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GOVERNMENTS COMMIT TO ACTION ON FOREST LAW ENFORCEMENT AND GOVERNANCE IN EUROPE AND NORTH ASIA

St. Petersburg, Russian Federation

Friday, November 25 - Widespread failure of forest governance – characterized by illegal logging, associated illegal trade and corruption – undermines any nation’s attempt to achieve sustainable economic growth, societal equity, and environmental conservation. The World Bank estimates the annual global market value of losses from illegal cutting of forests at over US\$10 billion, and annual losses in government revenues of about US\$5 billion. Illegal logging depletes forests, destroys the habitats of endangered species, and by depleting carbon sinks contributes to global climate change.

Illegal logging is a significant problem for many countries in the Europe and North Asia region, where forests are a source of livelihood for some 170 million people, and annual timber revenues amount to about US\$25 billion each year (about 20% of total world timber trade). Illegal logging in the region can be poverty driven or for commercial exploitation of timber, and is often the result of corruption, ineffective forest policies and legislation, and an inability to monitor and enforce forest resource use regulations. Today, forty-three Governments¹ committed to take action to address these issues with the endorsement of the St. Petersburg Declaration on Forest Law Enforcement and Governance in Europe and North Asia.

The St. Petersburg Declaration is the result of a Ministerial Conference on Forest Law Enforcement and Governance that took place from November 22nd-25th, bringing together nearly 300 participants representing governments, the private sector, civil society and international organizations including the World Bank. Delegates were satisfied with the strong commitment expressed in the Declaration, pleased with the high level of multi-stakeholder participation, and optimistic about the results this will yield on the ground.

Shigeo Katsu, World Bank Vice President, Europe and Central Asia Region, said “the outcomes of this work should lead to improved livelihoods of forest-dependent communities, a more reliable investment climate for the forest sector industries, and broader civil society engagement in forest management.” With regard to the high level of private sector and non-governmental organization in the process, he said “such multi-stakeholder participation is necessary to build ownership for implementation and follow-up.”

John Hudson, Senior Forestry Advisor, United Kingdom Department for International Development, said the Conference “concluded with a strong political commitment achieved through tripartite cooperation among governments, the private sector and civil society in a constructive and creative atmosphere.” He added that “this cooperation is a good sign for the future.”

The Conference, initiated by the Russian Federation in May 2004, is part of a broader process to promote forest law enforcement and governance in the region that is facilitated by the World Bank with support from government donor agencies. Valery Roshchupkin, Head of the Federal Forestry Agency of the Russian Federation, explained that Russia’s initiative in hosting the Conference is motivated by a number

of long-term socio-political and economic factors. He said “as one of the world’s major forest countries, Russia is very much interested in a rapid adaptation of best practices in forest law enforcement and sustainable governance to our national context.”

Tackling illegal logging encompasses much more than implementation of existing forest laws. For this reason, the Declaration addresses the possible need for reform of forest sector legislation and policies to ensure that forests are managed in a sustainable manner, responsible legal forest industry is encouraged, and the rural poor are not criminalized for using forest resources. Emphasizing the importance of an environment supportive of legal forest sector industry, Ragnar Friberg, Senior Vice President for Sustainability of Stora Enso, said “it is important that the chosen measures have a positive effect on legal business and are directly aimed against illegal logging.”

The St. Petersburg Declaration charts a course for action at the national and international levels, and at the close of the Conference, delegates focused on the next steps for translating the Declaration into action on the ground. Speaking on behalf of civil society representatives, Jouni Nissinen, International Coordinator, Taiga Rescue Network, said “We urge all countries present at the conference to create a time bound plan of national activities comprising clearly defined targets, activities and indicators of success,” adding that “the world is watching.”

Governments will have the opportunity to demonstrate their progress toward the goals of the Ministerial Declaration in five years when a second ministerial meeting will take place. Donor governments and the World Bank stand prepared to help in the next steps at the national level, and will also support the continued work of the International Steering Committee², a group of countries that has guided the process to date, to facilitate the implementation process.

The Conference takes place as the United Kingdom prepares to pass the G8 Presidency “baton” to Russia. This is significant given the role the G8 has played in drawing attention to illegal logging through its 1998 Action Program on Forests and recent reconfirmation of the urgency of tackling illegal logging at the Glen Eagles Summit. In its role as G8 President, Russia will have the opportunity to further build on the initiative it demonstrated in initiating the St. Petersburg conference and continue to draw international focus to the issue of illegal logging. Confirming this, Roshchupkin said “illegal logging will be of special importance for Russia as the G8 President and for the next G8 Summit scheduled to be held in St. Petersburg.”

Further Information

For further information including the Conference agenda and preparatory process, please visit the ENA FLEG web site: <http://www.worldbank.org/enafleg>

Notes:

¹ The following countries adopted the St. Petersburg Declaration: Albania, Armenia, Austria, Azerbaijan, Belarus, Bulgaria, Bosnia and Herzegovina, Canada, China, Croatia, Denmark, Estonia, Finland, Georgia, Germany, Greece, Italy, Japan, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, Former Yugoslav Republic of Macedonia, Moldova, Mongolia, the Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, Turkey, Ukraine, United Kingdom, United States, and Uzbekistan.

² An International Steering Committee (ISC), comprised of Bulgaria, Canada, China, Finland, Germany, Japan, Kazakhstan, Poland, Russian Federation, Sweden, Turkey, United Kingdom, United States, as well as the European Commission and the World Bank, has provided guidance throughout the preparatory process.