



Taiga Rescue Network



# FIGHTING ILLEGAL LOGGING: EUROPE AND NORTH ASIA FOREST LAW ENFORCEMENT AND GOVERNANCE (ENA-FLEG) PROCESS

NOVEMBER 2005

PROCESS

## WHAT IS ILLEGAL LOGGING?

In the strictest definition illegal logging takes place when timber is harvested, transported, bought or sold in violation of national laws. Laws can be violated at many different stages of the supply chain and can include:

- \* Obtaining concessions illegally (e.g. via corruption and bribery);
- \* Cutting protected tree species or extracting trees from a protected area;
- \* Taking out more trees, under sized trees, oversized trees than is permitted or trees outside an agreed area;
- \* Processing and export of illegally sourced timber;
- \* Fraudulent declaration to customs of the amount of timber being exported;
- \* Non payment or under payment of taxes;
- \* Use of fraudulent documents to smuggle timber.

Due to the complexity of forest and forest related laws in countries where the basic environmental laws are alleged to have been respected, illegality can still occur where other domestic or international laws are transgressed, including: lack of prior informed consent of landowners and/or forest dwelling peoples; breaches of basic human rights of landowners, employees and/or forest dwelling peoples; corruption including money laundering and petty bribery; the use of police or military personnel as company militia; and conflict timber<sup>1</sup>.

## LEGAL IS NOT ENOUGH

It is also important to emphasise that much destructive logging is actually legal, and in some cases poses more of a threat than illegal logging. Legal and illegal logging are also often closely linked, and so therefore ensuring "legality", without ecologically and socially responsible forest management will not be enough to prevent the widespread destruction of the world's forests.

## WIDESPREAD PROBLEM

Illegal logging occurs the world over, including in countries where forest law is considered to be well established and enforced. In reality, laws are continuously being ignored or loopholes in forest law exploited. Although difficult to calculate, estimates from Russia claim that the scale of illegal logging in the boreal forest in Russia accounts for at least 20% in total and about 50% in the Far Eastern regions<sup>2</sup>. S. Mironov, Chairman of the Federal Council of the Russian Federation, September 2005<sup>3</sup> recently claimed, "Today between six and nine out of every 10 logs are exported from Russia illegally".

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## FLEG/T PROCESSES

The Forest Law Enforcement and Governance (FLEG) political processes are designed to tackle poor governance and widespread corruption in producer regions, to review and introduce legislation to ensure that forest laws are consistent and promote the development of effective systems to ensure the legality of timber, and tracking systems- i.e. chain of custody- to follow the timber from the forest to the market.

The FLEG processes themselves are not legally binding, and as yet do not have direct impacts on trade. However, a key part of the recently agreed European Union (EU) Regulation to ensure that only legal timber is imported into the EU is the development of a legally-binding licensing scheme with partner countries. There are also discussions on introducing legislation to ban the imports of illegal timber and wood products into the EU.

## EUROPEAN AND NORTH ASIAN FORESTS

Russia holds about 22% of the world's forests and these forests are threatened by increased corruption and the trade in illegal logging. Corruption and bribery are commonplace throughout the country. Therefore the Europe and North Asia (ENA) FLEG, which was announced in 2004, has the potential to make a strong contribution to the combating the scourge of illegal logging. The Russian government's commitment to host the ministerial conference appears to spell out its interest in addressing the region's pervasive problems of illegal logging. This commitment will be tested by the level of reforms to fight corruption within its own Forest Service, municipal administrations and police force, which to date have allowed timber companies to easily circumvent the rules, as well as control the issuing of official permits for cutting operations that are in defiance of current legislation.

Consumer countries such as China and many EU countries, such as Finland and Sweden play an important role in fuelling this demand for illegal timber. The EU is the largest importer of logs from Russia and accountable for nearly half of Russia's sawn timber trade, as well as half of Russia's plywood exports<sup>4</sup>.

## MINISTERIAL PROCESS AND ACTION PLAN

In February 2005 the International Steering Committee, which comprises of a number of government officials from consumer and producer countries, met in Moscow to formally initiate the ENA-FLEG Ministerial Process. In June this process was formally

launched, and the ENA-FLEG Ministerial Conference was announced to take place in St. Petersburg, Russia from 22-25 November 2005.

The aim of the Ministerial process is to cement international and multi-stakeholder involvement in order to combat illegal logging and associated trade and corruption at a high political level. Through joint efforts between producer and consumer countries, civil society, private sector and donors the aim is to address complex and politically sensitive issues concertedly, and to support the development of measures to promote greater law enforcement, stronger governance, fight corruption and to control illegal logging and associated trade.

The conference in November will discuss and negotiate the contents of a Ministerial Declaration (MD) and Indicative Action Plan (IAP). At the Ministerial segment of the meeting ministers responsible for forest management or trade in participating countries will endorse the final MD & IAP. This meeting will be the launching pad for a number of agreements and commitments which countries will agree to undertake over the coming months and years. It is also expected that there will be a follow-up ministerial conference in 2007.

## KEY TO SUCCESS OF THE ENA FLEG PROCESS

NGOs have identified the following measures which must be prioritised in the ENA-FLEG MD and IAP in order to ensure that the process will make legal, equitable and sustainable forest management a reality in the region<sup>5</sup>.

- \* **Ensure stakeholder participation and cooperation**, including civil society. These groups play a vital role as watchdogs, advisors, and experts and must be involved in decision-taking regarding the planning, implementing, monitoring and evaluation of forest policies, programmes and measures;
- \* **Ensure transparency and access to data** for all forest stakeholders, including information on forest management, allocation of concessions and logging permits;
- \* All countries involved in the **process- producer, consumer** and donor countries- must **take joint responsibility** in fighting the forest crisis by agreeing strong measures to support the process. This includes allocating the necessary financial, technical and human resources;
- \* **Urgent action must be taken domestically** to curb the demand for illegal forest products. This includes the adoption of legislation in consumer countries to **ban the imports of illegal timber**, agreement to **implement a licensing and traceability system** to show that products are both legal and sustainable, and to ensure that governments **adopt green procurement** policies which ensure that public money does not fuel the demand in illegal and unsustainable timber products;
- \* Governments should **revise outdated and/or contradictory forest related legislation** as well as develop further laws to counter corruption, bribery and money laundering;
- \* There must be a recognition that **legal is not enough**, and that outlawing illegally sourced timber will not be sufficient to protect the world's ancient forests. Governments must ensure that they **implement measures to also promote conservation and sustainable forest management** outlined in international agreements and laws such as the Convention on Biological Diversity and the Framework Convention on Climate Change;
- \* It is important that there are adequate follow-up mechanisms to the commitments made by ensuring that **clear timelines** are attached, and a **regional taskforce** is set up to monitor and support implementation and enforcement.

4 | Figure by volume, from FAO STAT online database, quoted in FLEG T Proposal for an EU Action Plan, 21 May 2003, Annex 2, p.28-29

5 | See NGO Joint NGO Position Paper to inform the ENA-FLEG Ministerial Conference 22-25 November 2005 for more information.

1 | Timber that has traded at some point in the chain of custody by armed groups, be they rebel factions or regular soldiers or by a civilian administration involved in armed conflict either to perpetuate conflict or take advantage of conflict situations for personal (Global Witness definition, www.globalwitness.org)

2 | WWF (2004) EU imports of wood-based products from Eastern Europe 2002, www.panda.org

3 | Speech at the international conference "Responsible use of nature - 2005", 6 Sept 2005 http://www.rostbalt.ru/2005/9/7/224795.html