Improving Forest Law Enforcement and Forest Management in the Russian Federation

Textbook

Moscow 2011

RESUME

This textbook «Improving Forest Law Enforcement and Forest Management in the Russian Federation” is an output of the training component of the Russia Country Workplan under the regional program “Improving Forest Law Enforcement and Governance in the European Neighbourhood Policy East Countries and Russia” (ENPI FLEG).

The World Bank under its Russia Country Work Program implemented Activity 1.5, “Developing and Implementing Standard Training Modules (including Distance Learning Modules) on Forest Law Enforcement as a Part of Continuous Education Programs for Managers and Specialists from Forest Management Authorities”.

The textbook is modular, thus its individual chapters can be used in higher, secondary and additional forest education. The modules were selected based on the challenges that are to be addressed in order to help improve forest legislation and establish a regulatory framework for preventing illegal logging and timber trade.

The textbook was authored by a highly qualified team knowledgeable in the areas covered by training modules. The content of the modules was piloted in two groups based on a 72-hour curriculum; those who successfully completed the training were eligible for a government-issue certificate pursuant to the regulations on additional education in the Russian Federation. The pilot groups comprised managers and specialists from federal and regional forest management authorities as well as representatives of private forest business.

The piloting resulted in adjusting the training materials to the teaching process requirements, including delivery through the DL mode.

The training modules received positive assessment by managers and teachers of additional tertiary and secondary vocational forest education. Each of the modules included in the textbook provides the knowledge necessary for decision-making in specific forest management segments in order to prevent illegal activities and corruption in the forestry sector.
Module 1 reviews law enforcement practices based on legal and regulatory frameworks on the forest use and renewal in the Russian Federation. In addition, it covers the set of measures aimed at ensuring legal and regulatory support to forest management that would eliminate violations conducive to illegal activities. Inspection and oversight become crucial to prevent illegal logging and related timber trade in the context of decentralized forest management and PPP-based forest use.

Module 2 looks into legal and institutional issues related to performing federal forest inspection as well as prospects of reforming this activity while maintaining the balance of interests of the Russian Federation vs. its regions. The use of forests under lease arrangements when access rights are obtained through auctions makes timber measuring and recording a most important task which, when addressed, helps to eliminate corruption risks and therefore illegal timber trade.

Activities described in Module 3 upon their testing allow to come up with new arrangements for the interaction between forest management authorities and private businesses at timber harvesting and processing sites by avoiding conflict and possible financial abuses. Of note is the proposal to re-introduce state recording of timber harvested under different tenure arrangements.

Forest certification as a tool to promote EU principles in this area should play a prominent role in combating illegal logging and related timber trade. This is assisted by forest certification procedures outlined in Module 4 that verify legality of timber origin and monitor movement of timber from producers to users.

Civic engagement is appreciated as a core condition to improve forest law enforcement and this is reflected in a special section of the textbook. Module 5 provides compelling arguments for civic engagement in forest management. It also contains activities to ensure legal and regulatory support to forest civic engagement, in particular a regulation (draft local regulation) for civic engagement procedure.

Designing legal and regulatory frameworks to eliminate corruption in the forest sector is a policy measure to prevent illegal forest activity. Module 6 identifies corruption risks with references to specific articles of the current RF Forest Code which helps to define negative economic and environmental implications caused by regulations. Analysis of negative impacts is accompanied by recommendations on amending regulations that stipulate forest access and eligibility for government support.

The guide is to provide the knowledge on governance and economic management of forests that allows to make administration decisions regarding forest use, renewal, conservation and protection while preventing, eliminating or minimizing illegal and corrupt practices. The knowledge is needed by managers and specialists of forest management authorities of federal and regional level to discharge their public functions and provide public services.
The textbook will be helpful for managers and specialists of private businesses operating in the forest sector that act as partners of the government in the forest sector and inevitably being drawn into illegal and corrupt activities.

The textbook is recommended by the Forest Education and Methodics Association to university students who study professions under group 250000 "Renewal and Processing of Forest Resources". The materials are also recommended for inclusion into secondary vocational education curricula for Bachelors (Forestry) and medium-level managers. A special role should belong to the textbook in retraining and continuous education of specialists under additional education programs.

Introduction and Module 6 were developed by A. Petrov, Professor, Doctor of Economics; Module 1 – by E. Kuzmichev, Professor, Corresponding Member of the Russian Academy of Agricultural Science, Doctor of Biological Sciences, borrowing from S. Gruaznov, Associate Professor, and Yu. Shuvaev, Module 2 – by V. Lovtsova, Associate Professor, Module 3 – by A. Kuritzyn, Director, OOO Lesexpert, Module 4 – by R. Sungurov, Leading Auditor, GFA Consulting Group GmbH, Module 5 – by A. Karpov, Director, “Ecom” Appraisal Center. A. Petrov provided overall scientific editing. Pilot training courses and the guide development were coordinated by Zh. Gerasimova.

