



SUMMARY REPORT OF THE FOREST LAW ENFORCEMENT AND GOVERNANCE EAST ASIA MINISTERIAL CONFERENCE
SEPTEMBER 11-13, 2001

The Forest Law Enforcement and Governance (FLEG) East Asia Ministerial Conference took place in Bali, Indonesia, from 11-13 September 2001. The Conference brought together nearly 150 participants from 20 countries, representing government, international organizations, non-governmental organizations (NGOs), and the private sector. The event was co-hosted by the World Bank and the Government of Indonesia and facilitated by the World Bank Institute, with financial support from the Governments of the United Kingdom (UK) and the United States (US).

The first two days of the meeting comprised a technical segment, during which participants met in nine thematic sessions to hear panel presentations and discuss forest law enforcement in relation to governance, forest policy, forest management, and operational aspects. On the final day of the Conference, ministers and ministerial level officials from Cambodia, China, Indonesia, Laos, the Philippines, Thailand and Vietnam as well as from Congo-Brazzaville and Ghana participated in the ministerial segment.

The Ministerial Conference set out to exchange views, disseminate technical knowledge and foster strong political support and commitment at the national, regional and international levels. The Conference's primary aims were to: share and explore the best current thinking on forest law enforcement; conduct further deliberations on the previously identified priority issues of forest law enforcement, including illegal logging in the East Asia region, among senior officials from forest and related ministries, NGOs and industry representatives; and concur on a statement expressing political commitment for action at the national and regional level.

The meeting resulted in the adoption of a Ministerial Declaration, which commits participating countries to, *inter alia*, intensify national efforts and strengthen bilateral, regional and multilateral collaboration to address violations of forest law and forest crime, and create a regional task force on forest law enforcement and governance to advance the Declaration's objectives.

A BRIEF HISTORY OF THE FLEG INITIATIVE

The FLEG Conference was the culmination of a series of earlier consultations, conferences and national initiatives convened in East Asia that have focused on combating the threat posed to forests worldwide from illegal logging, associated illegal trade, wildlife poaching and corruption. These include two meetings organized by the World Bank: a Regional Symposium on Strengthening Cooperation for Forestry Law Enforcement in the Mekong Basin Countries, held in Phnom Penh, in June 1999, and a "Control of Illegal Logging in East Asia" conference, convened in Jakarta, Indonesia, in August 2000, by the World Bank/WWF Alliance. A key conclusion drawn from both of these meetings was acknowledgement of the need to act at national and regional levels to secure political commitment at the highest level in all countries.

In May 1998, the G-8 launched an Action Program on Forests, which allots high priority to solving the problem of illegal logging and aims to complement actions and international and regional processes. The G-8 Action Program motivated a partnership between the World Bank, the UK Department for International Development and the US Department of State on forest law enforcement for East Asia, which led to the FLEG Conference.

In April 2001, a preparatory meeting for the FLEG conference was held in Jakarta. Senior government officials from nine East Asian countries attended the meeting and reached agreement on, *inter alia*: the principle that control of illegal logging and other forest crimes is primarily a national/domestic obligation, with recognition that it is a problem that faces all countries; the potential value of regional cooperation to address some problems of illegal logging and forest crimes; and the usefulness of a Ministerial Conference and the crafting of a regional ministerial declaration.

REPORT OF THE TECHNICAL SEGMENT

OPENING SESSION

Wahjudi Wardoyo, Director General, Forest Protection and Nature Conservation, Indonesia, welcomed participants and noted that the Conference formed part of a regional initiative to encourage resolution of forest-related problems. He emphasized that, *inter alia*: world population growth has a direct impact on forest resources; countries

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are increasingly scrutinized for the way they manage tropical forests; and monitoring requires building human and technical capacity. He highlighted the multidimensional problems related to illegal logging, illegal trade and corruption, which are deeply rooted in social, economic, cultural and political structures, and said discussions should not be limited to the forestry sector. He noted the need for international measures to address national problems, and emphasized cooperation between producer and consumer countries. He expressed hope that the Conference would agree upon a joint declaration as a basis for closer cooperation.

Tom Walton, Lead Environmental Specialist, World Bank, Indonesia, provided background on the debate on forest crimes, noting that until recently, the discussion was limited to environmental groups and academics. He recalled the preparatory meeting held in April 2001 in Jakarta, and highlighted conclusions drawn at the meeting, including that: a body of knowledge and expertise is available on controlling forest crime; law enforcement is necessary at both the local and national levels; and fair, consistent and effective law enforcement is needed. He noted that the forestry industry has been underrepresented in the discussions, and highlighted the importance of sharing experiences between all stakeholders. Emphasizing that controlling forest crimes requires strong political will, he stated that control is primarily a domestic obligation, but highlighted the potential for regional cooperation, particularly in trade, and the role of donor agencies in promoting sustainable forest management (SFM). He hoped for a declaration of intent to enforce forest law at home and to collaborate in forest law internationally.

David Kaimowitz, Director General, Center for International Forest Research (CIFOR), overviewed issues and challenges for East Asia relating to forest crimes and forest law enforcement. He identified the attainment of SFM, the generation of tax revenues for investment in development, and the establishment of the rule of law as key objectives, and stressed that forest law enforcement must form part of a broader strategy that includes economic incentives, public infrastructure investment, research and technical assistance and education. He remarked that forest crimes divert potential tax revenues from investment in health and education and result in loss of biodiversity, and emphasized the importance of good governance to establish confidence among the people that governments serve the public good. Noting that legal logging is not necessarily sustainable, he emphasized that legality must be promoted along with sustainability. He called for prioritization of laws to be enforced and of locations for their enforcement, such as protected areas, and highlighted the role of new technologies in monitoring land use and chains of custody. In closing, he expressed hope that the Conference would help to create a shared understanding of these complex issues, set priorities, and identify specific initiatives for international assessment and monitoring.

Boen Purnama, Director, Forestry Planning Center, Indonesian Ministry of Forestry, spoke on law enforcement and forest production in Indonesia. He said the forestry department cannot control crimes alone and highlighted the need for an intersectoral commitment to ensure SFM. He said issues being addressed include: smuggling and illegal trade; forest fires; illegal logging; forest land encroachment; and governance. He highlighted government actions taken thus far, including: a political statement against illegal logging; ongoing prosecution of busi-

nesses involved in forest crimes; public awareness campaigns; empowerment of local communities and strengthening of institutional and human capacity; and the closure of illegal sawmills. He identified forest resource degradation, economic loss, and social, cultural and moral degradation as impacts of illegal logging and forestry crimes. He highlighted policy initiatives and measures being undertaken by the Indonesian Government, including a moratorium on new timber harvesting licenses and the use of decentralization as a tool to enhance SFM. He said illegal logging, illegal trade and corruption are increasingly being recognized as threats to the world's forest resources, and emphasized the need to involve a variety of stakeholders at national and international levels and to enhance cooperation between consumer and producer countries.

In an ensuing discussion, one participant emphasized the use of more economic-based instruments and incentives to encourage adherence to laws and regulations. Tom Walton agreed that there would have to be fiscal incentives to promote SFM at the local level, and said the World Bank had imposed some conditionalities and would undertake a review to determine the effectiveness of these policies.

Nalin Kishor, World Bank Institute, drew attention to the background document for the Conference, "Law Compliance in the Forestry Sector: An Overview," by Arnaldo Contreras-Hermosilla, and highlighted key findings, including that illegal acts are a major contributor to forest destruction worldwide and occur in both developing and developed countries alike. Defining governance as the exercise of authority through formal and informal institutions for the common good of society, he suggested that governance can be broken down to the provision of rule of law, control of corruption, effective implementation of policy, avoidance of regulatory burden, accountability to civil society and political stability. To improve governance of forests, he called for, *inter alia*, action to promote SFM via forestry reform, establishment of clear property rights, increased use of market mechanisms, and simplification of forest legislation. He urged increased transparency of forest operations through clear management plans, codes of conduct and certification, and underscored the need for judicial system reform and stronger penalties to deter forest law offenders. Regarding the international community's role, he suggested that it promote adherence to regulations in forestry-related treaties and anti-corruption agreements, and uphold a zero tolerance policy for unethical practices.

