is harvested through final fellings, tenants have to pay for the use of the Forest Fund.

### **Offences against Forest Legislation while Setting Forests Aside for Harvesting**

Forest management units in Primorsky Krai allow setting aside forest sites which are not included into both forest management plans and final felling tables. This is a clear forest offence against the forest legislation. Also, there is a common practice of changing forest management plans when representatives from forest management units and forest inventory enterprise verify the data obtained in the year 2002 and introduce corrections. Thus, they change forest characteristics such as relative density, age structure, and species composition. Moreover, in most cases forest management units do not coordinate their activities with Forest Agency of the Primorsky Krai.

All the above mentioned violations related to setting forest sites aside for harvesting and actual timber removals

stipulate for illegal logging and other unauthorized actions.

### **The Connection between Existing Timber Markets and Illegal Logging.**

Illegal logging, hauling, transportation and timber sales are perfectly conditioned by wide and active consumption of timber produce, close location of sawmilling, close location of timber processing enterprises and close location of pulp and paper mills.

The Russian Federation is the key exporter of timber and wood materials to China. During the past ten years Russia has played leading role in timber exports to China leaving behind Indonesia and Malaysia. Export volumes of pine and larch round wood timber from Russia are much higher.

According to Chinese experts, the volumes of Russian timber exports have considerably grown due to the following reasons:

- most of the Russian timber originates from natural forests, so the quality of timber is high: diameters are over 24 cm and the value is clearly very good;
- the price is moderate and reasonable. Sometimes, the price for Russian timber is even lower than for the same quality and species in China;
- the stock of high quality hardwoods such as ash and oak in the North East of China is almost depleted. Russian forest potential is strong and provides a perfect alternative to these tree species;
- favorable conditions for frontier trade and customs operations.

Moratorium over timber harvesting was introduced in China. This has led to activation of timber trade with Russia and has resulted in the increase of harvesting volumes in Siberia and in the Far East along the Chinese border. This has also led to the increased amounts of unauthorized logging and illegal harvesting in the above mentioned regions.

According to the data of the Center of International Forest Trade, the deficit of

timber in China might reach 200 mln.m<sup>3</sup> by the year 2025. To meet timber needs and demands China very much relies on timber resources of the Russian Federation. Chinese customs experts recorded that timber trade between Russia and China has increased 2.5 times during the past four years (2000-2004).

Independent Russian experts consider frontier monitoring to be weak and state control over timber trade ineffective. There are special posts along the Russia-China border through which timber is transported to China by railroad or motor roads. These posts are not checked properly. There are Chinese companies existing that clearly exceed the allowed volumes of timber trade. Thus, they introduce very local and hidden investments into forest logging enterprises of Siberia and the Far East.

To conclude, favorable grounds for the abuse of forest resources are provided by:

- considerable increase of timber demands in China as a result of harvesting moratorium;
- launch of powerful timber processing enterprises in the frontier areas;
- lack of due and effective control over harvesting and timber utilization in Russia.

### **Offences against Customs' Legislation**

The system of monitoring and control over timber harvesting, transportation, and utilization at the domestic market as well as tracing exports is not corresponding to the requirements of the normative legal acts, which regulate forestry related activities.

To give an example: the volume of hardwoods removals within all forest management units of the Primorsky Krai during nine months (in 2004) was 221 thousand m<sup>3</sup>. According to the data of Grodekovskaya Customs, roundwood timber exports (hardwoods) to China constituted 15-16 thousand m<sup>3</sup> daily (300 wagon-loads) !!!

Also, there are some documented cases of unauthorized licenses issued for the forest products exports. An illegal system of timber exports has been settled years ago. It “allows” purchasing timber, illegally harvested in Primorsky Krai and exporting it to China using the closest customs post. Such an irresponsible timber exporter might have an official license and customs declaration issued in the other region or territory.

Among the twenty two documents required to get the state customs declaration there is not a single one determining how legal the origin of the exported timber is.

All the above mentioned infringements and offences against the law are considerably damaging for both economy and ecology of Siberia and the Far East. As a result, they negatively affect the forest resources of the Russian Federation as a whole.

There is a wide range of legal, economic, administrative and social factors assisting illegal logging to expand. The key ones come as following:

- imperfect legislation (civil, tax, customs and forest legislation);
- inadequate legal regulations on timber trade at the domestic market;
- inadequate legal regulations on timber trade at foreign markets;
- weak and insufficient control over forest logging and forest products sales;
- high levels of corruption and crime in the forest and timber sector;
- lack of legal and market incentives of the civilized forest use.

#### **Shortages of Forest Legislation, Deficiencies in Legal Adjustments and Weak Control over the Forest Use**

Growing volumes of unauthorized harvesting, spreading of illegal logging, “shady” and uncontrolled forest use have lead to clear worries and natural concerns of national and international society.

However, it is worth mentioning that the terms, related to illegal forest use and

timber sales have got several interpretations and are differently understood. The notions “unauthorized harvesting”, “illegal logging”, and “illegal forest use” still are not clearly defined. Illegal harvesting and illegal timber circulation have become of major concerns.

Moreover, in some cases illegal harvesting of non-timber forest products and medicinal plants is widely spreading as well as unauthorized land seizure and other offences against the existing regulations.

The dialogue between state authorities and the public is complicated due to different standpoints and varying interests. Cooperation and coordination of joint activities to reveal and stop illegal forest use is not always successful.

Legal responsibility is quite a vague concept, as the offence itself is not always stated in the most concrete way:

- article 110 of the Forest Code of the Russian Federation establishes administrative and criminal responsibility for the offences against the forest legislation;
- according to the Code of the Russian Federation on Administrative Infringements dated December 2001 N 195-FZ (Article 2.1), administrative infringement is a guilty action (or negligence) of a natural or juridical person for which administrative responsibility is fixed in the Code itself or in the laws of the subjects of the Russian Federation. Administrative responsibility is fixed for breaking the rules of setting logging claims, for breaking the rules of the forest use, for threatening fire safety in the forests, for illegal logging of trees and shrubs;
- however, neither the Code of the Russian Federation on Administrative Infringements nor the Criminal Code of the Russian Federation has clearly stated what illegal logging is;
- offences related to illegal logging of trees and shrubs lead to the punishments, stated in the Article 260 of the Criminal Law of the Russian Federation dated June 13, 1996 N 63-FZ.

