

# Illegal logging

A commitment to change through tripartite action



Forest Law Enforcement and Governance (FLEG)



Each year about 13 million hectares of the world's forests are lost due to deforestation (Photo © IUCN)

## The cost of illegal logging

The unauthorised removal of forest resources has a dramatic and far-reaching impact both at the local and national level. Illegal logging destroys forests and damages the environment, disrupts communities and costs governments an estimated \$15 billion USD in lost revenue annually.

## What is FLEG?

FLEG stands for Forest Law Enforcement and Governance. FLEG initiatives aim to promote greater transparency and accountability, and improve public confidence in how decisions on forests are made and implemented.

Many FLEG initiatives focus on the uncovering and tracking of illegal logging and trade. However, law enforcement is only one facet of sustainability. It is often not enough to guarantee the long-term survival of a forest ecosystem or the people that depend on it. Perceptions of what actually is legal or illegal vary widely within and across countries.

It is also true that some activities that are technically illegal may be perfectly sustainable. For example, unfair laws may undermine the basic human rights of poor rural communities and serve to criminalise their legitimate and sustainable livelihood activities.

## Causes of illegal activity

Although upholding appropriate forest laws is a basic first step, it should be recognised that illegal logging and other forest-related predatory practices are symptoms of a larger problem of dysfunctional forest governance arrangements. Many factors can produce the conditions under which illegal logging flourishes, including:

- Insecure land tenure
- Poorly defined property rights
- Non-transparent concession allocations
- Outdated management practices
- Armed conflicts over the use of forest resources
- Corruption
- Overcapacity in the timber processing industry

## The IUCN commitment: equity, transparency, participation, action

The World Conservation Union (IUCN) is a unique membership-based organization that includes States, government agencies and non-governmental organizations. IUCN's policies and priorities are determined collectively by its members. In turn, the IUCN Secretariat actively consults with and mobilises its membership when implementing its programme of work. This gives IUCN a major comparative advantage when it comes to politically sensitive issues such as FLEG. In a number of countries and regions, both our government and non-government members have asked that IUCN support them in developing and putting forward positions and options.

IUCN's FLEG vision is to promote locally and nationally appropriate forest governance arrangements that directly improve local livelihoods and deliver sustainable forest management.

This means that equity, transparency, participation and action should be the cornerstones of responses at all levels to illegal logging and other predatory forest practices.

### IUCN objective in FLEG-related processes

*To catalyse the implementation of FLEG-related actions that have been jointly prioritised by key government, private sector and civil society actors, and that are capable of achieving demonstrable impacts*

We strive to accomplish this by:

- Implementing a **tripartite approach** which creates space for government, industry and civil society stakeholders to find and implement solutions together
- Strengthening **policy-practice linkages** to ensure that forest laws and practices are informed by each other and are responsive

*“An essential principle of progress from an NGO point of view is to involve all interested parties - governments, NGOs and forest businesses - in converting Ministerial Declarations into implementation. We consider as crucially important the role that IUCN has played in involving representatives from grassroots groups, national and international NGOs in well organized and structured efforts to ensure relevant input to and feedback from governmental negotiations.”*

*Elena Kulikova, Forest Program Director, WWF-Russia*

IUCN employs a team of eight professional staff working full-time on FLEG in Africa, Asia, Latin America and the Commonwealth of Independent States. This global reach is amplified by the skills and expertise of several of our thematic and regional programmes as part of our coordinated effort on FLEG. These include:

- The Forest Conservation Programme
- The Regional Offices for Asia, Meso-America, South America, Central, West and East Africa, and Europe
- The Temperate and Boreal Forest Programme
- TRAFFIC, IUCN's joint programme with the World Wide Fund for Nature (WWF) on trade in endangered species

As needed, we also access additional, authoritative knowledge on issues such as law, economic and social policy and biological science from our six expert commissions. More than 10,000 of the world's leading authorities in these fields contribute to these commissions.

## Supporting effective action

IUCN can support formal country and regional FLEG processes by:

- Helping to garner input from a broad range of government, private sector and civil society actors
- Encouraging them to set aside differences, identify common approaches and commit to joint action

The tripartite approach helps to improve the understanding of key actors and the level of trust and openness between stakeholders. It also lays the groundwork for more effective action. This belief has been reinforced by IUCN's own experiences in Asia, Africa, and Europe/North Asia since 2001.

## A two-way flow of information

Lessons learned must be fed quickly to decision-makers at the local, national, regional and, as appropriate, international levels. This requires strong links between forest policies and practice. IUCN is committed to making these linkages more responsive. To do this, there is a need to improve information flow from practical field experiences into policy debates and then communicate policy decisions back into the field. Pilot projects that explicitly address the issues policy-makers are faced with and that implement progressive policy changes on the ground must be initiated.

## Finding the right mix

Globally, a wide range of responses are promoted that can help address illegal logging.

