



### ENA-FLEG HIGHLIGHTS: THURSDAY, 24 NOVEMBER 2005

On Thursday morning, delegates continued negotiating the Ministerial Declaration (MD) and Indicative List of Actions (ILA). A thematic session on resource access to local populations and equity in resource utilization was also held. Negotiations continued in the afternoon, followed by a ministerial briefing session. The Civil Society and Industry Dialogue (CSID) met to modify preambular language for consideration by the negotiators. Two Joint Sessions were convened during the day to report on the status of the negotiations to civil society and industry.

#### **INTERGOVERNMENTAL NEGOTIATIONS SESSION**

A new paragraph was added to the MD on formulating, within a reasonable time-frame, concrete actions under clearly defined targets, including monitoring of progress in implementation, for example, by taking into account recommendations of the MD and the ILA in countries' national forest programmes. It was decided to retain this paragraph in the national subsection.

Delegates were close to finalizing the paragraph on recognizing the rights of forest-dependent communities, and the participation of indigenous people and rural populations in the management of forests. The paragraph on engaging stakeholders in forest policy formulation and implementation was approved.

Delegates agreed to language on anti-corruption efforts and combating organized crime. They also debated language on the collection and dissemination of transparent information on forest resources, and on monitoring and disclosure of data, in particular references to tracking systems and traceability of illegally harvested timber, wildlife trade and forest/timber products. They decided to split the paragraph on information and monitoring into two, and include references to "third-party audited" traceability systems, as proposed by the CSID. The paragraph on combating poaching and illegal trade in wildlife associated with illegal logging was bracketed.

The paragraph on promoting cooperation with the private sector and civil society was shortened, without indicating specific industry partners. In the paragraph addressing transboundary cooperation in vulnerable border areas, the term "vulnerable" was dropped. Delegates approved text on enhancing international capacity for monitoring, assessing and reporting to increase transparency of trade activities.

Delegates further discussed paragraphs on capacity building, agreeing to refer to both combating illegal logging and promoting trade in legally harvested timber.

On private sector actions, delegates agreed to add references to the legality of origin, and to the voluntary chain of custody and forest certification systems.

Delegates approved the paragraph on cooperating with civil society to inform consumers on problems caused by illegal logging and corruption. They also accepted previously suggested text regarding work with other regions and multilateral instruments and processes on FLEG-related issues. The paragraph endorsing the ILA was supplemented with a reference to "collaboration" with civil society. Negotiators decided to footnote an exhaustive list of international and regional organizations that are urged to support implementation of the ILA, but the exact placing of the list remained pending.

Delegates agreed to convene, in two to three years, an "appropriate level" meeting to assess progress made in implementation, and a Ministerial Conference in five years.

As of 19:00, delegates had not agreed on the MD and ILA.

#### **THEMATIC AND LEARNING SESSION**

##### **ENSURING RESOURCE ACCESS TO LOCAL POPULATIONS AND EQUITY IN RESOURCE UTILIZATION:**

Mikhail Girayev, Federal Forestry Agency of Russia, discussed illegal logging in Russia, noting that it consists of tree felling without a permit, and is often carried out by local actors. He also said that addressing the problem requires updating current legislation, and ensuring that consumers develop adequate procurement policies.

Gulusa Vildanova, Ministry of Agriculture and Water Resources of Uzbekistan, said that while logging on forested land is a problem, indigenous populations should not be barred from using forests for livelihood purposes. She offered solutions to the problem, including secure access for local forest users, alternative energy supplies to local communities, and educating local populations on how to lessen their environmental impact.

Rodion Sulyandziga, Russian Association of Indigenous Peoples of the North, Siberia and the Far East, said industrial-scale use of Siberian forests affects, mostly negatively, indigenous peoples' way of life. He also noted that: Russian forest legislation benefits large-scale forest operators; local populations lack access to the political system; and logging that threatens indigenous peoples' way of life must be deemed illegal. He proposed that local interests be accounted for in forest management, called for environmentally sustainable logging that guarantees stable local incomes, and said that illegal logging can be curtailed by limiting road construction.

Ragnar Friberg, Stora Enso, said his firm relies on small wood lot owners for supply, and assists them in forest management, permitting, scarification and restoration.

Duncan Pollard, WWF International, said the high cost of energy has increased fuelwood harvesting, the costs of legal compliance for small producers may exceed the benefits, and that rural poverty is one of the main causes of illegal logging.

Eva Müller, Food and Agriculture Organization (FAO), said that, while 84 percent of world forests are publicly owned, there is a global trend towards increased community and local

ownership. She also noted that for many poor people and communities, resource access is not limited by lack of tenure, but by inadequate legislation concerning forest use. Müller also noted that FAO is studying the legal obstacles to sustainable forest management by communities and small holders, plans to identify legal provisions necessary for communities and small holders to enjoy better access to legal forest management, and will support ENA countries in the implementation of the ILA, including the development of mechanisms to provide resource access to the rural poor and local communities.