In the resolution of the plenary session of the Supreme Court of the Russian Federation dated November 5, 1998 N14 (item 11) it is explained what has to be understood under the notion “illegal logging”:

- felling of trees, shrubs and lianas not having a felling license;
- felling according to the felling license which was issued breaking harvesting rules;
- felling conducted:
  - at the wrong place or outside its borders;
  - over the volumes stated in the felling license;
  - of different species than stated in the felling license or felling trees which are prohibited to fell;
  - after the felling period stated in the felling license;
  - felling of tree (shrub or lianas) species that are prohibited to fell in the Regulations on Timber Removals;
  - after the decision was taken to stop or limit the activities of the forest user;
  - when the Forest Fund lease has expired.

Precisely this definition was given to the term “illegal logging” and it is widely and indisputably used in official documentation and in courts. State authorities and agencies, forestry organizations, forest users, citizens and general public apply it while dealing with the issue of illegal logging and unauthorized harvesting.

However, wrong appellations and characteristics of violations, infringements and offences against the forest law do not allow to fully apply civil, administrative, and crime law.

Also, the constantly changing Forest Code of the Russian Federation and outdated legal normative base of the forest legislation do not contribute to the decrease of illegal logging.

Nowadays, the following legal documents regulate forestry relations:

- 28 federal laws and Edicts of the President;

- 67 resolutions of the Council of Ministers and the State Government of the Russian Federation;

- 147 departmental normative, methodic and technical documents.

The Forest Code of the Russian Federation dated January 29, 1997 N 22-FZ and the adopted amendments from December 29, 2004 N 199- FZ do not fully meet the requirements of current forestry developments.

The federal law has introduced essential changes into the forest management system. The major ones come as following:

- powers and authorities of the federal center and of the subjects of the Russian Federation are re-distributed;
- the authority to conduct forest contests and to set stumpage price (except for the stumpage price for the forest use) belonged earlier to farming organizations and nowadays is delegated to Rosleskhoz which is the forest executive body;
- the following activities were delegated to the authority of the subjects of the Russian Federation:
  - fire fighting within the Forest Fund area over the territory of the subject of the Russian Federation;
  - forest ownership over the forests that were earlier under the jurisdiction of farming agencies;
  - forest guard and protection;
  - reforestation;
  - letting forest sites for the forest use;
  - setting stumpage prices;
  - issuing felling licenses, coupons, tickets and other permissions to use forests;
  - conducting forest management and planning. These activities are financed from the federal budget.
- forest use, forest guard and protection as well as reforestation within the boundaries of rural and urban settlements (except for Moscow and St.Petersbourg) are delegated to regional authorities;
- state monitoring and functions of control are placed on the executive body

in the field of nature resource use which is Rosprirodnadzor;

- state forest guard over the forests of the Russian Federation is under the jurisdiction of Rosprirodnadzor and not under the Rosleskhoz as it has been for two centuries.

There is an acute need to develop new regulations and to introduce changes into the acting legislation. This has to be done taking into account that certain articles of the Forest Code of the Russian Federation together with the amendments are not of the direct use. The following ones are among them:

- The procedure of limiting and suspension of the rights to use the sites of the Forest Fund is regulated by the legislation of the Russian Federation (article 27);

- The procedure of suspension of the rights to use the Forest Fund sites is regulated by the legislation of the Russian Federation (article 29);

- Regulations on Forest Fund lease are adopted by the State Government of the Russian Federation (article 31);

- The procedure and conducting of forest contests is under the authority of the Ministry of Natural Resources which is the federal body of executive power that develops state policies, normative and legal basis in forestry (article 35);

- Regulations on the procedure of letting Forest Fund sites for the gratuitous use is adopted by the State Government of the Russian Federation (article 36);

- The procedure of issuing of a forest license, coupon or a ticket is fixed by the Ministry of Natural Resources (article 42);

- The procedure of conducting of the forest auctions is fixed by the Ministry of Natural Resources (article 44);

- The order and procedure of financial controls and calculations for the submission to get subventions is settled by the State Government of the Russian Federation (article 51);

- Criteria to attribute the Group III forests to the reserved forests are settled

by the Ministry of Natural Resources (article 58);

- The list of specially protected sites is settled by the Ministry of Natural Resources (article 59);

- The procedure of transmission of forest lands to non-forest lands to be used not for forestry purposes is fixed by the State Government of the Russian Federation (article 63);

- The procedure of obligatory forest certification is set up by the Russian Federation legislation on technical regulation (article 71);

- The procedure of control over the forest state, forest use, forest guard and protection as well as forest regeneration is fixed by the State Government of the Russian Federation (article 76). Functions of control are delegated to the federal body of executive power in the field of nature resource use and to the regional bodies of state control;

- The regulation on the state forest guard is adopted by the State Government of the Russian Federation (article 77);

- The list of minor forest products is approved by the Ministry of Natural Resources of the Russian Federation (article 80);

- The procedure of awarding damages and compensations to forest management units is settled by the State Government of the Russian Federation (article 85);

- The list of fire fighting actions and action plans are determined by the Ministry of Natural Resources of the Russian Federation (article 94);

- The regulation on aerial observations over the Forest Fund lands and over the areas outside the Forest Fund is settled by the Ministry of Natural Resources of the Russian Federation (article 97);

- Sanitary regulations to protect the Forest Fund lands and forests outside the Forest Fund are developed and approved by the Ministry of Natural resources (article 98);

- Minimum stumpage prices are determined by the State Government of the Russian Federation (article 103);

- Payments for various forest uses are determined by the Rosleskhoz (article 104);

- Final felling regulations and guidelines for intermediate harvesting are approved by the Ministry of Natural Resources following the procedure adopted by the State Government of the Russian Federation (article 115);

- The State Government of the Russian Federation approves the Regulations on timber removals in the forests of the Russian Federation (article 116).