Mohammed A. Bekhechi, Environmentally and Socially Sustainable Development (ESSD) and International Law Unit, World Bank, discussed the legal framework for SFM and good governance, and said most legal frameworks in developing countries have failed to advance the multi-faceted SFM agenda. He emphasized the need to foster and continuously improve good domestic governance, and said legislation must be updated and comply with international obligations. He said a sound and effective legal and regulatory framework for SFM requires, *inter alia*, early involvement of lawyers, consistency with the country's general legal framework, incentive-based policies and laws, flexibility, and comprehensibility. He discussed good practices in drafting laws and amendments, and distinguished between primary and secondary legislation. Regarding forestry concessions and laws, he highlighted: specific aspects of legislation, regulations and model contracts related to the concession of forestry exploitation; legal value, implementation of and compliance with forest management plans; and amendments and termi-

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nation, including for bribery and tax evasion. He emphasized the necessity of stakeholder participation and consultation in drafting, amending and implementing policies and laws, which he said would lead to, *inter alia*, informed decision making, public trust, constituencies for the sustainable development of forests, and resolution of conflict among stakeholders. He noted that the level of stakeholder involvement in decision making, implementation and enforcement differs from country to country.

During the ensuing discussion, participants addressed the issue of export bans, with one participant noting that no consensus had been reached on whether they were good or bad.

GOVERNANCE AND FOREST LAW ENFORCEMENT

NATIONAL GOVERNANCE CONTEXT: Oscar Embido, National Bureau of Investigation, the Philippines, discussed controlling illegal logging in the Philippines. He noted that during the 1980s, forest cover was reduced from 16 million to 800,000 hectares, which led to, *inter alia*, numerous deaths, floods, soil erosion, landslides and destruction of marine resources. He noted that cases filed against illegal loggers were dismissed due to lack of evidence and support from the central government. He highlighted a 1992 World Bank Environment and Natural Resources Sectoral Adjustment Loan, which provided the necessary funding for anti-logging and reforestation efforts, and the subsequent establishment of a task force to carry out an aggressive campaign ("Operation Oplan Jericho") against illegal loggers, which included increasing public awareness on the disastrous effects of illegal logging, and training enforcement groups to conduct intelligence, gather evidence and arrest illegal loggers. As a result of the campaign, he said 285 illegal loggers were convicted out of 360 cases.

Agus Purnomo, WWF-Indonesia, spoke on empowering local communities and improving governance. He highlighted the recent economic crisis and political transition in Indonesia. He said decentralization policies often resulted in unclear concepts and modes of operation. He noted obstacles and challenges associated with empowering local communities, including: corruption; bureaucratic inertia at the national level; lack of implementation of regulations, local resources and enforcement leadership; the tragedy of the commons; and rogue investors who fund illegal activities to extract timber. He highlighted opportunities associated with recent political changes and emphasized, *inter alia*: renewed energy and enthusiasm exemplified by 75 anti-corruption programs; the growing number of NGOs addressing forest issues; the 44 organized indigenous communities active in promoting legal recognition of land rights claims; an organized association of district governments; a multi-stakeholder forum to complement existing government structures; the importance of learning from other countries undergoing transitions; and the growing need to reorganize land use at the district level.

During the ensuing debate, one participant called attention to the murder of political activists and witnesses during the Oplan Jericho operation and asked how people could be active without fearing for their lives. Embido called attention to a witness protection program. Participants also discussed minimizing the demand for logs through, for example, the use of alternative materials in constructing houses. Another participant said security and legal agencies were often corrupt

and part of the problem, and asked how political support was nurtured. Embido reiterated the importance of raising awareness and bringing people with integrity into enforcement agencies.

INTERNATIONAL GOVERNANCE CONTEXT: Duncan Brack, Head, Environment and Energy, Royal Institute of International Affairs, United Kingdom, presented options for intergovernmental agreement to combat illegal logging and trade in illegal timber and forest products. He stressed that a system for controlling illegal trade must include identification of point of production/export; detection at the point of import; and an international framework for action.

He highlighted options for identification of source, including certification, licensing and technical measures such as bar-coding and genetic fingerprinting. Regarding detection and seizure, he highlighted the need for: identification forms at the point of import; training, technical support and resources for customs agencies; and a system of rapid exchange of information between exporters and importers. He identified the opportunity for collaboration with phytosanitary inspectors and also suggested requiring businesses to show legality of products.

Brack suggested a role for the International Tropical Timber Organization (ITTO) in facilitating data exchange, for the World Customs Organisation (WCO) in facilitating customs collaboration, and for Interpol in facilitating enforcement collaboration. He highlighted the possibilities and limitations of addressing illegal logging through the Convention on International Trade in Endangered Species of Fauna and Flora (CITES), the Convention on Biological Diversity (CBD), and the Lusaka agreement. He also identified the United Nations Forum on Forests (UNFF) and the Food and Agriculture Organization (FAO) as relevant fora for discussion, and drew attention to the OECD Anti-Bribery Convention and the UN Organized Crime Convention as additional relevant instruments.

Regarding the WTO, he noted that it generally prohibits discrimination of products based on processes or production methods, but noted that recent disputes, such as the shrimp-turtle case, indicate that discrimination based on process or production methods may be allowed as long as all WTO members are treated equally. He noted the potential and limitations of unilateral and bilateral agreements in addressing forest crimes, and suggested that a new multilateral agreement including financial mechanisms would be effective, but acknowledged that negotiation of such an agreement would take several years.

H.K. Chen, Director, Traffic South East Asia, overviewed the potential for CITES to control illegal timber trade. He said CITES is useful for monitoring and controlling trade, but identified its limitations in addressing illegal logging due to, *inter alia*, the need to list each specific species traded; the difficulty of maintaining border controls; and reliance on the importing and exporting countries to identify products in trade. One participant pointed out that listing a species in CITES requires that trade is the source of its depletion and that illegally harvested wood is often used for domestic consumption. He also noted that not all species harvested illegally are endangered.

Mubariq Ahmad, Natural Resource Economist, Natural Resource Management Program, Indonesia, described Indonesia's experience with third-party timber certification. He noted Indonesia's work toward mutual recognition of Indonesia's timber certification scheme with the Forest Stewardship Council (FSC) and LEI. He said the six-year

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process of initiating certification had helped to improve governance on the ground in the context of forest management and could contribute to combating illegal logging. He noted that the certification system is comprised of a procedure for certification and includes criteria and indicators and requirements for implementation, and that it aims to achieve SFM, takes a participatory multi-stakeholder approach, and focuses on accountability and transparency. He said certification could help combat illegal logging through verification of origin and thereby control of illegal inputs to the wood processing industries. One participant cautioned that linking certification and illegal logging too closely could delay action to combat forest crimes.

Ulf Johansson, Forestry Manager, IKEA Trading South East Asia, overviewed IKEA's forestry policy. Noting IKEA's long-term goal of sourcing all wood from forests certified according to an IKEA-recognized management standard, he said wood suppliers must meet progressively higher standards within set time periods to continue doing business with IKEA. The first level requires that no wood come from intact natural forests, and to continue as an IKEA supplier after three months, a supplier must meet the second level of standards, which include: certainty of origin, compliance with national and regional forest legislation, no plantation wood planted after November 1994, and certification of high value tropical trees. The third level requires meeting IKEA's "4Wood" standard, and the fourth level requires that forests are managed in accordance with an official standard; FSC is currently the only recognized standard for this level. Suppliers are also requested to supply the names of all those in the change of custody, and 80 percent of the supply is audited.

