

*Note from the Secretariat: This is an “unofficial” English translation of the Russian Federation report to the Workshop*

## National Report of the Russian Federation on Illegal Logging and Trade of Illegally Derived Forest Products Geneva, 16-17 September 2004

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### Introduction

Illegal logging and trade of illegally derived products are having substantial harmful effect on the economy and are worsening the image of the Russian Timber industry.

Illegal logging is conducted without any compliance to established ecological or forestry norms, which is negatively affecting the quality of woods and lowering their productivity, leading to alteration of age structure of the trees and the type of trees in the forest, as well as to erosion of the soil.

Illegal logging in Russia is lately attracting a lot of international attention. The information about illegal logging in Russia, coming from the press and international conferences, is presenting a very frightening situation and the presented numbers of economic and ecological losses seem to be very alarming. The statements are made about the total corruption of the officials and failure of state authorities to control the exploitation of forest resources.

However surveys conducted in order to establish the extent of illegal logging and its influence on economic and ecologic spheres show that such negative image is the result of emotions, political speculations and is sometimes due to the un-loyal competition. All this creates a negative image of Russia and leads to the actual economic losses, due to the loss of the market share in the International markets.

Assessment of the extent of illegal logging is usually conducted by the members of different environmental organizations, often international, whose assessments of illegal logging contain discrepancies ranging from 1 to 100%, which is questioning their accuracy and bringing in confusion to the international public.

Without making any one-sided conclusions, we would like to underline that a problem of illegal logging is realistically present, but it needs to be defined and understood both by the government bodies and public environmental organizations. Therefore, in the collaboration with international public the scientifically based approaches and methods should be developed in order to find the solution for the problem.

### 1. Illegal logging

According to the existing legislation of Russian federation the term illegal logging represents logging of the forest without the appropriate documentation or logging with documentation, but with violating the rules of logging, as well as taking down the forest on the wrong location or crossing of the lines of the location approved for logging. Furthermore, exceeding of the allowed quantities, cutting of the species which are not intended for logging contrary to the issued documentation, outside of the scheduled time frame, cutting of trees protected by law, and cutting after the

issuing of the verdict (decision) about interruption, limitation or termination of the users rights on the territory of the forest are also considered as illegal logging.

The authorized government authorities are using these definitions.

Environmental organizations in their assessments use wider interpretations, connected to these or other violations of the laws regulating the exploitation (use) of forests in Russia, including, for example, technical deflections. It is well known that Russian forest regulation system has some imperfections on one hand, and on another it is one of the strictest systems in the world, therefore if desired it is possible to name many violations, which provokes increased attention of the international donors and affects their willingness to provide resources for the solution of the problem.

Various environmental organizations are granting certain amounts of funds for the fight against illegal logging. For, example World Wildlife Fund (WWF) is financing activities of the brigade fighting the illegal logging in autonomous Jewish region against the funds provided by the IKEA Company, which is having long term plans on the Russian market. In majority of cases funds are spent on various actions against particular users of forests and not for solving problem on the system level. What is that? A willingness to help or un-loyal competition.

But we have to admit that in general the size of illegal logging has multiplied in last couple of years. The extent of illegal logging according to the Russian Federal Forest Agency (expert evaluations based on forest data and reports of legislative bodies) is not exceeding more than 5-10% of the total amount of forest cutting in Russian Federation. Illegal loggings usually take place in territories having very valuable types of trees, located near transportation roads and markets (Far east, North-West and Siberia regions). These do not cover large territories and cannot have a significant effect on the ecology of the country.

## 2. Trade of illegally derived forest products

The analysis of the transportation ways of illegally derived forest products to external and internal markets and internal markets demonstrated the existence of couple of its major sources:

- 1) Illegal logging
- 2) Legally derived forest products, stolen from the legal forest users
- 3) Decreasing of the volumes of forest products for export
- 4) Altering of the volumes of forest products for export on the account of different measuring standards between countries.
- 5) False declaration of the types of wood (to decrease the realistic value of timber)
- 6) Alteration of the cultures of timber

The main problems of customs controls and discovering of regulations violation is the application of different standards by exporters when making contracts and lack of unique approach to measuring the timber volumes and timber types, not only by commercial organizations, but by controlling authorities as well. The inability to check foreign trade contracts for the export of timber is also making regulations violation difficult to discover. When signing and registering of the contracts, none of the control bodies is authorised to ask for the documents, which are confirming the status of foreign partners, their legality and registration with the authorities in charge.