Some time is needed to develop and coordinate the drafts of the above mentioned legal normative acts. More time has to be reserved for the submission of the drafts to the State Government and for the adoption of the documents.

It doesn't seem to be possible to suspend the dynamic processes that are taking place in forestry. These are forest leasing, gratuitous forest use, transmission of the Forest Fund lands (from forest lands to non-forest lands) and some others. This means that final felling, sanitary harvesting and other kinds of forest uses will be conducted according to outdated rules and regulations. In some cases the activities will break the rules and violations of the legislation will be registered.

State forest guard is a very exceptional field responsible for:

- forest legislation maintenance and following the laws;

- control over the state of the forests, forest use, forest guard and protection, as well as reforestation.

The Forest Code of the Russian Federation has set goals, aims, and procedures (article 92 and article 93) of forest guard and protection. It was clearly stated that forest management units in cooperation with aerial bases conduct forest guard and protection using ground and aerial methods.

There is a set of questions that could be addressed to the forest management structure, which is currently under the development. It is important to take into consideration that the state forest guard is

attached to the federal body of executive power in the field of nature resource use. The functions of forest guard and protection are delegated to either forest management units (which are under the jurisdiction of the federal body of executive power in the field of forestry) or to the executive authorities of the subjects of the Russian Federation. In this context, the following questions arise:

- what would be the system of forest guard and protection?

- what would be the implementing force?

- who will pay for it?

- what would be the powers and authorities of forest management units?

- what would be the powers and authorities of the bodies of executive power of the subjects of the Russian Federation ?

These questions should be urgently addressed and clarified by the forest owner – the State and to be clearly stated in the federal legislation.

In the Forest Code of the Russian Federation and in other federal laws the legislator has to determine rights, duties, and responsibilities of forest guards. Also, their safety and protection have to be ensured. Forest guards are operating in forest management units, national parks, at military, educational, urban and rural forestry sites. Thus, some serious changes and amendments have to be introduced into the existing civil, administrative and crime codes as well as to the other legislative documents of the Russian Federation.

Suggestions to introduce militarized forest guard and armed detachments are quite formal and do not contribute to the preventive measures to solve the problem of illegal logging. On the contrary, in some cases they will support illegal activities of natural or juridical persons as well as foreign forest users.

A set of amendments was introduced to the Forest Code of the Russian Federation on December 29, 2004 (N199-FZ), but they will not influence forest management significantly.

On the 31st of January 2005 the State Government of the Russian Federation submitted a new draft of the Forest Code to the Russian State Duma.

The draft is not based on the continuity principle and does not inherit the features of the previous legislative documents. While developing the draft, the authors neglected the silvicultural essence of the object of the forest relations and the notion “forest” was torn into forest blocks, districts, and sites. The authors disregarded ecological, economic and social features of the biogeocenosis which consists from the complete totality of tree, shrub, grass and other forest vegetation, as well as from soil, land, fauna species and other natural objects.

The authors haven't provided the definitions, descriptions, names, appellations, and actions that are widely applied in the text. Having defined the federal ownership over the lands of the Forest Fund, the authors eliminated one of the key sections dedicated to the state forest management in the field of forest use, forest guard and protection as well as reforestation. Only few chapters of the draft stipulate for the state control, records, accounts and forest monitoring. The functions and activities of the state bodies of forest management in the subjects of the Russian Federation were separated from management activities. Also, no legal basis is provided to prevent illegal logging and unauthorized timber removals. There are more imperfections and shortcomings in the submitted draft of the Forest Code of the Russian Federation.

Certain section of the draft is built upon the principle of limitations in the forest use. It is a known fact that bans and prohibitions will not favor complex and complete use of mature, overmature and low productive forest stands.

The development and ratification of federal laws “On the Introduction of the Forest Code of the Russian Federation into Action” and “On the Transformations of the Forest Fund Lands” will be required as the new edition of the Forest Code is adopted.

The draft of the Forest Code envisages legal regulation of forest relations being based on technical regulations that are developed according to the requirements of the federal law “On the Technical Regulation”. The following drafts of the federal laws have to be still developed:

1. “On technical regulations for forest harvesting in plain areas of the European Russia, in mountainous forests of Northern Caucasus, in the forests of Urals, in the forests of Western and Eastern Siberia, in the forests of the Far East and in the basin of the lake Baikal”;
2. “On technical regulations of turpentine gum harvesting”;
3. “On technical regulations of secondary forest products harvesting (stumps, birch bark, bark, branch and twig feed, brushwood, etc)”;
4. “On technical regulations of sanitary harvesting”;
5. “On technical regulations of reforestation”;
6. “On technical regulations of afforestation”;
7. “On technical regulations of improvement harvesting (cleaning, intermediate).”

An adoption of an Edict of the President of the Russian Federation titled “Enumeration of forest blocks and sites that are not allowed to be owned by foreign citizens, persons with no citizenship and foreign juridical persons” is required.

Development and adoption of more 13 forestry related normative legal acts of the State Government of the Russian Federation is in prospect.

Amendments and changes have to be introduced to the Budgetary Code of the Russian Federation and to some other federal laws.

List of the acts of the federal legislation that was submitted to the Russian State Duma is not final and exhaustive and is open for the revision.

An estimated period of time — from two to three years is required for the development of legal acts, regulating forest relations. During this period the exist-

ing legislation, instructions and regulations will be in power.

### **National Interests of the Russian Federation in Forest Sector**

The Russian Federation, possessing one fourth of the world's forest resources is in need of a clear and distinct forest policy. The necessity to develop such a policy also results from the decisions taken at the United Nations International Conference on the Environment held in 1992 in Rio de Janeiro. Major principles of nature resource use (including forests) that ensure sustainable development of national economies of the participating countries as well as the global economy were developed at the Conference.

