



THE FORESTS DIALOGUE

TFD STEERING COMMITTEE 2006

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TFD's ENA FLEG Dialogues

2-3 November and 22-25 November 2005 - St. Petersburg, Russia

Summary Report

In contribution to the Europe and North Asia Forest Law Enforcement and Governance (ENA FLEG) process, The Forests Dialogue (TFD) assisted in bringing together members of civil society and private sector, prior to and throughout the Ministerial Conference, to promote multi-stakeholder dialogues on issues related to illegal logging and forest governance in the region. Several weeks prior to the ENA FLEG Ministerial Conference, TFD convened approximately 40 leaders from the private sector, non-governmental organizations, academia, government and the investment community to collectively identify priority elements and actions for consideration by ENA FLEG Ministerial Delegates. The resulting eight priority recommendations were circulated widely in the weeks leading up to the ENA FLEG Ministerial Conference. During the Ministerial Conference itself, TFD facilitated the multi-stakeholder process that paralleled the Ministerial negotiations. With a platform based on identified shared priorities, the multi-stakeholder group continued to inform and influence the Ministerial negotiations and ultimately the St. Petersburg Declaration, throughout the Ministerial Conference.

The ENA FLEG

Weak forest governance, corruption and illegal logging have been identified as major barriers to the full realization of national revenues associated with timber production and trade. Likewise, the perpetuation of social inequity and environmental degradation have also been linked to weaknesses in the forest sector. To address these and related issues, the World Bank and bilateral development agencies have been convening FLEG processes throughout the world. Following the FLEG process in South Asia (2001) and Africa (2003), the ENA FLEG process was initiated in May 2004, with preparatory activities ongoing throughout the region for a year and a half leading up to the Ministerial Conference (2005).

The adoption of the St. Petersburg Declaration marked an expression of commitment from 44 countries to take action against illegal logging and poor forest governance by working towards strengthening or reforming forest policy, enforcement, and monitoring capabilities. The endorsed Indicative List of Actions outlines possible actions for consideration at a national level within the ENA region, and at an international level for participating countries. The St. Petersburg Declaration and the Indicative List of Actions are available at www.worldbank.org/forests.

TFD's ENA FLEG Joint Civil Society and Private Sector Preparatory Event

In preparation for the ENA FLEG Ministerial Conference, TFD brought together approximately 40 representatives in St. Petersburg, Russia from November 1-3, 2005. While civil society and the private sector had been involved in preparatory activities in the region, TFD's event was designed to bring stakeholders together to enhance understanding of the underlying issues related to forest law enforcement and governance, illegal logging, associated trade and corruption in the ENA region, and establish shared priority recommendations for the St. Petersburg Declaration and the ENA FLEG process in general. TFD Steering Committee Members and Co-Chairs of the meeting -James Griffiths (World Business Council for Sustainable Development, WBCSD) and Stewart Maginnis (IUCN)- worked to develop a statement from the meeting to reflect the shared priorities identified by civil society and private sector representatives and thereby influence and inform governmental negotiators in the weeks leading up to the Ministerial Conference.

To review some of the underlying issues related to forest law enforcement and governance in the ENA region and share perspectives among meeting participants, much of the first day of the meeting was allocated to presentations and subsequent discussion. Initial presentations focused on setting the context of the meeting within the ENA region and reviewing issues related to weak forest governance and illegal logging within the region.

To outline the various perspectives on illegal logging and the FLEG process, presentations were invited from representatives of each sector present at the meeting. Presentations highlighted the perspectives of Government (Anders Portin, Government of Finland), Forest Industry (Terhi Koipijärvi, Metsäliitto Group), Civil Society (Mikhail Karpachevskiy, Biodiversity Conservation Centre), Investment Community (Mikko Venermo, European Bank for Reconstruction and Development - EBRD), Geospatial Industry (Olga Gershenzon, ScanEx) and an Academic perspective (Anatoly Petrov, Russian Institute of Continuous Education in Forestry).

Joint presentations from Stora Enso (Anna-Iiisa Myllynen) and WWF Russia (Elena Kulikova) as well as SGS (Antoine de La Rochefordière) and Far Eastern Certification Center (Andre Zakharenkov) highlighted lessons learned from collaborative efforts to combat illegal logging in Russia.

The final series of presentations returned the focus of the meeting back to the ENA FLEG process, by reviewing "Elements" of the draft version of the St. Petersburg Declaration (Jürgen Blaser, InterCooperation), describing how best to influence the ENA FLEG process, and reviewing previous multi-stakeholder statements on illegal logging and trade (Kerstin Canby, Forest Trends).