The most common violations occur during export of timber, prepared in the regions close to the borders, in two-way passing points and “easy” passing points on the border of Russian federation, including Russian-Finnish area.

#### 7) Smuggling of timber and illegally derived forest products

In both cases timber reaches the market without necessary documents or with false documents, and prices of such timber are usually lower than normal. Such timber can be easily bought on external markets. High demand for such timber and uncontrolled use of it are creating conditions that are stimulating illegal logging, existence of illegal markets for illegally logged and derived timber.

Forest law enforcement policy, governance and trade in the timber sector

Russian Federation is actively participating in international cooperation in the fight against illegal logging.

On the fourth Session of the UN Forest Forum 2003, Russia has announced its interest in initiating FLEGT (Forest Law Enforcement, Governance and Trade) in Europe and Northern Asia.

Russian Ministry of Natural Resources in cooperation with Russian Ministry of Foreign Affairs has organized a preliminary meeting of potential donors. As a part of FLEGT initiative a Ministerial Conference for Europe and Northern-Asian countries will be organized in August and September 2005.

Preparatory Meeting for Ministerial Conference will be organized in December 2004-January 2005 with the participation of potential donors and participants of FLEGT.

The policy of law enforcement in Russia seeks to punish any violation of the existing legislation. All parties responsible for violation of the forest law, including illegal logging or thievery of timber, are carrying administrative and legal responsibility and are obliged by the law of Russian Federation to provide compensation for the damage done to the trees inside or outside the forest areas.

Public officers and environment law enforcement officials have the right to bring to the court of justice any concerned individuals.

Governmental management of the utilization, preservation and protection of the forests and its reproduction is entrusted by the Government of Russian Federation on federal authorities managing forests and its territorial bodies.

Protection of forests against illegal logging includes system of organizational, legal and other measures aimed at prevention, suppression of illegal logging and identification of the violators of the forest law. Organizational measures include patrolling of the woods, auditing of patrolling activities, identification of the logging territories and realization of forest surveying in the areas where illegal logging has been exposed.

When it comes to operational protection of forests the most effective method at present is a group patrol method of protection. The cordons and places of residence of officials responsible for forest protection are equipped with communication devices and are serving as support points for patrol groups organized in forest districts and farms.

Audit of patrolling activities is carried out once or twice per year. During the audits areas and volumes of illegal logging are being exposed. In Russia there are approximately 300 thousands patrolling audits carried out every year.

Forest districts perform disclosure process of illegal logging areas on a regular basis. During the disclosure process besides compliance of forestry and ecological requirements, the areas of logging are checked to see if they match the areas that were intended for logging and in that way it can be established if there was any illegal logging beyond the established territories.

The volumes of illegal logging are revealed during forest surveying as well. During the taxation of allotments the forest areas where trees were cut down during the revision period are measured and compared to forest documentation. The forest documentation allows the disclosure of illegal logging areas, if that was not done by authorities in charge previously.

Presently in Russia the detection, suppression and prevention activities are carried out as a part of a joint plan (between 9 authorised institutions) to fight illegal logging and trade of illegally derived products, which is aimed at reinforcement of control of transportation, implementation and processing of timber and derived products.

Consequential policy of Russian Federation on developing of other measures is aimed at:

- Increased effectiveness of forest preservation and collaboration with executive authorities, responsible for control of logging and trade of timber;
- Creating conditions that will make the trade of illegally derived products economically ineffective, more precisely creating systems of timber markets that will allow only trade with legal timber and also implementing of the system for marking of trees through bar-coding;
- Enhancement of normative and legal basis, introduction of criminal responsibility for purchasing, storing and transporting with intention to sell illegally logged timber or illegally derived products;
- Conforming timber volume measurement standard methods to international standard methods;
- Education of customs officers about the methods of determining the volume, type and quality of timber.