

**EUROPE AND NORTH ASIA (ENA) FLEG MINISTERIAL PROCESS
INTERNATIONAL STEERING COMMITTEE (ISC)
NEW YORK, NEW YORK USA**

May 20, 2005

Meeting Summary

1. Objective of Meeting: On May 20, 2005 the Ministry of Natural Resources (MNR) of the Russian Federation and the World Bank co-hosted the 2nd meeting of the International Steering Committee of the Europe and North Asia Forest Law Enforcement and Governance (ENA FLEG) Ministerial Process. The objective of the meeting was to review the status of preparations for the Preparatory Conference to be held in Moscow, Russia from June 6-8, 2005 and provide guidance to the overall design and implementation of the ENA FLEG Ministerial Process.

2. Participants: The ISC member governments of Bulgaria, Canada, Finland, Germany, Japan, Kazakhstan, Poland, Russia, Turkey, United Kingdom, United States, as well as the European Commission and World Bank attended the meeting. China was also invited but could not attend. The Governments of Denmark, Latvia and the Philippines participated as observers.

3. Structure of meeting: Session 1 focused on a review and adoption of the minutes of the 1st ISC meeting and further elaboration of the design and objectives of the ENA FLEG process. Other participants from NGO and private sector organizations participated in the open Session 1, and were asked to provide guidance on how the ENA FLEG process could most effectively engage civil society and industry, and how this engagement could be best designed to foster collaboration between these two groups and governments both at the national level as well as during the ENA FLEG initiative main events. Session 2 with ISC member and observer governments only, meeting discussions focused on the details of the Preparatory Conference, budget and other issues (ISC-2 Meeting Agenda attached).

SUMMARY OF DELIBERATIONS

**SESSION 1: STATUS OF PREPARATIONS FOR THE PREPARATORY CONFERENCE
(FOCAL POINTS AND INVITED GUESTS)**

In their initial remarks, the co-chairs emphasized the need to interlink the FLEG process to UNFF.

Road Map from ENA FLEG Preparatory Conference to the Ministerial and Beyond: This session outlined how the objectives of the ENA Process (listed in preamble to meeting summary) are reached, and how the Preparatory Conference initiates a process that leads to the Ministerial Conference and beyond.

The roadmap initially developed at the 1st meeting of the ISC was further elaborated by the two international facilitators for the ENA FLEG Preparatory Conference, Dr. Jag Maini and Dr. Juergen Blaser.

§ **Preparatory Conference:** The Preparatory Conference is the first opportunity for governments and other stakeholders to first come together to discuss the issues that the ENA region is facing related to illegal activities in the forest sector and associated trade. Prior to engaging in formal inter-governmental negotiations, ENA FLEG Focal Points, experts and representatives of stakeholder groups will have the opportunity to gain an overview of perspectives on forest governance in the

region, and have the opportunity to develop a common understanding of issues. The development of a list of key issues of concern to government and stakeholders as the outcome of the Preparatory Conference will then form the basis for a Draft Ministerial Declaration and a Draft Indicative Action Plan (DIAP) which will serve as the starting point for the inter-governmental negotiations which will formally start at the Ministerial Conference (tentatively set for Winter 2005/6).

§ ***Interim Period:*** Based on the progress made at the PrepConf and the level of common understanding developed, the facilitators will ask the intergovernmental participants if they (the facilitators) have the mandate to develop the elements of a “draft ENA FLEG Declaration” which will serve as the starting point for the inter-governmental negotiations. This document would be developed on the basis of the discussions at the Preparatory Conference, and would be augmented by the outcomes of meetings (e.g. MCPFE workshop on illegal logging, national level consultations) and analytical work (e.g. ECA 10 country study coordinated by SAVCOR) completed prior to the Ministerial. It would be sent to negotiating parties at least 6-8 weeks prior to the Ministerial in order for ENA FLEG Focal Points responsible for leading negotiations for their government to be able to review within their country (inter- and intra-ministerial, as well as for national stakeholder consultations) and their Minister.

The MCPFE and the Government of Turkey announced that they will likely be able to contribute to the preparatory process prior to the Ministerial by hosting a workshop on illegal logging for MCPFE members (exact topic to be determined after PrepConf), and a regional workshop to advance ENA FLEG discussions on trans-national issues, dependent on the availability of funds. The Government of Bulgaria has already conducted a workshop for forest authorities to explain the objectives of the FLEG process (April 2005).

§ ***Ministerial Conference (non-Ministerial segment):*** The first 2-3 days of the Conference will be technical, devoted to review of the issues in plenary sessions and inter-governmental negotiations¹ by the ENA FLEG Focal Points of the draft document (facilitated).

§ ***Ministerial Conference (Ministerial segment):*** Ministers will make keynote presentations and will meet in a closed door session to review the negotiated DIAP with their respective delegations. A final inter-governmental (facilitated) meeting with Ministers will be held to revise as needed and adopt the Declaration and Indicative Action Plan.

§ ***Ministerial Conference (plenary):*** Announcement of the adoption by acclamation of the ENA FLEG Declaration and Indicative Action Plan, which, while not a legally binding document, has powerful symbolic and political importance. Participant countries hope to adapt the Indicative Action Plan (IAP) to concrete actions (including through bilateral, regional or international projects) and it is hoped that announcements of new programs for implementation of the principles of the ENA FLEG process will be made at this time.