FOREST POLICY AND FOREST LAW ENFORCEMENT

FOREST POLICY FORMULATION AND REFORMS:

Frances Seymour, Forest Law Enforcement and Governance, World Resources Institute (WRI), discussed aligning good forest policy and good governance and put forward various propositions for forest policy. She proposed that: the most significant policy problems for forests, and in particular for illegal logging, are not always forest policies; problematic forest activities are not always illegal and illegal forest activities are not always problematic; the formulation and implementation of good forest policies depend on the institutions and practices of good governance; good governance depends on the development of constituencies beyond professional foresters and passionate environmentalists, as they do not have sufficient political power to implement change; and good forest policy and governance are aligned with implementation of the Rio Forest Principles.

Jim Cannon, Senior Director, Conservation International, discussed forest conservation policy and linkages with law enforcement and governance, highlighting case studies from Brazil, Indonesia and Papua New Guinea. In Brazil, he outlined the corridor approach to minimize conflict over which areas to protect and which to develop economically, noted that poor enforcement constrains the use of flexible policy instruments, and discussed the application of enforcement economics. He said most forest crime cases never go to court, and noted that an enforcement training program was being implemented. He then highlighted cross-sectoral issues and spatial planning in Irian Jaya, and, lamenting the lack of consultation with local communities, emphasized efforts to ensure that spatial plans and development plans reflect the

desires of local stakeholders. He underscored the need for legally binding guidelines for spatial planning, to govern community participation and to ensure accountability of local officials. Regarding Papua New Guinea, he said forest policy is a result of failures in transportation, health and education policies, and that contributions from the timber industry in campaign financing should be scrutinized more closely.

Abdon Nababan, Executive Secretary, AMAN, Indonesia, discussed forest governance and law enforcement in Indonesia and indigenous peoples' perspectives on illegal logging. He discussed illegal logging by legal companies, illegal companies and members of the indigenous communities. He highlighted the conflict between customary laws and national laws, noting the overlap between government-permitted forest use areas and customary forest areas. He emphasized that indigenous peoples have strong motives and valuable incentives to protect the forests in comparison to other stakeholders. He highlighted changes needed to revitalize the strategic role of indigenous peoples in combating illegal logging, including reforming unconstitutional forestry laws, empowering indigenous peoples, and improving current policies on decentralization.

Jakobus Akon, Customary Forest Law Enforcement, Indonesia, discussed the combating of illegal logging in the Pendaun Community, and highlighted steps taken by the village toward customary forest law enforcement.

Haryanto Putro, Bogor Agricultural University, discussed the reformation of forest resource rights in Indonesia. He identified weak synergies in the political agenda, complex institutions and policy problems at all levels. He said uncertainties regarding the magnitude and importance of impacts create difficulties in raising awareness. He noted that: policy and legal instruments are not felt at the local level; the Indonesian agenda is not effectively coping with problems; and the complexity of forest degradation management is caused by structural problems and the conflict of interests between government bureaucrats. He underscored that illegal logging is "rational" and is related to rent-seeking opportunities of governments. He emphasized the need for reform of government institutions and bureaucracy, stating that these are the most prominent causes of forest degradation.

During the ensuing debate, one participant highlighted conflict between national and customary laws as the crux of the problem, and challenged the World Bank to address this issue. A World Bank representative stated that the Bank cannot force governments to take customary law into account, but they do engage in dialogue on the issue. Another participant asked the World Bank to take a critical look at itself and said some Bank projects compound problems, such as over-expansion and liberalization of the timber sector. One participant acknowledged that the Bank had a considerable negative legacy to overcome, but commended work done in East Asia within the last five years.

TIMBER SUPPLY, INTERNATIONAL TRADE AND INDUSTRIAL INVESTMENT: Mafa Chipeta, Deputy Director General, CIFOR, addressed policies to promote responsible behavior and to combat illegality and irresponsibility. He identified issues requiring attention, including: getting the numbers right; identifying factors to which anti-crime policy must be sensitive; putting illegal activities in perspective; and identifying the appropriate policy incentives to correct

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the problem. He said attention should also be given to unsustainable but legal operations and illegal domestic commerce, and stressed the need to learn lessons from non-forest crime such as drug trafficking. He recommended creating enabling conditions to discourage illegal logging and suggested ensuring good prices for legal goods, fiscal innovations and subsidies for SFM.

Christopher Barr, Policy Scientist, CIFOR, addressed pressures on forests and financial risk in relation to overcapacity in Indonesia's pulp and paper industry. He noted the rapid expansion in the pulp and paper sector in Indonesia since the late 1980s and the accompanying growth in demand for roundwood. He commented that industry has been highly reliant on mixed tropical hardwoods and that there is reason to believe 40 percent of natural forest wood input may be illegal. He highlighted the government's efforts to establish pulpwood plantations, with projections that they will provide 95 percent input by 2009, but said there is reason to be skeptical of these projections due to overstatement of areas planted, extremely optimistic growth rates, technical and fire threats, social conflict, and growing demand. He pointed to cheap wood, favorable tax structures, benefit from weak financial regulations, "mark-up" schemes enabling profit before operation, and easy access to international finance as reasons why such a risky business with no sustainable supply is burgeoning. He suggested various measures to curb the industry, including: a moratorium on further industry expansions until an audit is carried out; elimination of the wood supply subsidy; extension of the 1998 moratorium on allocation of new forest conversion permits to areas already allocated; an independent monitoring program for plantation development; and improved due diligence for financial institutions to ensure that illegal activities are not funded.

Nigel Sizer, Director, Asia Pacific Forestry, The Nature Conservancy, overviewed forest management in the Lore Lindu National Park. He explained that there are approximately 350 small sawmills operating, all wood extracted is illegal, and cases are not prosecuted. Noting that the timber is sold primarily to Europe, Japan and the US, he urged development of demand-side market mechanisms to address the problem, and, predicting greater corporate leadership, encouraged public pressure to this end. He suggested that law enforcement and customs officials in importer countries cooperate with like agencies in exporter countries and track major routes. Highlighting Japan's leadership at the G-8 summit in Okinawa regarding commitment to addressing illegal logging, as well as its important regional role in trade, he urged Japan to take leadership in meeting the Okinawa commitment.

Nana Suprana, Alas Kusama Group, Indonesia, addressed forest governance and law enforcement in Indonesia. He stressed the importance of solid and precise regulation, strong commitment and self-discipline to ensure effective implementation. He identified weaknesses in forest and forestry regulation, including: inconsistency and contradiction among laws and regulations; inconsistency in forestry industry policies; irrelevant and/or unreasonable regulation; and regulation and evaluation of companies' performance based on meeting administrative requirements rather than assessment of their actual impacts. To improve forest law enforcement, he suggested, *inter alia*, improving laws; broadening the function and authority of field officials; capacity building for field officers; clarifying methods for proving forestry regulation violations; publicizing infringements; and negotiating a multilateral agreement to prevent illegal logging.

Mary Coulombe, Director, American Forest & Paper Association (AFPA), noted concerns that illegal logging undermines the legal industry, and stressed the need to support responsible forestry. She stated that illegal logging hurts consumer confidence in wood products. She highlighted the challenge of remaining competitive while meeting domestic environmental regulations, and cautioned against too much regulation. She emphasized support for creation and implementation of domestic laws where necessary and said illegal logging is an issue around which the private sector can rally.

In the ensuing discussion, one participant asked what action would be taken if an AFPA member were found to have purchased illegal timber. Coulombe responded that such an offender would lose their membership in the association. Another participant suggested that public confidence in wood products could be enhanced through better information, such as satellite imagery, which can disprove misinformation and inform policy makers.