The national forest policy is intended for to become one of the basic components of the general strategy of socio-economic development of the Russian Federation in the long term of planning.

Based on the national policy it will be possible to formulate strategic programs for the development of forest and timber sector at both federal and regional levels, and to develop and to ensure the adoption of coordinated federal laws and other normative documents.

State forest management including forest guard and protection, reforestation and scientifically grounded forest use has to become the fundamental basis for the national forest policy of the Russian Federation. All the parties of the forest relations (forest users) such as the Russian Federation, subjects of the Russian Federation, municipal authorities, citizens and juridical persons have to become key integral parts of the policy.

The ultimate goal of a national forest policy is to reach sustainable forest management, to ensure effective activities in all sectors in forestry and quality reforestation in due time and volumes, to preserve biological diversity and environmental value of forests.

This has to be reached through sustainable approaches and multifunctional forest use.

Sustainable forestry as well as the development of other sectors of forestry is practiced taking into account interests and concerns of the subjects of the Russian Federation at all levels by:

- supporting market developments while using the Forest Fund lands;
- organizing forest use based on rent value of forest resources;
- strategic planning of the forest use and reforestation;
- creating conditions for drawing in investments and new technologies into the forest and timber sector.

State forest management at its current stage of development requires more clear division of the authorities of the executive power between all the administrative levels: from the federal center through subjects of the Russian Federation to municipal institutions.

The federal center has to maintain the following functions: to formulate and to conduct the state forest policy, to develop and implement complex federal programs, to adopt federal laws and to carry out state control.

The state has to keep up with forest fire protection, pest and diseases control, fight against forest infringements, offences, violations, illegal logging and unauthorized international timber trade.

As a forest owner, the state ensures preservation of forest resources, sustainable use of forest resources, and reforestation. This is done through applying legal acts and other legislative regulations at the federal level and in the regions. The state employs market mechanisms, transfers economic functions to juridical and natural persons according to legal agreements, terms, and contracts. To raise and improve responsibility of a forest user, a legal right to keep a deposit (to cover possible losses) should be worth of introducing if reforestation is not carried out and/or some other offences are observed.

It would be reasonable to pass a set of practical forest management activities to the executive authorities of the subjects of the Russian Federation taking into con-

sideration the requirements of federal laws and regulations. Forest leasing, forest contests and timber auctions are good examples of such activities.

The development and expanding of market approaches in forestry envisages the perfection of forest leasing procedures, forest auction practices and setting aside forest sites for concessions.

One of the aims of sustainable forest management is to bring forestry to the ability to pay its way. While planning forestry expenses there is a need to balance revenues and expenses. Thus, it is important to take into consideration forest taxes, payments for the use of the Forest Fund, duties and customs, which are inalienable components of the forest rent and forest leasing payments.

To improve financing of forest fire protection, forest fire insurances are to be introduced.

To manage forests in the sustainable way it is necessary to improve the quality of forest surveys, management and planning by introducing GIS systems and technologies. The aim should be to determine actual forest potential and its economic and technical accessibility; to determine felling intervals based on forest specific silvicultural features as well as on market demands; to reveal actual and realistic prices for forest resources, and to become familiar with multi-optional assortment structure of the exploitable part of the Forest Fund.

One of the current priorities for the nearest future is to conduct a cadastre evaluation of forest resources. The data received from this evaluation will allow determining the most favorable and effective trends and directions in forest resource use. It will provide economic and ecological grounds to carry out target oriented tasks, to determine grounded payments for the use of the forest resources at the domestic and international markets.

Forest marking, control, records and accounts should be soon introduced to prevent forest offences and to decrease illegal logging. Stamping and branding will be

conducted directly at the felling sites. While conducting the revision of felling records and checking the activities of forest users the documents from large-scale aerial photography have to be used.

When the federal law on forest certification is adopted it will be necessary to speed up the process of certification system development. The system has to be effective in providing information about the origin of forest products manufactured for sales and/or further processing.

Timber, harvested or purchased illegally (offences against forest and/or civil law) have to be sold through a system of timber exchanges (including an electronic option – internet).

To implement the above mentioned measures, administrative and criminal legislation as well as other legal regulations have to be improved. This has to be done to strengthen and reinforce responsibility of natural and juridical persons for forest legislation offences and infringements.

It is proposed to widely develop and expand agitation and open cooperation with the public on the issues of prevention of both forest violations and forest fires. This open dialogue has to be also focused at cautious attitude and careful treatment of the forests. It is expected that mass media will be actively taking part in this initiative.

Sustainable forestry can be in place and be practiced only when interests of different parties are taken into consideration, including various branches of industry and administrative bodies. This is related to the use and preservation of both timber resources and non-timber forest products at a concrete territory. This also includes processing and establishment of institutions that will ensure employment with no risks to environment and biodiversity.

Forthcoming forestry reforms will not be a success if the forest and timber sector would not be reformed. Forestry enterprises play the leading role, so they should be the first to introduce the changes.

Big companies that are vertically integrated lease forest sites and use the

forests to perform the whole range of forestry operations. They conduct forest harvesting; ensure reforestation, forest guard and protection and produce items of deep processing following silvicultural and ecological requirements.

Forestry roads construction has to be enforced and strengthening of the infrastructure of logging companies have to become a task of national priority.

Sustainable forest management stipulates for open and wide cooperation while carrying out national programs.

The fulfillment of the national forest policy in the Russian Federation would ensure continuous, sustainable and multi-purpose forest use, quality reforestation in due time, preservation of the potential of the resource, maintenance of economic and ecological values of forests and preservation of biological diversity.