One participant said that performance indicators are needed in order to monitor forest use and improve public confidence in the FLEG process.

### **MINISTERIAL BRIEFING**

**MINISTERIAL STATEMENTS:** Valentin Stepankov, Deputy Minister of Natural Resources of the Russian Federation, stressed the need to eradicate threats to nature, and noted the importance of FLEG in this regard. He also said that combating illegal logging requires partnerships between developed and developing countries and other agencies and organizations, noting that consideration of future measures must be based on FLEG requirements.

Ilya Klebanov, Plenipotentiary Representative of the President of the Russian Federation in the Northwestern Federal Region, acknowledged that the problem of illegal logging in the area is due to its high-quality timber and proximity to international borders. Noting that illegal logging undermines the image of Russian forestry, he said efforts to combat it should not burden legal producers and could include upgrading existing legislation, utilizing technology, increasing demand for legal forest products, and improving compensation for legal producers.

Gareth Thomas, Parliamentary Under Secretary of State for the United Kingdom, noted various aspects of the EU Forest Law Enforcement, Governance and Trade Plan of Action, including voluntary licensing requirements for legal forest product imports, implementation of such requirements through bilateral partnerships, and capacity building. He also said that indiscriminate trade bans will not solve the problem of illegal logging, but multilateralism and NGO participation, in part, will.

Hannu Valtanen, Finnish Forest Industries Federation, delivered the industry statement to the Ministers, noting that the private sector is already implementing practical measures on combating illegal logging, such as codes of conduct and wood tracking systems. He highlighted three key ENA-FLEG aspects from the industry perspective: consistent and time-bound national action plans (NAPs); legal frameworks that promote good governance and sustainable forest management; and promoting trade in legally, equitably and sustainably produced forest products. He stressed that laws and regulations in the forest sector should be consistent with WTO rules, and that law enforcement is a government function.

Speaking on behalf of NGOs, Mikhail Karpachevsky, Taiga Rescue Network, noted that stakeholder involvement is key to the success of the ENA-FLEG process, and that all countries present at the conference share responsibility for resolving the issue of illegal logging. He reported four NGO priorities for ENA-FLEG: time-bound NAPs for all participating countries; a clear follow-up process; addressing corruption and promoting transparency; and ruling out destructive legislation and practices. He concluded that governments play a leading role in implementing the MD, and stressed civil society's involvement in the follow-up process.

Co-Facilitators Jag Maini (Canada) and Jürgen Blaser (Switzerland) then briefed participating Ministers on the ENA-FLEG process and on the progress made in the intergovernmental negotiations session. Maini highlighted the global importance and diversity of the region's forests, noting that combating illegal logging is not only an issue of law and order, but one of economic and human well-being. He underscored Russia's upcoming G8 presidency as an opportunity to carry forward the political momentum from the FLEG process.

He then outlined the structure and content of the draft MD and the ILA, noting civil society input throughout the process. He stressed that the objective of the MD is to empower forest ministers across the ENA region to secure and mobilize political support at the highest level, both domestically and internationally, to address illegal logging. He concluded by highlighting the role of the ILA and NAPs in realizing the MD objectives.

### **JOINT SESSION I**

Co-Facilitator Blaser reported on progress made in the previous evening's negotiation, noting that the preamble was nearly complete and that CSID participants might wish to modify its language for consideration by negotiators. One participant noted that there were several technical errors in the preamble, and asked if CSID participants could advise negotiators on how to correct them. Blaser also said that the term "equitable" had been removed from the MD due to its various connotations. Jonathan Buckrell, Global Witness, asked whether CSID participants would be given an opportunity to explain what was meant by the term. Blaser suggested this be taken up with delegates informally.

### **CIVIL SOCIETY AND INDUSTRY DIALOGUE**

Following Joint Session I, CSID participants agreed to break into a civil society contact group and industry contact group to prepare their respective statements to the Ministers, and formulate modifications to the MD preamble.

CSID participants reconvened in the afternoon to discuss and harmonize their respective modifications to the MD preamble. Points of contention included whether to make reference to "loss of carbon stocks" in a paragraph on criminal actions, and whether to include "just laws" in a paragraph referring to law enforcement and good governance. Concerning the urgent need for national strategies, participants debated whether "other participating countries" should formulate such strategies and make them mutually supportive.

### **JOINT SESSION II**

Co-facilitator Blaser reported on the status of the negotiations. Buckrell expressed concern that ENA countries must make commitments, while others do not. Stuart Wilson, Forest Monitor, noted there are many domestic policies that importing countries can take. Karin Wessman, WWF, noted that the line dividing ENA countries from others is the EU boundary. Blaser said this is too negative, noting many positive elements in the MD, such as NAPs. Buckrell said if other participating countries do not make strong commitments, then Global Witness would withdraw support from the process. Wilson asked what mechanisms will incent countries to make progress on NAPs before the next follow-up meeting. Blaser reported that NGOs have a role to play in driving governments to produce NAPs and secure financing.