PREVENTION, DETECTION AND SUPPRESSION: FOREST LAW ENFORCEMENT AND FOREST MANAGEMENT

APPROACHES TO FOREST RESOURCE MANAGEMENT AND THE LAW ENFORCEMENT CHALLENGE: EXAMPLES FROM THE FIELD: Romeo Acosta, Department of Environment and Natural Resources, the Philippines, discussed multisectoral forest protection in the Philippines, elaborating on the Multisectoral Forest Protection Committees (MFPCs) and Community Based Forest Management (CBFM) peoples' organizations. He said the MFPCs, *inter alia*, provide advocacy for forest protection and conservation, generate information on illegal forest extraction and trade, promote forest conservation and implement rules, laws and regulations. He contrasted the MFPCs with CBFM peoples' organizations, which undertake direct action at the grassroots level to protect and conserve forests through, *inter alia*, citizens' arrests, forest patrols and confiscation of illegal products. Regarding lessons learned, he said the MFPCs have raised public awareness and created deterrence against forest crimes. He said tenure assistance to peoples' organizations is a significant element in mobilizing grassroots activities. While acknowledging successes thus far, he said much work remains to be done in consolidating networks.

Henri Djombo, Minister of Forestry and Fisheries, Congo-Brazzaville, discussed community involvement in wildlife management in Africa. He noted that African countries have begun to undertake reforms leading to sustainable development policies, which recognize the importance of community participation in forest management. He explained that local communities often do not feel ownership of the projects in which they are asked to participate, and that if they are not consulted, they will often oppose projects. He also noted that many projects have limited external funds and are not sustainable over the long term. He emphasized the importance of having a well-designed participatory process and defining a role for stakeholders in advance. He highlighted a case in Burkina Faso where women and NGOs were heavily involved in fighting desertification and protecting wildlife. He also discussed cases in Congo-Brazzaville and Zambia, where management of biodiversity and forest resources was based on participatory approaches and mobilization of local communities and local authorities. Emphasizing that local community participation is a prerequisite for

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sound environmental protection and conservation of biodiversity, he called for directing external funding to build local communities' capacity to manage resources.

During the ensuing discussion, one participant inquired about violence against MFPCs and lack of police support. Acosta responded that some people have experienced violence and have retaliated, and said police and military units were encouraged to participate in MFPCs.

ROLES OF NGOs AND LOCAL COMMUNITIES IN FOREST LAW ENFORCEMENT: Dave Currey, Director, Environmental Investigation Agency (EIA), and A. Reuindrijato, Executive Director, Telapak Indonesia, delivered a joint presentation on their partnership to address illegal logging in Indonesia. Currey introduced a newly released EIA report, "Timber Trafficking – Illegal Logging in Indonesia, South East Asia and International Consumption of Illegally Sourced Timber," and screened an accompanying video documenting the situation in Tanjung Puting National Park, an important habitat for orangutans and a source of ramin, a valuable and rare light hardwood species. The video detailed, *inter alia*: impacts on the ecosystem resulting from the construction of logging camps, roads, rails and canals for transporting logs; poor wages and working conditions for loggers; and the chain of custody of illegally sourced logs to Malaysia and then on to Europe, Japan and the US. It noted Indonesia's recent listing of ramin on Appendix III of CITES, and stressed the need for regional cooperation to enforce the export ban – specifically with Malaysia – and for legislation in consuming countries to prohibit the import of illegally produced timber.

Reuindrijato noted that Tanjung Puting is a UNESCO Biosphere Reserve and that its protection would provide a good example and case study for future action. He noted that illegal logging increased significantly after 1999, but has since decreased as government awareness has improved. He emphasized the importance of cooperation with consumer and neighboring countries in addressing illegal logging.

Currey said partnerships between the national and international NGOs, such as that between EIA and Telapak, are very useful, and expressed hope that Tanjung Puting would be secured. While noting that Malaysia still imports ramin, he highlighted a positive development: since the listing of ramin on Appendix III came into effect on 6 August 2001, loggers in Tanjung Puting have commented that cutting ramin is now prohibited.

Allan Thornton, Director, EIA US, emphasized the importance of examining consumption patterns in developed countries, and highlighted EIA's cooperation with other environmental organizations in informing corporations and encouraging them to take action. For example, he noted recent success in prompting Lowe's to stop selling ramin products. He urged timber importing nations to enact legislation that prohibits the import and sale of illegally-sourced timber and timber products. As interim measures, he proposed prior notification of large shipments of timber to help identify illegal timber and the provision of financial and technical measures to this end. He underscored the need to enhance border control and regional cooperation and to provide financial and technical assistance to build these capacities in developing countries. He urged government lending agencies to adopt specific criteria for forest operations to ensure that they do not rely on illegally produced timber.

Loggena Ginting, Campaigner, WALHI – the Indonesian Forum for Environment, addressed community action for forest law enforcement in Indonesia. He said local communities are often the foundation of the illegal logging structure and stereotyped as illegal loggers that lack capacity to manage forest resources. He said illegal logging stems from resource management conflicts, the tragedy of the commons and insecure property rights. He supported local forest law enforcement to protect land and future livelihoods, and highlighted local communities' struggle for sovereignty for local law enforcement, delineation of forest ancestral domain claims, strengthening of local institutions, and documentation and revitalization of local community laws. Regarding linkages to national policy, he highlighted Indonesia's Natural Resources Act, which encourages integrated natural resource management and the attainment of prior informed consent from local communities. He proposed a logging moratorium as a tool to combat illegal logging, with a moratorium on licensing as the first step.

Brian Bruton, Greenpeace Australia Pacific, presented lessons from Papua New Guinea and outlined his study, "One Minute to Midnight in the Garden of Good and Evil: Community, Forests in Papua New Guinea." He noted that 97 percent of land in Papua New Guinea is owned by communal tribal groups, highlighted the 1999 moratorium on new logging concessions, and noted the establishment of an NGO coalition, the Eco-Forestry Forum. Stressing that the World Bank's position is critical to illegal logging and the survival of the rainforest in Papua New Guinea, he called upon the Bank to, *inter alia*, support the 1999 moratorium worldwide and uphold the Bank's 1991 policy barring logging in ancient forests. In closing, he emphasized that the Conference must deliver a firm resolution with timetables and clear objectives, and called for: a strong political commitment to strengthen governance, new and additional funds to finance prevention of illegal trade, a moratorium on ancient forest logging, and genuine cooperation between consumer and producer countries.

John Buckrell, Global Witness, described his group's work in Cambodia and highlighted progress made. He explained that Global Witness is scrutinizing the illegal activities of forest concession companies and monitoring the ministries dealing with wildlife and forestry inspection. He said Global Witness's work in Cambodia represents a unique case of an NGO working with government, as it is the official independent monitor of the forestry sector. He said that although Global Witness has moderated some of its language and has not always gone public with its findings immediately, it is committed to transparency and retains the right to publicize its findings. He emphasized the need to first define what is legal before illegal activities, such as those associated with the granting of concession, sawmill and transportation licensing, can be determined. He also distinguished between high-level and low-level corruption, noting that many people in the field may feel pressure from logging companies. He hoped that the Conference's declaration would call for adherence to the laws of co-signatories and encourage laws to assist countries in dealing with illegal logs that arrive at their ports.

During the ensuing discussion, participants discussed the pros and cons of a moratorium on logging concessions. One participant suggested that a moratorium could not stop illegal logging, and could even result in an increase thereof. Another noted that a moratorium would drastically increase unemployment, and emphasized that not all

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companies are bad. Wahid responded that it is difficult to distinguish between legal and illegal activities, and that jobs will be lost over the next five years regardless when the forests are depleted. One participant highlighted the successful implementation of a moratorium in Papua New Guinea.

