Europe and North Asia (ENA) Forest Law Enforcement and Governance (FLEG) Ministerial Process

Draft # 3 of the “Building Blocks” Towards The Saint Petersburg Declaration

Countries participating in the Ministerial Conference on Forest Law Enforcement and Governance for Europe and North Asia Region recognize that:

Preamble

Significance of Forests in the ENA Region

- The forests of Eastern Europe and North Asia (ENA) Region are of global importance. The Russian Federation alone has about 20 % of global forest cover.
- In both forest-rich and forest-poor countries in this Region, forests are critical to sustainable livelihoods and provide a wide range of long-term economic, social, cultural and environmental benefits; they are an equally critical component of the global ecological and life support systems;
- Timber from this Region enters national and international markets and meets critical energy and other needs of local populations;
- Illegal forest-related activities have a significant negative impact on the contribution of forests towards the achievement of internationally agreed development objectives and goals aimed to enhance human well-being by reducing poverty and accelerating sustainable economic development and trade;
- Linkages between the ENA Region and other regional forest law enforcement and Governance (FLEG) processes and the international forest policy initiatives, in particular with on-going international initiatives such as the G8 initiative, MDG, UNFF, CBD and WTO are critical for a coherent strategy towards the protection and sustainable use of forest resources in this Region.

Problematique

- Countries with developed economies as well as the countries with economies in transition share similar concerns about combating forest crime, particularly illegal logging, associated trade and corruption;
- Illegal forestry activities in the Region range from unauthorized extraction of fuel wood by the poor, to large scale illegal harvesting operations to supply domestic and international markets;
- Forest law enforcement and governance issues have local, national, trans-boundary, regional and global implications and are a very serious concern in this Region.
- Unauthorized extraction of fuelwood especially by the rural poor - a major issue in many of the countries in this Region - has its roots in the dramatic changes in the rural economy and energy supply that have occurred during the past 15 years.
• The criminal actions targeted towards forests and forestry, from both within and outside the forest sector, are having significant negative impacts in countries including: a general weakening of the rule of law; loss of revenue to governments and local livelihoods; the degradation of forest ecosystems, biodiversity and wildlife habitat; increased incidence of forest fires and loss of carbon stocks; and threats to the conservation, management and sustainable development of all types of forests in this Region;
• The failure to provide legally harvested wood, especially for the rural poor, is pushing some people to illegal activities and contributing to a deterioration of their well-being. Rural poverty has emerged as a driving factor making rural populations more susceptible to illegal commercial logging.
• There is an urgent need by the countries in this Region to formulate a joint strategy and collective action to combat illegal logging, as well as the associated trade and corruption and to ensure adequate supply of legally harvested wood to meet local demands for energy and forest products.

Need to Reform Forest Legislation, Forest Policy and Implementation
• Countries have the sovereign right to manage and utilize their resources to meet their national policy objectives and demands for forest products; forest law enforcement and governance is an internal matter for each country;
• Many countries in this Region have inadequate capacity to enforce their existing forest laws and forest policies and face a challenge to review and strengthen their present legislation, institutions and administrative systems which allocate, monitor and control forest resources and forest use;
• The development of market economies, changes in energy supply arrangements and the changing role of public and private sectors in many countries in the Region bring new challenges for institutions responsible for forest management and often require a review and adjustment of their policy, legal and institutional frameworks;
• At the national level, forest law enforcement and governance to combat commercial and poverty driven illegal logging and related activities is a cross-sectoral, complex as well as economically, socially and politically sensitive issue requiring effective cooperation among many government agencies and members of the civil society including the private sector.

Need for International Cooperation
• High-level political commitment and support by consumer and producer countries outside this Region is critical to combat illegal logging, associated trade and corruption.
• Recent FLEG-related initiatives by countries in Africa and Asia as well as by multilateral organizations and international institutions, such as the EU, FAO, CIFOR, ITTO, ILO and UNFF are other significant international actions aimed to address FLEG and related issues;
• Cooperation between countries and between their judicial, law enforcement, trade and development authorities is critical to strengthen the effectiveness of forest law enforcement and governance in this Region;
• The multinational as well as the local private sector, the multilateral financial institutions and the civil society have a critical role to address the FLEG-related issues;

Hereby reaffirm and declare our intention to:

Nationally:
• Address underlying causes of illegal logging, the associated trade and corruption as well as of unauthorized extraction of wood for local consumption;
• Establish, Forest Law Enforcement and Governance (FLEG) as an area of high national priority concern within the broader national governance agenda;
• Review and strengthen, as needed, forest legislation and regulations and harmonize these with land-use legislation and policy, promote transparency and equity in the allocation of resources, apply internationally recognized rules and regulations for international trade in forest products;
• Develop and implement forest sector anti-corruption tools including codes of ethics and professional responsibility;
• Recognize forest-related traditional knowledge and customary laws and practices;
• Strengthen inter-agency cooperation as well as human and institutional capacity, particularly among law enforcement authorities;
• Engage stakeholders, including local communities, in decision making in the forest sector, thereby promoting transparency, reducing corruption, facilitating greater equity and minimizing undue influence of privileged groups;
• Ensure meaningful contribution of all sectors of civil society including, the indigenous people, local communities, small forest owners and the private sector, through an open, transparent and inclusive participatory process for policy deliberation and implementation through the national forest programmes;
• Promote the production and dissemination of transparent and readily available information in a form accessible to the public on forest resources. Monitor and disclose data on domestic and international trade flows in order to combat illegal trade within the countries in the Region;
• Inform and engage all stakeholders to enhance public awareness on the scope, scale and significance of forest crime and its negative impacts on the forest benefits provided to society.

