Partnership in Preventing Forest Crimes

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This Presentation...

• Indicates statistics on forest crimes.
• Presents examples of innovative approaches.
• Discusses the steps leading up to the East Asia FLEG.
• Highlights the achievements of the East Asia FLEG.
• Speculates on next steps.

Examples of Losses

• In Brazil, more than 70% of concession management plans violated the law.
• In the early 90s, forest product exports from Malaysia to Japan were under-declared by 40%.
• In Indonesia, the government loses $600 million each year due to evasion of royalties, reforestation funds, and export tax payments.

Value-added in international illegal trade in ramin

Logger (Tanjung Putin Nat. Park): $2.2/m3
Broker (buying illegally in Idn.): $20/m3
Broker (selling in Malaysia): $160/m3
Buyer (of ramin sawntimber): $710/m3
Exporter (of sawn ramin of Sgp.): $800/m3
Buyer (of moulded ramin in US): $1000/m3

Source: Timber Trafficking, EIA and Telapak, Sept. 2001

Innovative Initiatives: National

Philippines: Multisectoral Forest Protection Committees
Cambodia: Forest Crime Monitoring Unit
Brazil: Geo-referenced licensing system and identification of illegal logging from land-use monitoring via satellite imagery
India: Village Forest Protection Committee (Joint Forest Management)

Innovative Initiatives: International

• International Agreements such as CITES
• Certification and chain-of-custody
• Socially and environmentally responsible timber procurement (IKEA, Home Depot, B&Q)
• Regional Co-operation, e.g., ministerial declaration for East Asia

**Steps leading up to East Asia FLEG**

• Strengthen FLE in the Mekong Basin Countries (Phnom Penh, June 1999)
• Control of Illegal Logging in East Asia (Jakarta, August, 2000)
• Pre-FLEG Preparatory Meeting (Jakarta, April, 2001)
• Electronic Roundtable on FLEG (May-July, 2001)

**Significant “firsts” of the East Asia FLEG Conference**

• Explicit and frank discussion of forest crimes, illegal trade, corruption and forest law enforcement
• Collaborative dialog between national and international NGOs, and other stakeholder groups
• A spirit of collaboration between consumer (particularly G-8) and producer countries
• Regional declaration of political commitment and call for action at the highest level

**Explicit discussion of forest crimes, illegal trade and corruption**

• Recognition of the nature and magnitude of the problem – individually and collectively.
• Sharing the best technical expertise and experiences on successful initiatives.

**Collaborative dialog between NGOs and other stakeholder groups**

• Discussion among national and international NGOs, governments, private sector in a positive and non-confrontational manner.
• Invite the representatives from among NGOs, industry, civil society... to consider forming an advisory group to the regional task force.

**A spirit of collaboration between consumer and producer countries**

• Recognizing that all countries, exporting and importing, have role and responsibility in combating forest crime, in particular the elimination of illegal logging and associated illegal trade.”
Political commitment and call for the highest levels

- Declaration recognizes that illegal logging and associated illegal trade directly threatens the ecosystem and results in serious economic and social damage, particularly on local communities, the poor, and the disadvantaged.
- Proposal to create a regional task force to advance the objectives of the Declaration.
- Proposed ministerial meeting in 2003 to review progress.

The Road Ahead…

- Developing partnership and collaboration.
- Gathering useful and reliable data and disseminating it widely.
- Promoting awareness through international fora such as the IACC.
- Recognizing that removing corruption and improving governance will take time and a huge investment of efforts.

Strategy to Improve Governance for Forests

- Actions to promote better governance in all sectors of the economy
- Actions to promote sustainable forest management via forest policy reforms
- Specific anti-corruption efforts in the forestry sector

Actions to Improve Overall Governance

- Civil Service Reforms
- Legal-Judicial Reforms
- Transparency and Accountability
- Public Disclosure
- Collective Action

Actions to Improve Governance via Forest Policy Reforms

- Establish Clear Property Rights
- Establish Permanent Forest Estates
- Increase use of the market mechanism
- Simplify forestry legislation and make it more realistic

Approaches to Reduce Corrupt Practices in Forestry

- Promote transparency in procedures
- Develop (and enforce) codes of conduct for forest industry
• Create channels for reporting corruption and develop processes to adequately deal with it
• Increase penalties for forest crimes

What Should the International Community Do?

• Promote adherence to regulations in forestry related treaties/conventions
• Promote adherence to anticorruption treaties
• Zero tolerance for corruption and unethical practices in projects
• Raise awareness on issues.