*"Building bridges between governments, the private sector and civil society is an essential strategy in working towards sustainable forest management. Not only are these three groups ultimately dependent on each other; in many cases there is more common ground than what is initially acknowledged. Time and resources are limited so strategic engagement is vital and a real connection has to be kept in place for greater accountability. This is what the tripartite approach to governance [spearheaded by IUCN] is about and has a valuable contribution to make to addressing FLEG issues."*

*Rowena Soriaga, Regional Operations Manager, Asia Forest Network*

They include:

- Strict national government policies on procurement
- Improved benefit-sharing with local administrations and communities
- Development of private sector voluntary codes of conduct
- Third party certification
- Consumer campaigns

While individually each of these responses makes a valuable contribution, often the challenges of forest law enforcement and governance are great. FLEG requires a mix of solutions to address the complexity of different situations.





Deforestation accounts for up to 20 percent of the global greenhouse gas emissions that contribute to global warming (Photo © IUCN)

**Governments, industry and civil society must work together to:**

- Find the most appropriate combination of initiatives tackling both poverty-driven and commercial illegal logging and trade
- Decide how to assess whether basic legal requirements are being adequately met, with a particular focus on international and bilateral arrangements for controlling illegal trade
- Arrive at the best balance between voluntary arrangements, like Voluntary Partnership Agreements (VPAs), and legally-binding instruments, such as the Convention on the International Trade In Endangered Species (CITES)
- Identify and close the legal loopholes that make illegal harvesting and trade difficult to control
- Reform or improve the enforcement of existing forest laws that determine who gains access to and benefits from state-administered forest resources
- Make progress to clarify and uphold the legally recognised and traditional tenure and property rights of individuals, communities and commercial concerns
- Develop mechanisms that can comprehensively address not only illegal international trade, but also illegal trade with non-discerning markets and illegal domestic consumption

*“IUCN played a key role in the Europe and North Asia (ENA) FLEG process in ensuring that the voice of the civil society was heard and had an impact on the St. Petersburg Ministerial Declaration. We look forward to continuing our collaboration with IUCN now that the process moves from political declarations to concrete action in producer and consumer countries.”*

*Tapani Oksanen, Senior Forestry Specialist and FLEG Task Team Leader, The World Bank*

## RESULTS FROM IUCN'S WORK ON FLEG 2001-2005

### AFRICA

- Multistakeholder action plans on FLEG were facilitated in Democratic Republic of Congo, Republic of Congo, Cameroon and Gabon, as well as district level plans in Liberia, and regional plans in the Congo Basin
- National laws were translated and disseminated in local languages in the Congo Basin
- Bridges were built between the African FLEG ministerial process and forest sector reform in Liberia, with significantly improved community participation and media awareness of the opportunities

### EUROPE AND NORTH ASIA

- The first public hearings and public opinion polls on FLEG in Russia and the first government/civil society forums in China were organized
- A review of gaps in Russian forest-related laws and inter-agency relations was prepared, disseminated and broadly supported
- Private sector and civil society dialogue sessions before and during the Europe and Northern Asia FLEG ministerial conference led to joint recommendations and ground-breaking arrangements for interaction between government negotiators and stakeholders

### EAST ASIA/PACIFIC

- A multi-stakeholder partnership in Thailand was successfully tested as an instrument for improved forest governance at the national and local levels

- Cross-border timber trade studies were carried out between Malaysia and Indonesia, and Japan and Indonesia - with particular emphasis on identifying timber trade discrepancies
- Customs and forestry agencies, donors and civil society from Asia as well as partners from Europe, Canada, Australia and PNG were brought together to identify ways forward on customs and law enforcement to control illegal logging and timber trade in Asia

### TRANS-REGIONAL

- Civil society participation in the African and Europe and Northern Asia FLEG ministerial conference processes was facilitated, including preparatory workshops and briefing notes
- Participatory landscape level negotiation of forest uses was addressed at an international conference hosted by Brazil
- Collaboration between the Civil Society (CSAG) and Trade Advisory Groups (TAG) of the International Tropical Timber Organization (ITTO) was strengthened on issues related to illegal logging and trade



*Deforestation of closed tropical rainforests could account for the loss of as many as 100 species a day (Photo © IUCN)*

## IUCN'S CURRENT WORK ON FLEG

### CENTRAL AND SOUTH AMERICA

- Promoting forest governance and trade arrangements that support certification in Brazil
- Addressing illegal transboundary trade in Costa Rica, Nicaragua, Panama, Guatemala, Belize and Mexico by reforming legal frameworks and budget allocations
- Developing guidelines to promote legal trade and evaluating verification systems in Central America

### EAST ASIA/PACIFIC

- Mapping the authority and roles of different actors in Viet Nam to achieve a more equitable sharing of costs and benefits from forest and land use
- Developing and negotiating Joint (tripartite) Forest Management approaches to FLEG in the Knuckles Forest Range of Sri Lanka
- Helping to develop a regional cooperation framework on enforcement and intelligence sharing on illegal timber trade, in cooperation with ASEAN and other regional bodies