Following the presentations, participants discussed the draft Declaration and Indicative Action Plan, highlighting elements that needed stronger language or recognition within the Declaration. The remainder of the dialogue focused on refining recommendations and developing agreed language. These recommendations were then summarized in the Co-Chair Summary. The TFD Co-Chair Summary from the ENA FLEG Joint Civil Society and Industry Preparatory Event is available at www.theforestsdialogue.org/logging/ENAFLEGmats1.html

The final recommendations from the multi-stakeholder dialogue were:

- Legal, equitable and sustainable forest management should be the ultimate goal of the ENA FLEG process -- governments must demonstrate the political will to take action to this end.
- Forest governance is a societal responsibility; however, governments have the key role in creating an enabling environment. (Also includes reference to Sustainable Forest Management Toolkit)
- A good governance framework is fundamental to legal, equitable and sustainable forest management.
- Corruption must be openly recognized and directly addressed as an urgent priority.
- Partnerships between responsible forest industry and civil society have led to innovation and taken the lead in establishing best practice. This, however, is not a substitute for comprehensive government action.
- Consumers and producers -- companies, governments, financial institutions and individuals -- share responsibility to support the market for legal and sustainable forest products in ways that avoid penalizing legal operations.
- Governments must commit to develop a time-bound follow-up program for implementing the Declaration and Indicative Action Plan.
- Bilateral and multilateral cooperation involving consumer, donor and producer countries will play a critical role in supporting the development and time-bound implementation of NAPs.

ENA FLEG Ministerial Conference

The ENA FLEG Ministerial Conference on 22-25 November 2005 was positively influenced by unique, joint stakeholder involvement – leaders from civil society and private sector were engaged together throughout the Ministerial Conference seeking to influence the process through their shared priorities. TFD's involvement prior to and throughout the ENA FLEG Ministerial Conference, sought to maximize this joint interaction of stakeholders. At the Ministerial, TFD helped the Multi-Stakeholder Dialogue (MSD) participants focus their comments and effectively put them in front of the country delegates for consideration as they developed the Declaration. TFD accomplished this by facilitating communication and transparency among the MSD participants and between the Ministerial negotiators.

Initial MSD objectives focused on discussing strategies for influencing the ENA FLEG process and confirming the joint priorities for the group. The sessions began by working off the ENA FLEG priority issues outlined in TFD's Co-Chair Summary, as well as WBCSD and the International Council for Forest and Paper Association's Joint Position Paper, and the Joint NGO Position Paper. The MSD divided into sector-based working groups to review and edit priorities. When the MSD reconvened, discussions led to identifying overlap, rationalizing or eliminating divergent priorities, and clarifying the text of joint priorities, leading to a strong and coherent list of priorities that was circulated in the Ministerial negotiations. These priority recommendations formed the basis for subsequent multi-stakeholder input into the Ministerial negotiations.

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Building on the original eight priority issues, the MSD added the following recommendations to their shared priorities:

- Include education and research on FLEG related issues for different target groups
- Promote the trade of legally, equitably and sustainably produced forest products
- Promote a positive business and investment climate for social and economic developments

Throughout the remainder of the Ministerial Conference, the MSD followed Ministerial negotiations, receiving periodic updates from facilitators and government negotiators and reviewing and editing draft versions of the Declaration as they became available. Discussions between the working groups clarified and streamlined the MSD input, which was then submitted to Ministerial negotiators for consideration. Civil society and private sector representatives were also invited to give independent position statements at plenary sessions throughout the Conference.

Feedback from MSD participants and Government negotiators alike suggested that multi-stakeholder participation at the ENA FLEG Ministerial conference enriched the process and led to a more robust and inclusive St. Petersburg Declaration. The next step in the ENA FLEG Process is for all concerned to consider how to implement the Declaration and the Indicative List of Actions. Multi-stakeholder dialogue is certain to be an important aspect of that process as well.

Resources

For more information on these two dialogues, presentations, the ENA FLEG process and the St. Petersburg Declaration go to:

- ➔ *The Forests Dialogue* – www.theforestsdialogue.org/logging.html
- ➔ *The World Bank* – www.worldbank.org/forests
- ➔ *Chatham House* - www.illegal-logging.info

Acknowledgements

TFD wishes to thank all the individuals that contributed to enriching the ENA FLEG process through multi-stakeholder involvement. The expression of commitment shown to the issues and the region has created an optimistic outlook for combating illegal logging and strengthening forest governance.

TFD is grateful to the following sponsors of our ENA FLEG Preparatory Event:

The World Bank, Stora Enso, International Paper, WBCSD, IUCN, US State Department, Forest Products Association of Canada, Yale University, World Resources Institute

TFD thanks the following for their leadership prior to and throughout these dialogues:

James Griffiths (WBCSD), *Stewart Maginnis* (IUCN), *Lars Laestadius* (WRI), *Gerhard Dieterle* (World Bank), *Jürgen Blaser* (InterCooperation), *Kerstin Canby* (Forest Trends), *Carol Saint-Laurent* (IUCN), *Ragnar Friberg* (StoraEnso), *Karin Wessman* (WWF), *Tapani Oksanen* (The World Bank), *Victor Teplyakov* (IUCN), and *Bernard de Galambert* (CEPI).