LINKING IMPROVED PLANNING AND OPERATIONS WITH TIMBER THEFT REDUCTION

Amha bin Buang, ITTO, presented forest management experiences from East Asia. He stressed a consensual process as the basis for addressing forest issues, including forest law enforcement, cautioned against unilateral initiatives, and stressed that forest law enforcement should be addressed within the context of SFM. He overviewed two studies commissioned by ITTO: Study on the Status of SFM – "No Timber without Trees" (1989); and Review Toward Progress on Year 2000 Objectives (2000). He noted that the first study found that the number of forests managed at an operational scale for sustainable production of timber were negligible, while the second study, conducted a decade later, found progress in achieving regulatory and legislative reform but a lack of implementation thereof. To enhance law enforcement, he stressed the need to, *inter alia*: have simple, consistent and enforceable laws; apply real efforts to implement these rules and regulations; substantiate cases of violations and provide for due process of law; and use convictions to deter other criminals.

Patrick Durst, Senior Forestry Officer, FAO Thailand, discussed reduced impact logging (RIL) and profitability and SFM. He described RIL as a package of technologies and practices, including better planning and post-harvesting analysis, that represents a step toward SFM. He noted that the costs of adopting RIL are often perceived as more expensive than traditional logging, but in most cases can be manageable and in some cases favorable. He identified obstacles to adoption of RIL, including a lack of: awareness and appreciation of the benefits of RIL; secure land tenure; skilled personnel capable of implementing RIL; and policies and incentives that encourage RIL. He also pointed to the high relative cost of RIL, the huge appetite for wood by the wood-processing industry, and illegal logging as obstacles.

Anwar Anwar, Director of Kerinci Seblat National Park (KSNP), Indonesia, highlighted the park's rich biodiversity, and outlined threats to biodiversity and forests, including forest clearing and encroachment, mining, illegal logging, poaching and illegal collection of non-timber forest products, road construction, and a lack of community awareness and involvement. He described the Integrated Conservation and Development Project (ICDP), which was implemented to strengthen park management. He noted that consultants are working to: secure biodiversity in the park; protect villages; monitor and evaluate encroachment, poaching and other impacts on the park; integrate biodiversity in forest concession management; and train concessionaires and local staff in managing and monitoring the sites. He highlighted the main activities of the project: a social awareness-raising campaign; a co-managing program to stabilize encroachment within the park; efforts to combat illegal logging; and repatriation of production forest into KSNP.

Peter Moore, Project Coordinator, Project Fire Fight-Southeast Asia, stressed that forest fires, which are increasing in their frequency and intensity, are a global concern. He emphasized prevention, preparedness, response and recovery, noting that prevention and

recovery are often overlooked and, as a result, the underlying causes of fires are not addressed. He emphasized involvement of communities in fighting fires and noted an international conference held in July on community-based fire management (CBFiM). He said local communities are best placed to understand issues related to forest fires, and underscored that the real costs and impacts of forest fires are borne by the poor. He stressed the need to differentiate between harmful and beneficial fires, and noted that while communities can and do manage fires, they cannot provide the complete solution to dealing with harmful forest fires. He outlined challenges for CBFiM, including: shifting the emphasis from humans as the problem to humans as the solution; understanding socioeconomic reasons for fires; and recognizing the technical and organizational capacities of communities in relation to fires. He said the fire problem is still not fully understood and that views on the issue diverge.

COUNTRY EXPERIENCES WITH OPERATIONAL ASPECTS OF FOREST LAW ENFORCEMENT

Eang Savet, Chief, Forest Crime Monitoring Unit, Department of Forestry and Wildlife, Cambodia, presented on the Cambodian forest and wildlife law enforcement experience in cracking down on illegal logging. He noted that in 1969, forest covered 73 percent of Cambodia's land area, but by 1997, forest cover had decreased to 58.6 percent as a result of agricultural extension and commercial logging. He explained that a new forestry law has been drafted and is currently before Parliament for approval. He said current forest policy includes a log export ban and is based on long-term logging concessions with regulations and technical guidelines, including a code of practice for forest harvesting for concessionaires, a forest concession management planning manual, and increased rights for and involvement of forest communities.

He noted that political circumstances and the killing, injury and intimidation of forestry officials have hampered progress in forest policy reform. He stressed Cambodia's commitment to eliminating illegal logging, and noted that the government has: issued four declarations and policy statements addressing illegal logging; informed and requested neighboring countries to prevent the movement of illegal logs across borders; conducted a regional forum on strengthening cooperation for enforcement in the Mekong River Basin; established a three-year project on forest crime monitoring and reporting in cooperation with Global Witness; and set up a systematic program for detecting, recording and reporting forest crimes. He concluded that recent government efforts to eradicate forest and wildlife crime are continuing to improve through a legal framework for forest policy reform, the restructuring of forest concession systems and the establishment of law enforcement.

Anne Melle, Assistant Director for Law Enforcement and Investigation, US Forest Service, provided an overview of the US Forest Service's approach to forest law enforcement, focusing on sawtimber product law enforcement within federal forests. She reported that approximately 270,000 criminal and civil incidents were reported in 2000. She noted that in the late 1980s and early 1990s, timber production received greater emphasis than crime detection and prevention, but that in 1994, a separate budget for law enforcement was created, resulting in the reorganization of the timber theft program and the establishment of a new approach that places personal responsibility for

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timber accountability on each Forest Service employee. The timber theft program focused on: planning and responsibility of agency supervisors; mutual training between law enforcement and forest management personnel; revision of the timber sale program procedures and contracts; and improved investigation and prosecution practices. She concluded that the reformed program has succeeded in reducing timber theft and associated crimes such as money laundering and tax evasion.

Togu Manurung, Forest Watch Indonesia, and Wynet Smith, Global Forest Watch, WRI, presented jointly an overview of methods for detecting illegal logging. Manurung noted that because customary and community rights are not always respected by the government, community logging for livelihoods can be illegal. He said methods for law enforcement include field investigations, paper/administrative auditing, log tracking/chain of custody analysis and remote sensing, and can be used to detect illegal cutting in parks, illegal cutting outside and inside concessions, and illegal transport from source to destination. He remarked that field investigations must begin with training for capacity building.

Smith noted that comparing licenses and concessions allocated against legislation can identify licenses allocated illegally, and said twenty such licenses had been identified by these means in Cameroon last year. She noted that satellite imagery from remote sensing allows the identification of illegal logging indicators such as illegal roads, railroads and clearcuts. She noted that satellite imagery and timber concession information can be used to identify illegal activity and also to monitor implementation of corporate commitments and forest policy. She stressed the need for collaboration among governments, NGOs and the private sector to ensure high-quality information.

Frederico Muller, Mato Grosso State Government, Brazil, introduced a video on the history of resource exploitation in the Brazilian state of Mato Grosso, including the creation of plantations through illegal clearing and burning of the vegetation, which resulted in extensive damage. The video also described: the transition from federal management to state management of forest resources; the development and implementation of policies geared toward environmental management for sustainable development; land tenure policy reform; the development of a geo-referred licensing system; and the identification and prosecution of illegal logging resulting from land-use monitoring through satellite imagery. Thus far, the reform has succeeded in decreasing deforestation by 25 percent, with the goal of decreasing deforestation by 28 percent this year. One participant suggested that Mato Grosso's experience with decentralization could provide a good model for other federal states such as Indonesia.