### **Measures to Prevent Illegal Logging**

Illegal logging, growing in scale and volumes has become an acute issue in the forests of East Siberia and in the Far East. These developments have lead to elaboration of a set of measures to prevent further expanding of unauthorized harvesting. To achieve the results the following activities have to be performed:

- to introduce changes and amendments to the legislation of the Russian Federation and to the legislation of the subjects of the Russian Federation. Financial and customs legislation as well as other normative documents that regulate legal aspects in forestry in East Siberia and the Far East have to be also changed;

- to develop proposals for introducing additions and amendments to the Code of the Russian Federation on Administrative Offences and to the Criminal Code of the Russian Federation. These proposals have to be dealing with an issue of strengthening and reinforcement of responsibility for forest law offences. Illegal logging and damaging of forests to the extent that a tree (or a shrub, or a liana) stops its

growth are good examples of such an offences;

- to ensure strengthening of forest use based on scientifically grounded final felling and improvement harvesting in cedar forests (*Pinus sibirica*) in the Far East;

- to introduce marking, stamping, and branding into practice of timber removals in the forest stands where valuable tree species occur;

- to employ the data of large-scale aerial mapping while revision of felling records and control checks;

- to develop such a system of marking of forest products where logging site, processing area and the final product will be indicated;

- to conduct forest certification in the regions with higher demands for the forest products;

- to introduce amendments into the process of licensing and forest products exports of tree species of high value. Expert examination has to be envisaged to check licenses and corresponding documentation. Specialists from the Federal Forest Agency have to be involved;

- to introduce the issue of legality of timber harvested or purchased (high value tree species) to customs declaration while exporting timber outside Russia;

- to introduce additions to customs regulations on examination of goods and transportation means. As for exports: to introduce requirements to acknowledge receipt of legal documentation on timber origin (covering the felling site, logging operations and the procedure of purchasing);

- to conduct a wide scale, open and transparent explanatory sessions for the public on the issues of illegal logging and other offences against the forest law. It is proposed to involve mass media and conduct these activities at schools as well as at forestry institutions;

- to develop state bilateral agreements between the Russian Federation and timber importing countries prohibiting the circulation of illegal timber and other unauthorized forest products.

### Conclusions and Suggestions

Forestry in Russia is not yet adapted to market economy; it is not transparent enough and does not consider many issues related to sustainable forest management and sensitivity of economic markets.

Forest relations in Russia are still viewed from the following perspective: Forest Fund is an object of forest relations and it is considered to be a mean of forestry production.

Forest harvesting conducted in different regions and subjects of the Russian Federation always results in illegal logging and many other offences against forest legislation are observed.

Illegal logging brings irreversible damage to forests and forestry as a whole resulting in considerable economic losses, ecological damages and social tensions, depriving of a considerable portion of incomes and revenues, getting them away from the state and the population and misrepresenting of timber use value and other economic values of forest resources.

Expanding of the scale of illegal logging in the Russian Federation is assisted by the following reasons: growing demand for timber and forest products, dumping pricing, not regulated and unsettled forest exports, imperfect legislation in the above mentioned areas of forestry relations, weak control and ineffective measures of authorized bodies to prevent and stop offences against the law, not reliable information and insufficient and inadequate measures and activities undertaken

by state authorities, public organizations, and population.

It is realistic and very possible to decrease the negative consequences; to minimize illegal logging; to ensure sustainable forest use and effective reforestation; to guarantee reliable forest guard and protection and to increase forest productivity. To succeed, these activities have to be based upon:

- up-to-date legislation and modern legal normative base;
- excluding of limiting principles in the forest use, perfection of leasing and conducting of independent and corruption-free forest contests and auctions;
- introducing of new technologies into the forestry production, widening and broadening of timber processing, developing capacities for deep processing of timber;
- securing the wellbeing of the population, providing employment and social guarantees;
- uniting the efforts of state authorities of the Russian Federation, subjects of the Russian Federation, municipal bodies, forest users, public organizations and the population to prevent and stop illegal logging of timber.

The national forest policy has to be developed and adopted to be able to ensure sustainable forest management, advanced forestry developments, the upsurge of national economy, improvements in the well-being of the population and economic independency and safety of Russia.



## Annex 2.

### **Report on the Audit of the Civil Hearings** *By A. Kletsina, Center on Non-Commercial Organizations Development, St. Petersburg.*

#### **Preface**

On February 21-23 one of the first Civil Hearings in Russia was held in St. Petersburg. For three days, 21 persons from 12 regions of Russia were thoroughly studying materials on the issues of illegal logging in the forests of Russia and on Russia's involvement in the international process of "criminal" timber trade prevention of the. After familiarization with different points of view presented by experts from power bodies, business community, scientific research institutes and NCOs participants discussed these issues at workshops and drafted memorandums addressed to the world community, to the President of Russia and the Russian citizens.

The results of the civil hearings are to be presented at the International Ministerial Conference held under the title "The negotiating process of the North Eurasian countries on law-enforcement, governance and trade in the forest sector" (the Eurasian FLEG) which is to take place in St. Petersburg in the fall of 2005.

The organizers of the hearings have requested an independent auditing of the activities (of its preparatory stage, course and final documents) in order to get an external assessment on the following points:

1. To what extent did organizers observe **the main principles of civil hearings** in the process of preparation and conduct of the arrangement?

2. What was the quality of the arrangement and whether it was held in accordance with the plan, whether its **objective** was reached and whether the **result** was satisfying in terms of its quality?

3. What can be **recommended** for future preparations of similar arrangements and for adjustment of the model of civil hearings?

In order to answer all these questions within the framework of the audit the following steps were taken:

1. An "Assessment questionnaire for experts" was developed, 15 filled questionnaires were received (2 questionnaires were filled in by auditors in the course of mini-interviews with a respondent, 2 questionnaires were filled in after the arrangement thorough e-mail, 11 questionnaires were filled in by experts in person) and an analysis of these data was conducted.

2. An "Assessment questionnaire for participants" was developed, 18 filled questionnaires were received (all of them were filled in by participants in person); and an analysis of these data was conducted.

3. Nine unstructured interviews with participants, experts and guests of the hearings were conducted and data were summarized.