On the part of the World Bank Resident Mission the work in this area of the Russia Country Plan which, in addition to the development of the guide, included training and advisory activities and meetings delivery, was coordinated by M. Smetanina (ENPI FLEG Program Coordinator in Russia, World Bank) and V. Nemova (WB ENPI FLEG Secretariat).
INTRODUCTION

Module 1. Regulatory and legal frameworks for combating illegal logging and its associated timber trade

How the Russian Federation meets its international commitments related to forest law enforcement and sustainable forest management
Trends in the status of global forests
Developing international dialogue on sustainable forest management: key stages
Russia on the way to sustainable forest management

Relevance of illegal logging for the Russian Federation.

Key documents verifying timber origin and legality.

Legal and regulatory frameworks for sustainable forest management.

Law enforcement in the Russian Federation to ensure sustainable forest management: a review
Legal regulation of the forest use legality
Liability for illegal logging

A system to combat the spread of illegal logging
Improving forest legal and regulatory frameworks to combat illegal logging and its associated timber trade
Systemic efforts to combat illegal use of forests.
Improving methods of state inventory and commercial evaluation of timber stock handed over for use.
Arranging the system to identify illegal forest use
Setting up a government timber recording system
Governmental monitoring of timber flows
Transporting timber from the harvesting area to timber collection centers
Movement of timber through customs check-points
Common methodology to define timber

Mechanisms to promote civilized (legal) forest use and timber trade
Public procurement of timber
Public incentives to encourage legal forest use.

Developing mechanisms to monitor forest use
Independent timber legality verification
Voluntary certification of sustainable forest management

Inter-agency collaboration at the national and sub-national level.

Fighting poverty in forest settlements.

The place and the role of civil society in monitoring illegal forest use
Simulation exercise “Designing Programs to Improve Legal and Regulatory Frameworks in Order to Reduce Illegal Logging and Related Timber Trade”

Test questions

Bibliography

Module 2
ORGANIZATION AND IMPLEMENTATION OF GOVERNMENTAL FOREST INSPECTION AND OVERSIGHT

Institutional framework for forest governance and forest management in the Russian Federation at the federal and regional level
Forestry relations participants in forest governance
Arrangements for economic management of forests.
   Forest lease.
   Ownership of produced forest resources
   Development and execution of forest lease agreement based on the outcomes of auction to sell the rights to enter lease agreement.
   Content of the forest lease agreement
   Procedure and justification for amending and terminating the forest lease agreement

Governmental forest inspection and oversight in the Russian Federation upon decentralisation of forest authorities
Bodies of governmental forest oversight at the federal level.
Federal Law dated December 26, 2008, #294-FZ «On Upholding the Rights of Legal Entities and Individual Entrepreneurs in the Course of Conducting Governmental Inspection (Oversight) and Municipal Inspection”
   Administrative procedures in Russian regions to perform the government function of federal government forest oversight
   Arrangement and conduct of scheduled inspection
   Arrangement and conduct of unscheduled inspection
   Desk and site inspections
   Procedure for arranging inspections
   Governmental inspection (oversight) of SROs
Administrative liability of governmental forest inspection and oversight officials

Legal responsibility for illegal logging
Administrative liability for violations of forest legislation
Rights of governmental forest supervision authorities’ officials
Administrative offences proceedings
Civil liability for violations of forest legislation
Concept and features of civil liability.
   Noncontractual liability
   Criminal responsibility for violations of forest legislation.

Test questions

Bibliography

Module 3
Timber scaling and recording under different forest tenure arrangements
Regulatory and legal frameworks for timber recording and scaling in the Russian Federation
General terms and concepts
Legal and regulatory requirements to timber recording
A review of requirements to harvested timber present in regulations
- The right to harvest timber
- Timber ownership and its registration
- Scaling of timber to be harvested
- Recording timber actually harvested

Existing regulatory framework for timber recording
- Timber recording in the USSR
- Timber recording: current practice

Arrangements and methods for timber recording employed in other countries

Timber harvesting arrangements

Timber recording – a separate activity

Timber recording experience in the Nordic countries – Sweden, Finland, Norway
- Legislation and regulations
- Recording arrangements
- Scaling techniques used in timber recording

Timber recording experience in British Columbia (Canada)
- Timber recording arrangements
- Timber recording methods

Timber recording arrangements in Russian companies

Timber recording based on traditional approaches and techniques
- Piece count.
- Stack-based scaling technique

Timber recording arrangements based on state-of-the-art approaches and techniques
- Weight-based scaling technique
- Automated piece count
- Independent timber recording

Re-introduction of timber state recording

Principles of state recording

State recording under different forest use arrangements
- State recording of harvested timber: key participants
- State recording done by recorders of forest users.
- Recording by recorders of forest range

Product specification under state recording

Timber recording stations and their location

Measuring harvested timber under state recording
- Harvested timber quantity indicator – scaling w/o bark
- Measurement errors requirements
- Log scaling techniques
- End section technique.