CAPACITY BUILDING THROUGH DEVELOPMENT ASSISTANCE AND TECHNICAL SUPPORT FOR FOREST ENFORCEMENT

Shiladitya Chatterjee, Asian Development Bank (ADB), discussed development assistance for building forest law enforcement capacity, and highlighted the ADB's work in this area. He noted that the ADB followed principles of protection, sustainable production and participation, and that the ADB's main policy elements constituted a strategic approach and support for a policy and regulatory framework, including forest zoning and regulations, macro and intersectoral policies and land tenure policies. He explained that ADB supports technology, policy and

valuation research, promotes public consultation, and supports efforts to improve legislation, enforcement and governance. He stated that success in the forestry sector will come with improved governance, and that enforcement requires sound legislation. He supported strengthening institutional capacity, improving the judicial process and increasing public participation, increasing anti-corruption efforts, and enhancing public awareness. He noted that the ADB has provided assistance to develop capacity but that follow-up action has been inadequate. He concluded by noting that ADB assistance has spanned almost all of its member countries, and the ADB has provided more than US\$1 billion in loans through 40 forestry projects, many of which have been through concessional funds.

Bill Magrath, World Bank, spoke on strengthened forest law enforcement, emphasizing that the primary enforcement problems in East Asia and the Pacific were related to illegal logging, arson, encroachment and trade in endangered species. He said governance is an element of the World Bank's new strategy to control illegal logging. He pointed out that forest law enforcement is only part of the Bank's involvement in the forestry sector, and that improving forest management is its main focus, supplementing its efforts to prevent and reduce industrial overcapacity, enhance community involvement, and improve governance. He said the World Bank's services and assistance include policy-based lending to support and encourage reforms, project and investment support to build capacity, and support to foster regional and international processes. He also said countries' forest law enforcement assessments might address: national settings for forest law enforcement, as well as legal frameworks for forestry; incidence and composition of forest crimes; prevention, detection and suppression programs; policy reform; and investment and capacity building needs assessment and recommendations.

Mary Melnyk, USAID, described USAID's promotion of governance and democracy issues, highlighting cases in the Philippines, Indonesia and Nepal. She noted that in Indonesia, USAID was, *inter alia*, advocating community rights through local NGOs. In the Philippines, she said USAID was supporting CBFM agreements between communities and governments, and highlighted the first SmartWood certification program in the Philippines. In Nepal, she said community forest user groups were a strong political force. She noted that in the future, USAID would support governance efforts, assist in decentralization, promote transparent and inclusive management and hold governments accountable for their actions. She stressed the need for balance between community and government involvement.

Penny Davies, Department of International Development (DFID), UK, discussed forest law enforcement and governance. She emphasized that international aid agencies and recipient countries were partners in combating forest crime. She noted that donors often need to look inward and build their own capacity. She supported use of, *inter alia*, multi-stakeholder dialogues to raise awareness, and commended the inclusion of Africans in the East Asian regional conference. She said DFID is more concerned with equity than biodiversity and is reducing funding to environmental groups and supporting advocates of poorer groups. She noted that DFID programs combine financial and technical assistance, and stressed the need for projects to: be strategic and process-oriented; proceed within an agreed policy framework; employ a communications strategy; function as instruments for learning; and not

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be “technical islands.” She said DFID does not support projects in countries that have not agreed to develop national forest programs (NFPs) or poverty reduction programs.

MINISTERIAL SEGMENT

Mohamad Prakosa, Minister of Forestry, Indonesia, expressed condolences to US participants for the terrorist attack on the World Trade Center in New York City on the Pentagon in Washington DC. He highlighted problems faced and efforts made by Indonesia in forest law enforcement and governance. He said illegal logging is one of the major causes of deforestation, and noted that law enforcement as well as community development is necessary to combat illegal logging. He emphasized restructuring wood-based industries and taking strong measures against illegal sawmills. He underscored that illegal logging and illegal trade must be combated together. Regarding illegal logging in cross-border areas, he stressed the importance of cooperation with neighboring countries. He also highlighted the importance of: exchanging information on improving law enforcement; developing networks; international mechanisms; and regional and bilateral cooperation. He hoped that the commitment to forest law enforcement and governance could be actualized in the Ministerial Declaration.

Mark Baird, Country Director, World Bank, Indonesia, said the recent tragedy in the US reinforced the importance of discussions at this Conference. He said that without respect for law and community rights, efforts to promote development, reduce poverty and prevent environmental destruction cannot succeed. He underscored that forest law cannot be effectively enforced without good governance, which requires strong political will at the highest level. He emphasized the World Bank's commitment to conservation of the world's biodiversity. Highlighting forest crime as a constraint on development, he noted financial losses caused by forest crimes and forest destruction, reiterated the moral degradation and deterioration of the social fabric associated with forest crimes, and advocated international cooperation. He called for an inter-agency, multi-year program with clear targets and mechanisms to track progress on combating forest crime.

Patrick Cronin, Assistant Administrator for Policy and Program Coordination, USAID, referred to recent events in the US and stated that if we can stand together against terrorism, we can stand together against forest crime. He said the US attaches great importance to promoting SFM, and supported developing creative new approaches to preserve tropical forests and reducing debt and redirecting finance into forest conservation activities to protect local forests. He said the US believes that addressing the issue of forest crime is key to promoting SFM, and stressed the need for more effective implementation of laws and standards. He also highlighted forest crime within the US, and said assistance by civil society was indispensable in combating forest crime. He emphasized that poverty alleviation and SFM go hand in hand, supported adopting codes of conduct for forest management, and said forest law enforcement makes good business sense. He noted that USAID ODA supported: forest management; capacity building; and further promotion of international exchange of advanced technology, such as remote sensing. He urged countries to declare that forest crimes and related illegal trade are serious, pledge to work together, and identify next steps and a timetable to strengthen regional cooperation and ensure that political goals endure.

Hilary Benn, Parliamentary Undersecretary of State, DFID-UK, drew attention to the impact of forest law enforcement on the livelihoods of poor people, and cautioned that legislation should not criminalize local communities' subsistence use of forests, as reducing their access to forests could worsen poverty. Commenting that demand drives supply, he noted that the UK is the world's third largest timber importer and that as much as 60 percent of the timber imported may be illegal. He highlighted the UK's establishment of a timber procurement group to develop policies to ensure that the government procures legal timber. He remarked that no existing international framework allows tough action on illegal logging and consequently there may be pressure to use CITES to this end, but cautioned that CITES is a blunt instrument for addressing illegal logging, as it only covers endangered species. He suggested that voluntary bilateral agreements between importer and exporter countries for information sharing and cooperation about timber trade could lead the way in combating illegal trade and provide experience that could guide future action at the international level. Emphasizing that individual consumers can exercise great market power if they are well informed, he highlighted increasing demand by consumers in the UK for certified wood products and said consumer purchasing power may help producer countries to take action. He stressed the need for improved transparency, including implementation of clear laws, disclosure of information about concessions, and access to maps and remote sensing data. He highlighted the value of monitoring by independent organizations and NGOs to support producer governments in enforcement and consumer information efforts. He concluded by emphasizing that illegal logging is an issue of governance that requires action not only by governments, but also by corporations, international organizations and NGOs.

May Sam Oeun, Secretary of State, Ministry of Agriculture, Forestry and Fisheries, Cambodia, said the main purpose of this Conference was to strengthen regional and international cooperation to combat illegal logging in order to protect the environment. He stated that Cambodia is committed to SFM by eliminating illegal logging and is implementing an aggressive forestry reform program. He discussed the establishment of a forest crime monitoring and reporting unit involving the Ministry of Agriculture, Forestry and Fisheries, the Ministry of the Environment and Global Witness, and requested technical and financial assistance from donors.

Ma Fu, Deputy State Forestry Administrator, China, underscored the need for international cooperation, development of forest-related laws and regulations, as well as human and resource development. He highlighted the implementation of six NFPs in China, and said China will strengthen forest legislation and improve existing forest-related laws and the technical capacity of forest law enforcers.

Heherson Alvarez, Secretary, Department of Environment and Natural Resources, the Philippines, acknowledged the benefits of forests in addressing poverty, acting as carbon sinks and protecting soil, and stressed the need for international cooperation.