4. The auditor held a working meeting with organizers after the conclusion of the hearings giving an express-evaluation of the arrangement.

5. The auditor had a free access to all necessary documents before, in the course and after the hearings, including international documents similar to final documents of the hearings.

6. The auditor was present at the hearings and had every opportunity to observe the process in person.

The audit report is an open document which has been presented for familiarization to organizations that had rendered financial support to the arrangement, participants, experts and guests of the hearings and which will be circulated within a wider community organizers' discretion.

#### **Compliance with main principals of civil hearings**

Based on documents describing the model for civil hearings in various modi-

fications we have identified the following key principals:

1. It is necessary to ensure representative **composition of participants of the hearings** (persons with various personal features, regional characteristics, different degree of closeness to the problem and competent enough for addressing the proposed tasks, except for being professionals of the forest industrial complex or experts on the topic of the hearings).

2. The participants have an opportunity to get **sufficient information** on the topic of the hearings; full information in terms of coverage of the topic and multifaceted one in terms of its representation of the entire range of different stands and points of view on the problem;

3. The hearings are not tendentious since experts do not feel pressure on the part of the organizers and can freely express their different points of view, while participants do not feel pressure on the part of the organizers or experts and can freely form their independent opinion and express it in the final document.

Taking into account the compliance with the above-mentioned principles it is really possible to recognize the participants' attitude **as an informed public opinion** and the document produced by them as a well-balanced expression of the civil position.

To what extent were these principles observed at these hearings?

### 1. Is the composition of participants of the hearings representative?

The organizers have prepared a description of "The principles of selection of participants for the civil hearings" based on which participants were selected.

Invitations were sent through 14 networks (10 leadership programs, 3 regional public chambers, and 1 school of public policy), 2 refusals were received and members of 3 networks were added to the ranks of participants.

Thus, we should recognize that composition of participants of the present hear-

ings is rather representative under different characteristics (with a certain preponderance of representatives of the non-commercial sector and graduates of one leadership program). The organizers "have managed to gather a multifaceted, very representative and efficient composition of participants and also a decent staff of qualified experts" (quotation from a questionnaire for participants).

Organizers have devoted increased attention to the equal selection of participants. The description worked out (addendum No. 3) represents a useful generalization of experience in this field.

### 2. Is the information obtained by participants sufficient?

Participants of the hearings received the information from three sources:

- The preliminary package of documents that had been sent some time prior to the hearings by e-mail
- The distributive package of documents which they could get immediately at the hearings
- Presentations of experts and their answers to questions given publicly or during unofficial discussions

The most modest marks were given by the participants to the preliminary package of documents. The majority of participants pointed out that they had managed to familiarize with these materials beforehand, at least in part. However, not all of them could get access to them due to technical reasons. They also referred to a short period of time between distribution of materials and the hearings taking into account the large volume of materials. In their view, the usefulness of the preliminary documents was rather high, since these documents helped non-specialists to become acquainted with the problem and to prepare to the hearings. Here is an abstract from the comments of participants: "The most clear generalizing materials were presented only at the hearings but not prior to them".

The distributive package presented in the course of these hearings appeared to be very useful for the elaboration of the final docu-

Characteristic	Balance Maintenance
Sector	Average. Nearly half of participants represented non-commercial non-governmental organizations and associations of citizens. The state sector saw a more modest representation, while business community displayed in even less rate of participation
Profession	High. Participants included students, a lawyer, a physician, some school and higher school teachers, forestry specialists and so on
Age	Above average. Dispersion by the age is rather wide; aged people have been underrepresented
Gender	Above average. Participants included 8 women and 13 men.
Region	High. 21 participants — representatives of 12 different regions of Russia. These regions include both "forest" and "non-forest" ones (with domination of "forest" regions). Six participants represent capital cities, 10 come from other cities and 5 from different towns
Involvement in the problem	High. Six participants have a certain relation to the forest sector (high involvement in the problem, but they are not forestry professionals or experts); 6 participants have relation to ecological problems (average involvement); 9 participants do not have close relation to forest activities or forest governance
Personal social competence	Above average (according to the results of observations). Some participants (graduates of the LEAD program) have very high degree of competence, while some others possess a slightly lower level of knowledge.

ments, but in terms of its completeness and versatility there is place for improvement. In organizational respect, it was not always convenient that the package had been developed stage-by-stage and represented some sort of duplication of preliminary materials and experts' presentations.

Information supplied by experts was obviously useful, although there were calls for greater completeness and broader spectrum of positions (especially in respect of the stand of the authorities). From the comments of participants: "The stand of the state is still not completely clear", "we lack an official point of view", "opinion of forest loggers, exporters and processors were poorly represented", "con-

siderable part of information represented by experts has been duplicated".

In general, the information obtained by the participants was of high quality, especially in terms of its completeness.

Based on the assessments made by participants, as well as observation and examination of materials of the hearings we should conclude that the information presented to the participants of the hearings in general was sufficient for the preparation of final documents. In the future, it makes sense to pay attention to better structuring of the proposed information and representation of more polar attitudes from the point of view of different parties concerned.

### 3. Did the hearings have a tendentious character?

Did the experts have an opportunity to articulate their position and the participants – to make a balanced and independent decision and to reflect it in the final document?

Two thirds of the interviewed experts believe that they **managed to state their view to a full extent** within the framework of their presentations (owing to sufficient time, efficient organization of work, activity and interest of the audience). Every third expert pointed out that he **did not manage to do that to a full extent** due to the following reasons: lack of time, which did not allow even people with higher education to consider in detail the specifics of the forest sector; the expert himself did not manage to highlight key points in a right way, there was not enough room for discussion, the expert did not have a clear vision of the audience and the procedure of the hearings.