Regionally
• Support institutional mechanisms to strengthen regional cooperation towards forest law enforcement and timely exchange of information and experience;
• Improve regional cooperation and capacity in monitoring timber trade, for example, through customs statistics;
• Give priority to the most vulnerable transboundary areas, which require coordinated and effective actions;
• Establish mechanisms for systematic monitoring, assessment and reporting on progress on FLEG.

Internationally
• Strengthen cooperative action between all countries and stakeholders as well as with importing countries and enhance international capacity for monitoring, interpreting and reporting on areas such as trade flows and customs data;
• Develop cooperation and collaboration with the private sector, including timber processors, exporters and importers in the Region and with the consumer countries to: combat illegal logging; illegal transport, processing and trade in forest products derived from illegal timber in the region; and to develop and promote legally sourced timber products;
• Strengthen international cooperation to build institutional and human capacity in countries and to facilitate technology transfer and information sharing to combat illegal logging;
**Indicative Action Plan**

- Endorse the associated Indicative Action Plan that sets the framework of possible actions by Governments and civil society, including the private sector, to implement the intentions expressed in this Ministerial Declaration.

**Other Countries**

- Invite countries within and outside the ENA Region to endorse the Indicative Action Plan associated with this Declaration and support its implementation.
Indicative Action Plan (IAP) for the implementation of the Declaration

(This Plan will be related more specifically with the different paragraphs of the Proposed Elements of the Ministerial Declaration and further subdivided into actions by the public and private sector)

1 National Level

(i) Political

- Mobilize high-level political commitment to implement the Declaration and the associated Indicative Action Plan;
- Formulate and implement a National Plan of Action in respect to the issues addressed in the present Declaration, integrated in the national forest program, and periodically report on progress;
- Promote interagency and cross-sectoral cooperation to implement the National Action Plan;
- Enhance the contribution of forests to broad societal benefits, and the well-being of forest dependant communities with priority action on their sustainable livelihoods and poverty reduction.

(ii) Legislation and Judicial System

- Develop a common understanding of the concepts, definitions and terms related to FLEG among various stakeholders.
- Ensure that the needs of rural communities for essential forest products and economic benefits are recognized in laws and regulatory frameworks;
- Review and update, as necessary, the forest and related legislation to combat illegal logging and associated trade and corruption and build, as necessary, appropriate capacity towards its implementation;

(iii) Institutions and Capacity Building

- Building strong and viable institutions with adequate human and financial resources;
- Promote the production and dissemination of transparent and readily available information in a form accessible to the public on parks, protected areas, concessions and other forest areas.
- Promote the use of the internationally established harmonized customs commodity codes to facilitate monitoring the flow of wood and trade in forest products;
- Secure cooperation from civil society, including the private sector as well as the environmental, social and development NGOs and the Indigenous People Organizations;
Monitor and report statistics on the domestic consumption, production, export and import of wood and forest products;

Strengthen institutional mechanisms for monitoring and reporting progress.

(iv) Sustainable Management, Conservation and Utilization of Forests

Ensure transparency of regulations governing the allocation of forest resources and sustainable management of forests;

Assign high priority to control illegal logging in legally protected forestland;

Promote collaborative approaches with rural populations in forest management, conservation and utilization and equitable sharing of benefits;

Develop and implement tools relating to sustainable forest management and forest use, that permit flexible, cost effective solutions, including

- Responsible purchase of wood by private sector
- Environmental Management Systems
- Traceability /tracking system, including GIS survey and third party verified through EMS
- Chain of custody certification for selected sources
- Codes of conduct (producer, purchaser)
- Certification systems for sustainable forest management

Monitor and assess forest resources and forest operations in protected areas, commercial concessions and other forest areas and make this information available to the public in a timely and accessible format.

Ensure that there is adequate funding and effective management of state forest enterprises and support the sustainable management of state forests.

(v) Rural Development, Livelihoods and Poverty Alleviation

Identify, promote and finance better alternative economic opportunities for forest dependent communities so as to reduce illegal forest-related activities and to lessen the pressure on forest ecosystems, This may include alternative employment and income, development of forest based and alternative energies, options for payment for environmental services and creation of investment opportunities

2 Regional Level

(i) Trade and customs

Promote the use of the internationally established harmonized customs commodity codes to facilitate monitoring flow of wood and forest products trade.

Assign priority to the most vulnerable transboundary areas in relation to timber trade

(ii) Share Information and Expertise
• Strengthen regional institutional mechanisms for coordinating actions, sharing information and experience and to report on progress towards FLEG objectives in this Region.

3 International

(i) Forest-related Policies
• Advocate the integration of the Ministerial Declaration into the international forest policy initiatives, in particular in the on-going international initiatives such as G8, MDG, C&I harmonization processes, UNFF and WTO.

(ii) Trade and customs
• Facilitate the gathering, synthesis and sharing of import/export data on wood and forest products

(iii) Research
• Support research on the underlying causes of illegal logging and associated corruption such as: concession allocation; energy policies; labor wages; authority, responsibility and capacity of communities in context of devolution; market mechanisms; and the critical enabling conditions to implement FLEG

(iv) Implementation Mechanisms
• Strengthen international cooperation with: the consumer countries; the multilateral organizations, such as FAO, WB, CIFOR, ITTO, WTO and multilateral financial institutions, for advice on legislation updating, institutional and human capacity building and timely information sharing.

• Seek cooperation and support towards the implementation of the Indicative Action Plan from multilateral organizations including the World Bank, FAO, ITTO, CIFOR, as well as the European Community and bilateral donor agencies.

• Further collaborate with the UN Convention on Trans-national Organized Crime and the multilateral mechanisms established to address money laundering to support the implementation of the Indicative Action Plan associated with this Declaration.

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