Bhadharajaya Rajani, Deputy Director General, Ministry of Agriculture and Cooperatives, Royal Forestry Department, Thailand, acknowledged the good work done by some NGOs, but stated that there

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is an overabundance of NGOs with a multitude of objectives. He said transboundary protected areas systems require closer supervision and stronger cooperation.

Ambassador Kazuo Asakai, Japan, underscored the importance of formulating and implementing appropriate NFPs in each country in order to maintain and increase forest cover and to strengthen control and enforcement. He stressed that illegal logging requires serious attention by the entire international community, and opposed the use of illegally harvested timber. He called on both exporting and importing countries to cooperate by sharing information, and on importing countries to establish certification systems to discern illegally harvested timber. He highlighted the need for further efforts to assist forest-related activities in producer countries. He announced that Japan will host an expert-level meeting from 5-8 November 2001 as a country-led initiative in support of the UNFF.

Richard Arndell, European Commission (EC), noted that the process of decentralization in Indonesia has created difficulties for law enforcement, and underscored that forest policies must be linked to policies in other domains, such as development and trade.

Henri Djombo, Minister of Forestry and Fisheries, Congo-Brazzaville, announced that an African Ministerial Conference will be held next year in Congo-Brazzaville. He highlighted countries' need for expertise to contribute to the sustainable management of forests and the struggle against forest crime and illegal trade.

Kwaku Afryie, Minister of Land, Forestry and Mines, Ghana, said time was running out in Ghana because very little forest cover remains, and called on donor countries for assistance.

CLOSING SESSION

Untung Iskandar, Director General, Forest Planning Agency, Indonesia, summarized the outcomes of the technical segment, highlighting achievements, lessons learned and potential next steps. He noted acknowledgement that forest crimes affect all countries and are taking place in the South East Asian region at a level that threatens livelihoods. He noted the view expressed that governance on finance is weak and lacking in the rule of law and transparency. He highlighted the value of experiences shared regarding coordinating the enforcement efforts of police, government, civil society and other agencies. He noted that trends to decentralize and increase local involvement have been viewed as positive, and acknowledged support for simple laws that are targeted and enforceable. He said the technical segment discussed forest policy by examining economy-wide policies and intersectoral linkages, and took note of the value of analysis, improved data and policy research. Regarding forest management, he noted that participatory approaches, RIL and chain of custody analysis could replace illegal logging and improve legitimate logging. He said the Conference had supported a prevention, detection and suppression approach to law enforcement through the use of regular patrols and investigations using a wide range of techniques and approaches, including GIS and partnerships between government, NGOs and local communities in gathering evidence. He noted that attention had been drawn to the possible need for harsh measures, such as arresting illegal loggers, to enforce laws where prevention measures are inadequate, and highlighted the need for effective

prosecution, fines and penalties. In closing, he underscored the enormity of the task at hand and stressed the importance of government commitment to the agenda of forest law enforcement.

Iskandar then introduced and read the Ministerial Declaration, explaining that it had been negotiated and agreed upon the previous day in a drafting group. Delegates adopted the Declaration by acclamation. (The Declaration is summarized below.) Nigel Sizer, The Nature Conservancy, said the declaration far surpasses what NGOs expected. Dave Currey, Environmental Investigation Agency, congratulated participants and the Indonesian Government for their courage in addressing these issues, and was encouraged by the language used in the Declaration. He was pleased to see the convening of interdepartmental meetings, as well as cooperation between consumer and producer countries.

In closing remarks, Mohammad Prakosa, Minister of Forestry, Indonesia, expressed great gratitude to the World Bank, the UK and the US for supporting the Conference and to the World Bank Institute for organizing the meeting. He stated that the Declaration marks an important step toward action to preserve our precious forests – a step that will be beneficial for this generation as well as the next. Tom Walton, Lead Environmental Specialist, World Bank, thanked participants for their contributions and for making a difference, and said the Conference had achieved everything it set out to achieve and more.

THE MINISTERIAL DECLARATION

The Ministerial Declaration states that participating countries from the East Asian and other regions:

- understand that forest ecosystems support human, animal and plant life, and provide humanity with natural, renewable resources;
- are concerned with the global threat posed by forest crimes;
- recognize that illegal logging and illegal trade directly threaten ecosystems and biodiversity;
- recognize resulting economic and social damage, particularly on local communities, the poor and the disadvantaged;
- recognize that the problem has many complex social, economic, cultural and political causes;
- are convinced of the urgent need for, and importance of, good governance as a lasting solution to the problem of forest crime;
- recognize that all countries, exporting and importing, have a responsibility in combating forest crime; and
- emphasize the urgent need for effective cooperation to address these problems at the sub-national, national, regional and international levels.

The participating countries declare that they will:

- take immediate action to intensify national efforts, and to strengthen bilateral, regional and multilateral collaboration to address violations of forest law and forest crime;
- develop mechanisms for effective exchange of experience and information;
- undertake actions, including cooperation among law enforcement authorities within and among countries, to prevent the movement of illegal timber;
- explore ways in which the export and import of illegally harvested timber can be eliminated;
- help raise awareness of forest crimes and the threats posed by forest destruction;
- improve forest-related governance in order to enforce forest law,

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inter alia, to better enforce property rights and promote the independence of the judiciary;

- involve stakeholders, including local communities, in decision making in the forestry sector, in order to, *inter alia*, promote transparency and ensure greater equity;
- improve economic opportunities for those relying on forest resources to reduce incentives for illegal logging;
- review existing domestic forest policy frameworks and institute appropriate policy reforms to prevent illegal practices;
- give priority to the most vulnerable transboundary areas;
- develop and expand, at all appropriate levels, work on monitoring and assessment of forest resources;
- undertake the demarcation, accurate and timely mapping, and precise allocation of forest areas, and make this information available to the public; and
- strengthen capacity within and among governments, the private sector and civil society to prevent, detect and suppress forest crime.

The Declaration also states that, in order to give full effect to its intentions and to proceed with urgency to explore timely implementation of significant indicative actions developed by technical experts at this meeting, countries:

- undertake to create a regional task force on forest law enforcement and governance to advance the Declaration's objectives;
- invite representatives from NGOs, industry, civil society and other relevant stakeholders to consider forming an advisory group for the regional task force;
- decide to reconvene at the Ministerial level in 2003 to review progress on actions taken to implement commitments;
- request the ASEAN and APEC countries participating in this Conference to inform the next ASEAN and APEC Summits of the outcome of this Ministerial Conference and to invite their support;
- pledge to work to ensure that forest crime is given significant attention in future international fora, including the World Summit on Sustainable Development (WSSD), the UNFF, and the Collaborative Partnership on Forests;
- request G-8 countries and other donors to consider further how they can join in the fight against forest crime, including through capacity-building efforts; and
- encourage other regions to consider creating similar regional initiatives to combat forest crime.

ANNEX: The Declaration also has an attached Annex that includes an indicative list of actions for the implementation of the Declaration, including national, regional and inter-regional actions.

National Actions: The Annex calls for a high-level expression of political will across sectors at the national level. It urges legislative and judicial actions, including:

- determining law enforcement priorities;
- modifying and streamlining laws and regulations;
- developing swift prosecution, judgments and enforcement;
- strengthening penalties and sanctions against illegal activities;
- rewarding responsible behavior/motivation;
- recognizing complaint mechanisms with protection for claimants and due process;
- enabling independent monitoring;
- integrating customary law into formal law; and
- building capacity for legislative, executive and judicial institutions at the local level, including the integration of customary institutions.