*Practically all the experts felt the reaction of the audience in respect of their presentations (one half answered “yes” and the other half – “rather yes than no”). This reaction was highlighted by questions and comments expressed immediately after presentations and in the lobby (and even applause).*

Replying to the question: “Did you experience **pressure or obtrusion of opinions on the part of organizers** in taking part in the hearings?” 13 experts gave a negative answer, one person chose the answer “rather no than yes” and one person found difficulty in giving an answer.

On the question: “Did you experience **pressure or obtrusion of opinions on the part of organizers** or experts taking part in the hearings?” the participants responded in the following way: most of them did not feel any pressure on the part of organizers (13 persons – “no”, 5 – “rather no, than yes”). The influence of experts was evaluated less favorably: 8 persons did not experience pressure at all, 7 respondents – “rather no, than yes” and 3 participants – “rather yes, than

no”. In spite of some episodes of rather tough behavior of experts, the atmosphere of the hearings was predominantly liberal, correct and was conducive for the expression and hearing of various points of view what was particularly emphasized by participants in their opinions : “The dialog was conducted on the a basis”, “everything was honest”, “correct conduct, a surprisingly high degree of qualification of experts, their sincerity, interest in participating and correct behavior”, “the discussion was liberal”, “everything was rather democratic”.

The very model of conducting the hearings do not imply any attempts on the part of experts to “pull over” public opinion on their side, their role consists rather in adding their opinion and a piece of information to the common palette and entrusting participants to form a complex and balanced position on their own. As one participant put it: “Experts should observe rules of the game: they are full-fledged but not principal participants of the process”. To what extent did experts who were involved in the hearings understand their role? Responding to the question: “How precisely and clearly did the organizers define the objectives and tasks of your participation in the civil hearings?” experts gave this activity 6.2 points on an eight-points scale with dispersal from 4 to 8 points. In their comments some experts pointed out that their presentations had been discussed with them beforehand and everything was clear; while other experts noted that they did not get enough information on the procedure of civil hearings, their pattern, roles of different parties, special features of the audience and in some cases the topic of the presentation was not agreed with the speaker or was ambiguously formulated and has a poor connection with other reports.

Thus, we could conclude that the conduct of the hearings **did not have a tendentious character**: the majority of experts managed to express their position fully. All of them consider the audience rather active and adequate and felt its

response. The experts and the participants did not experience pressure on the part of organizers. Only every sixth respondent felt a certain pressure on the part of experts. A possible reason behind this could be an insufficient understanding by invited experts of their role in the hearings. We would like to recommend organizers to pay more attention to the preliminary work with experts, explaining specific features of technology of civil hearings, the role of experts and participants in such hearings, especially at the stage of elaboration of final documents.

Summarizing the present section, we should emphasize that organizers managed to select a rather representative composition of participants, to supply them with rather complete, multifaceted and useful information which appeared to be sufficient for the participants in order to formulate their own stand on the topic of the hearings and also to reduce to the minimal degree the pressure on the part of organizers and experts on each other and on the participants, as well as to avoid obtrusion of opinions and tendentiousness of the process in general. Thus, the main principles of civil hearings were observed in the course of the present arrangement and it is possible to recognize that its **final documents reflect an informed public opinion.**

Therefore, this arrangement was of high quality, carried out in accordance with the plan and reached its objective

The task of this section – to present an assessment of the arrangement in terms of its quality, its concordance with the plan, the results achieved and relevance of these results.

In general, we can note that the arrangement was held in concordance with the planned program. Within the framework of the hearings the participants have drafted three documents:

- Address to the ministers of the Eurasian region calling to establish a ban on trade in non-legally logged timber and products of its processing and to introduce obligatory certification of the origin

of timber. In this address they also underscored the role of international cooperation between customs services and law-enforcement bodies;

- Address to the President of Russia containing proposals on a range of priority measures which are necessary to make Russia a full member of the FLEG process and a request to take under his personal control the reform of the system of forest governance;

- Address to the citizens of Russia requesting them to demand the provision of trustworthy information on the scales of forest loggings, to take an active part in creation of effective mechanism of forest governance and also to buy and sell only that timber the origin of which is known and legal.

The fact that the participants drafted not only the envisaged address to the Ministerial Conference, but also two internal national documents demonstrates:

1. The activity of participants, their high competence, potential and working capacity;

2. The competence of participants and their experience predominantly related to the national situation and, consequently, had to be utilized;

3. The (excessive?) abundance of detailed information on the situation and problems of the Russian forestry and the sector in general in the experts' presentations and distribution materials — again this knowledge was not reflected in the international document and required a new framework.

Nevertheless, the main objective of the hearings has been achieved and even exceeded.

### **The final document**

The international document which has been issued as a result of the hearings – the address to the Ministerial Conference in terms of its format and content, in our view, **agrees with the level of similar documents**, for example, CONTROLLING TIMBER IMPORTS INTO THE EU JOINT NGO STATEMENT, Citizens Conference

on genetic testing — resolution (Dresden, November 26th 2001) and so on.

How do the participants themselves look at the results of their work? Seven respondents are quite glad with how they managed to draft the final documents of the hearings; 10 participants responded that they are “rather glad”, “glad on the whole”, one participant could not take part in the work over the document. The participants underlined that they managed “to discuss the problem”, “to reflect opinions of all participants of the hearings”, “to arrange a fruitful and interesting, though hard work at the workshops”, “to concentrate on the achievement of common understanding, to reflect the most important issues”, “to generalize views of the participants”, “to reach agreement over the final conclusions”.

The following proposals were also expressed:

- To leave more time for elaboration of the final documents (4 participants);
- To ensure availability of experts in the process of elaboration of the final documents and possibility for participants to apply to them with specific questions;
- Experts should more briefly and clearly present to participants their vision of the situation (problems and ways to address them);
- To optimize reporting on the work on elaboration of the final documents, in particular to provide teams with intermediate documents in electronic and printed forms.

### **Organization of the arrangement**

In general, the participants appreciated organization of the hearings. However, there were such comments as “it is cold in chambers”, “it would be better to have more light in the hall”, “a cultural program would be desirable”.