Marking of harvested timber under state recording
- Marking of timber transported prior to state recording
- Marking of timber transported after state recording
- Marking application techniques
- Requirements to branding

Documentation on state recording of harvested timber
Agreeing on timber recording conditions
Outcomes of state recording pilot in Amur region

The current situation
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Module 4
FOREST CERTIFICATION AND INDEPENDENT LEGALITY VERIFICATION – MARKET-BASED TOOLS TO PROMOTE LEGAL USE OF FORESTS

General terms and concepts

History of forest certification: reasons, events, drivers.
Designing sustainable forest management criteria and indicators.
Systems, programs and standards used for certification of sustainable forest management.
  ISO 14000.
  Forest Stewardship Council (FSC)
  Programme for the Endorsement of Forest Certification (PEFC)
  Canadian Standards Association (CSA) system
  Sustainable Forestry Initiative (SFI).
  American Tree Farm System (ATFS) forest certification
Motivation for forestry relations participants in the course of certification
  Independent legality verification in forest management and timber production
    Independent timber legality verification programs
    Timber Legality & Traceability Verification Programme (TLTV)
    Rainforest Alliance Legality Verification Program
    LegalHarvest™ Verification (SCS).
  Motivation for businesses.

The EU initiative to prevent trade in illegal timber

Forest certification structure, legal and regulatory frameworks in the Russian Federation (example of FSC)

Forest certification procedures that ensure monitoring of the supply chain from producers to users

Experience of engaging local communities in forest certification promotion and in illegal logging prevention

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Module 5
CIVIC ENGAGEMENT IN FOREST LAW ENFORCEMENT PROCESS

The need for civic engagement in forest management
  The collective intelligence concept
  Conditions for efficiency of collective intelligence
  Economics of decision-making
    Civic engagement as information subsidy.
Civic engagement as a means to reduce social costs.

Conditions for effective civic discussion.
Clearly defined rights of the civic discussion participants
The size of transaction costs

Theory and methods of civic engagement.
Civic engagement: key terms and concepts.
Levels and formats of civic engagement.
Arranging civic engagement: principles and rules.
Planning for civic engagement campaigns
Techniques to identify interested civil society stakeholders
Awareness-building techniques
Techniques used to arrange consultations on a draft document (decision)
Arrangements for inspection and oversight participation

Legislative and regulatory framework for civic engagement in the forest sector.
Constitutional underpinning for the right to engage.
International legislation as a benchmark for “good governance” in civic engagement.
The Russian legislation on civic engagement
Designing a regulation (draft local regulation) for civic engagement procedure

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Module 6
CORRUPTION RISKS ARISING FROM THE LEGAL FRAMEWORK OF THE FOREST SECTOR, AND THEIR ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPLICATIONS

Legal and regulatory framework to combat corruption in the Russian Federation
Federal regulations for combating corruption
Review of regulations and draft regulations for susceptibility to corruption
Forest regulations: their review for susceptibility to corruption

Forestry affairs in the Russian Federation, corruption factors.
Development of forestry relations in the Russian Federation under monopolistic ownership of forests by government
  Managing forests in public ownership in federal countries
  Managing publicly-owned forests when all economic activity is performed by public enterprises
  Forest management under private ownership
The RF Forest Code application practice: policy and economic implications
Corruption factors in forestry relations; techniques for their assessment.

Access to forest for timber harvesting: corruption risks, their implications and means of elimination.
Legal framework and administrative arrangements to ensure access to forest for timber harvesting.
Corruption risks when arranging access to forests for timber harvesting; possible solutions.

Access to non-timber products and public goods produced by forests.
General legal and economic provisions on the access to forest recourses of social and public significance.
Corruption risks when access to forests is granted for recreation and collection of edible forest products.

Access to government resources to finance forestry activities performed on non-leased forest lands of the Forest Fund.
Legal and economic provisions for financing forestry production under contractual arrangements
Corruption risks related to public procurement of forest protection, conservation and renewal works based on annual work volumes

Arrangements for administering forestry authority delegated to regional governments
General provisions of governmental forest management based on administrative regulations
Corruption risks in administering forestry authority delegated to regional governments

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About ENPI FLEG Program

The ENPI FLEG Program supports governments of participating countries, civil society and the private sector in the development of sound and sustainable forest management practices, including the prevention of illegal forestry activities. Participating countries include Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia and Ukraine. This Program is funded by the European Union with a contribution from the Austrian Development Cooperation.

www.enpi-fleg.org

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www.ec.europa.eu

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www.entwicklung.at

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www.worldbank.org

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www.iucn.org

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WWF is one of the world’s largest and most respected independent conservation organizations, with almost 5 million supporters and a global network active in over 100 countries. WWF’s mission is to stop the degradation of the earth’s natural environment and to build a future in which humans live in harmony with nature, by conserving the world’s biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption.

www.panda.org

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