Actions related to decentralization are also called for, including:

- clarifying roles, responsibilities, and authorities between different levels of government, the private sector and civil society;
 - improving coherence between different laws;
 - improving communication between national and local levels;
 - prosecuting and enforcing by competent and capable authorities;
 - fostering systems that encourage responsible behavior and deter criminal behavior; and
 - conducting analysis of multiple and conflicting formal and customary norms and laws.
- Actions related to institutions and capacity building include:
- educating judicial and law enforcement personnel on forest crimes;
 - improving capacity of forest managers;
 - supporting interagency cooperation in formulation of policies and procedures;
 - utilizing technology such as remote sensing and log tracking;
 - increasing knowledge, experience and skills related to, *inter alia*, awareness raising and training, local innovations, and intelligence gathering;
 - elaborating on rights, roles, responsibilities and rules such as implementing codes of conduct; and
 - building capacity for legislative, executive and judicial institutions at the local level, including the integration of customary institutions.

The Declaration also outlines policies related to the allocation and management of concessions. Regarding allocation, it calls for: developing and implementing transparent and participatory approaches; developing leasing and contractual opportunities for households to manage forest resources; and developing mechanisms for resolving conflicting property rights.

Regarding concession management, the Declaration calls for, *inter alia*:

- clearly recognizing property rights within approved management plans, including clear identification and agreement of boundaries and demarcation of concession areas;
- raising awareness about community-based forest management;
- instituting independent auditing for compliance with terms of concession agreements;
- protecting and developing forest-based livelihood opportunities within concession areas for local communities; and
- building protection for forest-based livelihoods into concession contracts.

Regarding conservation and protected areas, the Declaration emphasizes the importance of environmental education and involvement of local authorities in developing conservation programs that benefit constituents and local communities.

On public awareness, transparency and participation, the Declaration calls for:

- consistent provision of information to monitoring organizations;
- increased public awareness of forest crimes;
- increased public awareness of opportunities for purchasing forest products from sustainable and legal sources;
- provision of alternative livelihood opportunities for communities;
- establishment of a registry of business and family interests in the timber industry;
- disclosure of government budgets, resources, staffing levels and programs on forest law enforcement; and
- availability and accessibility of data on forest crimes, including success rates on detection, interdiction, prosecution and conviction.

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Bilateral actions called for relate to transboundary cooperation for protected areas and voluntary agreements for combating trade in illegal timber and forest products.

Regional and Inter-regional Actions: Actions related to information and the sharing of expertise at the regional and inter-regional level include: exchange of in-country experts on forest crime and forest law enforcement; implementation of comparable systems of criteria and indicators; comparable timber tracking mechanisms and complete chain of custody audits; and development of a regional network of monitoring systems.

Regarding trade and customs, the Declaration calls for: harmonized customs commodity codes; protocols for sharing export and import data; complete chain of custody audit and negotiation systems; initiative for improved and timely trade statistics; and prior notification between importing and exporting countries. Bilateral actions include: forging voluntary agreements to cooperate on combating illegal logging and trade; regaining consumer confidence in tropical timber as a commodity; and promoting the use of certification schemes that are accessible and cost-effective for smaller forest enterprises.

Research activities called for by the Declaration include:

- a research agenda for individual and cooperative work on illegal logging, associated illegal trade, and corruption in the forestry sector;
- systematic comparative analysis of patterns of regulatory systems and extra-sectoral links;
- cooperative work on trade statistics and their relation to legal and illegal patterns of movement of forest products;
- investment context for and links to illegal and corrupt actions;
- a survey of patterns in forest crime and related corruption;
- development of appropriate monitoring tools;
- examination of decentralization and patterns related to local government; and
- analysis of the private sector, communities, NGOs and their relationship to governments.

THINGS TO LOOK FOR

INTERNATIONAL WORKSHOP ON FORESTS AND FORESTRY IN CENTRAL AND EASTERN EUROPEAN COUNTRIES: This workshop will be held from 12-14 September 2001, in Debe, Poland. It is being organized jointly by the Government of Poland, MCPFE and UN-ECE/FAO. For more information contact: Alexander Buck, Liaison Unit, MCPFE, Vienna, Austria; tel: +43-1-710-77-02; e-mail: liaison.unit@lu-vienna.at; Internet: <http://www.minconf-forests.net>.

THIRD INTERNATIONAL WORKSHOP ON REMOTE SENSING AND FOREST FIRES: This workshop will convene in Paris from 17-18 September 2001. For more information contact: Emilio Chuvieco, Department of Geography, University of Alcalá, Alcalá de Henares, Spain; e-mail: emilio.chuvieco@uah.es; Internet: <http://www.geogra.alcala.es/EARSeL/EARSeL.htm>.

INTERNATIONAL CONFERENCE ON ADVANCING

COMMUNITY FORESTRY: This conference will take place from 23-28 September 2001, in Chiang Mai, Thailand. The focus will be on "Innovations and Scaling up Experiences." For more information contact: Somsak Sukwong, Regional Community Forestry Training Center for Asia and the Pacific (RECOFTC), Bangkok, Thailand; e-mail: ftcsss@ku.ac.th; Internet: <http://www.recoftc.org>.

CONFERENCE ON TROPICAL FORESTRY RESEARCH IN THE NEW MILLENNIUM: This meeting, entitled "Tropical Forestry Research in the New Millennium - Meeting Demands and Challenges," will be held from 1-3 October 2001, in Kuala Lumpur, Malaysia. For more information contact: Kenanga Simon, Asian Strategy & Leadership Institute, Selangor Darul Ehsan, Malaysia; Internet: <http://www.frim.gov.my/CFFPR2001.html>.

INTERNATIONAL SYMPOSIUM ON VALUE

ACCOUNTING OF THE FORESTRY ENVIRONMENT: This meeting will convene from 9-12 October 2001, in Beijing, China. For more information contact: Research Institute of Scientific and Technological Information on Forestry, Chinese Academy of Forestry, Beijing, China; tel: +86-10-6288-8322; e-mail: yuling@isti.forestry.ac.cn; Internet: <http://www.forestry.ac.cn>.

MCPFE EXPERT LEVEL MEETING: This meeting will be held from 22-23 October 2001, in Vienna, Austria. The meeting will discuss next steps toward the Fourth Ministerial Conference on the Protection of Forests in Europe, to be held in May/June 2003, in Vienna. For more information contact: Peter Mayer, Liaison Unit, MCPFE, Vienna, Austria; tel: +43-1-710-77-02; e-mail: liaison.unit@lu-vienna.at; Internet: <http://www.minconf-forests.net/Basic/FS-Up-coming-Meetings.html>.

31ST SESSION OF THE INTERNATIONAL TROPICAL

TIMBER COUNCIL: This meeting will take place from 29 October-3 November 2001, in Yokohama, Japan. For more information contact: ITTO, Yokohama, Japan; tel: +81-45-223-1110; fax: +81-45-223-3111; e-mail: itto@itto.or.jp; Internet: <http://www.itto.or.jp>.

WTO FOURTH MINISTERIAL MEETING: The World Trade Organization's fourth ministerial meeting will be held in Qatar from 9-13 November 2001. For more information contact: WTO, tel: +41-22-739-5111; fax: +41-22-739-57-83; e-mail: enquiries@wto.org; Internet: http://www.wto.org/english/news_e/meets.doc.

SEVENTH MEETING OF THE CBD'S SUBSIDIARY BODY FOR SCIENTIFIC, TECHNICAL AND TECHNOLOGICAL

ADVICE: CBD SBSTTA-7 will meet from 12-16 November 2001, in Montreal, Canada. For more information contact: CBD Secretariat, Montreal, Canada; tel: +1-514-288-2220; fax: +1-514-288-6588; e-mail: secretariat@biodiv.org; Internet: <http://www.biodiv.org>.

SECOND SESSION OF THE UNFF: UNFF-2 will take place in San José, Costa Rica, from 4-15 March 2002. For more information contact: Mia Söderlund, UNFF Secretariat, tel: +1-212-963-6208; fax: +1-212-963-3463; e-mail: unff@un.org; Internet: <http://www.un.org/esa/sustdev/forests.htm>.