Engagement of Civil Society: IUCN has been asked to facilitate awareness raising of major stakeholders in several ENA FLEG countries, and to coordinate a self-selection process for local NGOs. IUCN presented lessons learned on how to effectively engage civil society so that they may be able to provide informed and timely input to an international process such as the FLEG. The most effective arrangement would be to foster awareness of the issues and understanding of the opportunity of the FLEG process by ensuring interaction between civil society, government officials and other stakeholders in “tri-partite” discussions as early in the FLEG process as possible. This helps to improve prospects for “ownership” of the eventual Ministerial Conference outcomes and lays the groundwork for implementation.

¹ Due to the sensitive nature of the discussions, the negotiating sessions are governmental only with no observers.

While IUCN coordinated the local NGO self-selection process for participation in the PrepConf, participants discussed a list of international NGOs, prepared by the World Bank, and agreed that it reflected adequately those who should be invited to the PrepConf.

Engagement of Industry: Mary Colombe of the America Forest and Paper Association and Nigel Sizer representing The Forest Dialogue (TFD) highlighted the importance of assuring not only civil society but also industry that their input to the ENA FLEG process will be considered by the ENA FLEG Process. While NGOs are often engaged in inter-governmental processes, there is the need to do special outreach to industry. Participants provided suggestions on representatives of industry who should be invited to the PrepConf and involved in the ENA-FLEG process more generally. The World Business Council on Sustainable Development (WBCSD) and The Forests Dialogue will likely coordinate such industry participation.

SESSION 2: LOGISTICAL PREPARATION FOR PREPARATORY CONFERENCE (FOCAL POINTS ONLY)

Agenda, Participants List, Facilitators and other actions, etc.

- **Agenda:** Guidance was given on the development of the agenda and potential speakers. Revisions made based on these comments are reflected in the revised draft (see Attachment)
- **Participants List:** Confirmations of governments has been overwhelmingly high compared to other regions where FLEGs have been conducted. Advice was given on further invitations to be sent out including additional multi-lateral institutions such as the FAO, and have been reflected in a revised invitations list. Other institutions which were mentioned such as the World Trade Organization (WTO) were deemed to be best suited to be invited to the ministerial-level event rather than the Preparatory Conference which would be dedicated to consensus-building and issues-development.
- **Facilitators:** While the international facilitators have been contracted (Dr. Jag Maini and Dr. Juergen Blaser²), it is still necessary to identify facilitators from the region who are fluent in Russian.
- **Other preparatory activities** such as contents of conference packages and other background materials were discussed for follow-up by the ENA FLEG Secretariat.

Analytical Work

- A conference paper is being prepared with resources provided by the Government of Switzerland. This document will be prepared in accordance to the guidance provided by the ISC at its 1st meeting. By the Preparatory Conference, a general overview of international and regional issues specifically pertinent to the ENA FLEG region will be presented. This document will be updated up until the Ministerial Conference in order to integrate the outcomes of the Preparatory Conference and other analytical work or consultations that will be conducted during the Summer and Fall 2005.
- § In the next several months, it would be desirable that the FAO or UNECE be invited to provide information on forest-related trade flows within the region, possibly to be integrated into the overall conference paper or as a stand-alone (to be determined).

Tentative timeline for ENA FLEG Activities: Currently, the date for the Ministerial Conference is tentatively set for November, 2005. It is likely that the date for the ENA FLEG Ministerial Conference will be set by the ISC at or immediately after the Preparatory Conference. Timing may depend on the availability of finance to ensure activities necessary before the Ministerial Conference can be completed.

² Services provided as a in-kind contribution of the Government of Switzerland.

Budget and Fund-raising: The budget³ for the ENA FLEG process remains virtually the same as presented at the first ISC meeting. For expenditures to-date, some have been higher while others have been lower than expected (e.g. addition of costs for 2nd and 3rd ISC meeting). Contributions have been secured or are forthcoming from the Governments of UK, USA, Finland, Canada and Switzerland (in-kind). Germany announced an additional contribution of 30,000 US\$.

However, according to the originally scheduled budget, there is still a need to raise an additional \$300,000-350,000 of core funding to not only ensure adequate levels of participation of all stakeholders and national-level consultative processes, but guarantee a Ministerial Conference in November. Options to narrow this gap included:

Reduce costs: Allocations for background documents and post-Ministerial Conference follow-up (not implementation) were reduced. National-level preparatory processes (“tri-partite”) remained at the originally planned levels, which are recognized to be the minimal level possible. Plans to have a 5-day Ministerial Conference were reduced to a 4-day Ministerial. This reduced the budget by approximately \$150,000. But a gap of more than \$150,000 remains.

Additional contributions: Many government delegations indicated that their country-level programs could finance the travel costs of participants to Ministerial and other events. Larger scale contributions, however, would be necessary to fund the level of gap currently anticipated. It is possible that Denmark, Norway and Sweden will be able to contribute to supporting ENA-FLEG activities leading up to and at the Ministerial Conference.

³ In-kind contributions are reflected in the overall budget in order to obtain a complete picture of the cost of the ENA FLEG and associated processes.