On our part, we would like to note that organization was efficient, well designed, technically modern, met the needs of the participants and the requirements of the process.

We would like to mention such recommendations as supplying the audience with the list of participants, as well as more accurate structuring of the distribution material.

As for the process of conducting the arrangement we could recommend more intensive work with the participants of the hearings from the first day, detailed explanation of the pattern of the hearings, requirements to the final documents, and the procedure of their drafting.

Summing up this section we can ascertain that the civil hearings were organized efficiently, they were held in accordance with the provisional plan and the program; the declared principles of work were observed. The objective of the arrangement was reached: elaboration of the final document — the address to the ministers of the Eurasian region which would be considered at the International Ministerial Conference “Negotiating process of the North Eurasian countries on the issues of law-enforcement, governance and trade in the forest sector” (the Eurasian FLEG) in the fall of 2005. The prepared document agrees with the level of similar documents; besides, two national documents were drafted as well.

### **Recommendations**

Proceeding from our assessments of different aspects of organization of the hearings and also on the basis of proposals and comments expressed by the participants, experts and guests in questionnaires and interviews, we propose the following recommendations which would make it possible to take into account the achievements and shortcomings of the present hearings in organizing future similar arrangements. This form of hearings is in many respects experimental in the Russian context.

#### **Work with experts:**

- To describe principles of selection of experts (same as it was done for participants) and to use them in the course of organization of the hearings;

- To attract experts with a more clear and polar stands on the topic of the hearings ensuring a more complete representation of different stakeholders;

- To instruct the experts more carefully, to explain their role and the whole pattern of the process, the role of participants of the hearings, the logic of the program

#### **Work with information:**

- To send the provisional distribution package to participants in advance (leaving enough time for studying it), to make it more complete, to stimulate preliminary familiarization on the part of participants with materials and, if possible, with each other (e-mailing, preliminary meetings and so on);

- Distribution package disseminated at the arrangement should be more structured, if possible, copies of the provisional electronic package and thesis of experts' presentations should be widely available;

#### **To prepare more concise and generalized expert documents**

- To single out the main problems in the course of work and to focus attention of participants on these problems;

- To supply participants with information more agreeing with the content of the potential final document;

#### **Work with participants**

- To determine more precisely the tasks of the arrangement, to explain their roles to the participants, to make mutual responsibilities of organizers and participants more transparent;

- To conduct a more intensive work with the participants of the hearings from the first day, to explain them in detail the pattern of the hearings, requirements to the final documents, procedures of their elaboration, features characterizing a good document (probably it is necessary to make a draft document on the topic prepared either by the organizers or drafted jointly by the organizers and participants at the first stages of the hearings). To conduct "organizational sessions" for the participants during each day of the hearings. To ensure a more targeted collection of responses of the participants (the feedback). It would be useful to have the experience of teamwork before starting work on the final documents.

- To improve the procedure of work on the final documents: to leave more time for that, to define more exactly the procedure of discussing the documents, to give the participants an opportunity to apply to experts on particular issues, to improve reporting on the proceedings and the results of work.



**Annex 3.****Chronology of the ENA FLEG process**

<b>2004</b>		
3 May	Geneva	Russia invited Ministerial Conference-2005, UNFF-4
18 May	Moscow	Donor meeting, MNR
24 June	Moscow	Draft concept of FLEG Ministerial Conference, MNR
5 July	Moscow	Working meeting for Ministerial Conference preparation, MNR
16-17 September	Geneva	FAO/UNECE workshop on illegal logging, Russia presented its vision of the term "illegal logging"
6 October	Geneva	Side event on FLEG at the Joint UNECE/FAO meeting
29 October	Moscow	MNR Order on expert group and preliminary plan of activities for Ministerial Conference preparation, MNR
21 December	Moscow, New York, London, Helsinki	Teleconference of ISC FLEG
23 December	Moscow	Meeting of Forest Public Council, FFA
<b>2005</b>		
12 January	Moscow	First meeting of NGOs (IUCN, WWF, SEU, BCC, Greenpeace), World Bank
14 February	Moscow	Second meeting of NGOs (IUCN, WWF, SEU, BCC, Greenpeace, Ecodal) — proposals for ENA FLEG ISC, WWF — <a href="http://www.forest.ru">www.forest.ru</a>
15 February	Moscow	Launching scientific seminar of INDUFOR project
21-24 February	St.-Petersburg	Civil Society Hearings on climate, FLEG and civil society <a href="http://www.ecom-info.spb.ru">www.ecom-info.spb.ru</a>
21-22 February	Moscow	First ENA FLEG ISC meeting — representatives from civil society and business participated, MNR
2-4 March	Khabarovsk	Regional Seminar
14 March	Moscow	Meeting of governmental agencies and civil society representatives, RFFA
14 March	London	Meeting of European NGOs, organized by FERN, WWF and Greenpeace
23 March	Moscow	Meeting of representatives from civil society and business, organized by WWF

0-21 April	St.- Petersburg	Coordination Council meeting of forestry and timber industry representatives
20-27 May	New York	Second ENA FLEG ISC meeting, UNFF-5
6-8 June	Moscow	ENA FLEG Preparatory conference
November	St.- Petersburg	ENA FLEG Ministerial Conference
2006		
		Russia hosts G8

#### *Annex 4. List of Acronyms*

BCC	– Biodiversity Conservation Center
ENA FLEG	– Europe and Northern Asia Forest Law Enforcement and Governance
ENGO	– Ecological Non-Governmental Organization
FLEG	– Forest Law Enforcement and Governance
FSC	– Forest Stewardship Council
ISC	– International Steering Committee
IUCN	– The World Conservation Union
ISEU	– International Socio-Ecological Union
MNR	– Ministry of Natural Resources of the Russian Federation
NGO	– Non-Governmental Organization
RFFA	– Russian Federal Forestry Agency
TRN	– Taiga Rescue Network
UNFF	– United Nations Forum on Forests
WB	– World Bank
WWF	– World Wildlife Fund