### EUROPE AND NORTH ASIA

- Putting action on FLEG on the agendas of the 2006 G8 Summit preparatory meetings and other major political events in Russia
- Developing ways of measuring progress on FLEG
- Carrying out participatory mapping of forest policies and practices related to FLEG and testing landscape level governance approaches in China

- Providing guidance on participation and transparency in developing and implementing national action plans on FLEG

### AFRICA

- Supporting governments and civil society in the negotiation of Voluntary Partnership Agreements (VPAs) in Cameroon and Ghana
- Helping new committees on independent forest monitoring involving farmers, community leaders, concessionaires and/or local authorities in Gabon, DRC and Cameroon to function effectively
- Testing the application of the forest industry voluntary code of conduct in concessions in DRC
- Promoting official recognition of community-based organizations and their role in FLEG implementation and forest sector reform in Liberia
- Building the capacity of South African border officials to better control cross-border wildlife and timber trade in Southern Africa

### TRANS-REGIONAL

- Establishing and coordinating national multistakeholder working groups on FLEG in ten countries
- Identifying and supporting a broad range of democratically selected and well-informed civil society organizations to participate in official FLEG processes
- Developing criteria, guidelines and policy recommendations for definition and verification of legal sources of forest products in Africa and Asia
- Carrying out assessments of legal, economic and institutional constraints to progress in ten countries in Africa, Asia and South America







*Forests are home to 300 million people around the world (Photo © IUCN)*

## **IUCN's priorities for action**

- Raise awareness of, and commitment to, FLEG among NGOs, communities and other stakeholders
- Strengthen civil society input to official FLEG processes
- Contribute to the development of tripartite national action plans on FLEG
- Pilot test innovative governance approaches in the field
- Provide information, tools and training to key actors who have a role to play in implementing FLEG reforms
- Address legal, economic and institutional constraints to implementation
- Identify and respond to the specific constraints that governments face in implementing cross border control of illegally logged timber
- Proactively capture and share lessons learned

Since 2005, IUCN has been implementing Strengthening Voices for Better Choices, a European Commission funded initiative that has placed six full-time FLEG coordinators to oversee field and policy work in Brazil, Democratic Republic of Congo, Ghana, Sri Lanka, Tanzania and Viet Nam, where they also support regional FLEG processes. This project also has a global coordinator based in Bangkok, Thailand.

We also have a growing portfolio that directly supports national and regional FLEG processes in Europe-Northern Asia (ENA-FLEG), East Asia-Pacific (EAP-FLEG), and Africa (AFLEG), as well as in South and Central America.

## Close and effective partnerships

IUCN works in close collaboration with its members and partners from government, civil society and the private sector. Partners include:

- The World Bank
- The Swiss development organization Intercooperation
- The Forest Dialogue (TFD)
- The World Business Council for Sustainable Development (WBCSD)
- The World Wide Fund for Nature (WWF)
- The Rights and Resources Initiative (RRI), and many others

In addition to the significant investment IUCN makes through core funding, our work on FLEG benefits from support provided by:

- The European Commission (EC)
- The UK Department for International Development (DFID) and Foreign and Commonwealth Office (FCO)
- The Netherlands Ministry for Development Cooperation (DGIS)
- The Canadian Forest Service (CFS)
- The US Department of State, Bureau of Oceans and International Environmental and Scientific Affairs
- The German international cooperation enterprise Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)

## Lessons learned so far

IUCN's approach to FLEG has been dynamic in nature and built on the principles of action learning and adaptive management. Our approach to FLEG is constantly updated based on learning from our experiences and feedback from our members and partners.

Our ability to work with partners to stimulate a culture of tripartite collaboration on complex and potentially contentious issues has been a highlight to date.

This has led to stronger working relationships between people who would not normally have met face-to-face. It has enabled the key actors to jointly identify and implement innovative ways to move FLEG forward. In addition, it has resulted in greater confidence in the FLEG policy processes.

Although there has been some progress in many regions, more intense efforts are needed to translate FLEG declarations into action on illegal logging and more sustainable and equitable forest management. Some of the key lessons we and others have learned so far are:

- Inadequate coordination of state and public control over the harvesting and trade in forest products aggravates unregulated and illegal forest use. It significantly reduces the opportunities for government authorities, civil society and businesses to develop sound and effective solutions
- Governments, civil society and the private sector should not wait for national planning processes to be finalised before taking action together. They should move ahead with some specific agreed actions right away in order to build confidence and momentum
- Any proposed legal instrument seeking to ban the import of timber based on a one-size fits all definition of legality risks reinforcing unfair laws and management arrangements in some producer countries. Furthermore, such an instrument, unless global in reach, would fail to address illegal trade with non-discerning markets. It would also fail to address the more widespread problem of illegal domestic consumption



*Forests ensure environmental functions such as biodiversity, water and soil conservation, water supply and climate regulation (Photo © IUCN)*

- “Soft law” international instruments, such as Voluntary Partnership Agreements (VPAs) under the European Union’s FLEGT Action Plan, hold the potential to address illegal timber harvesting and trade more comprehensively than import bans. They need to be given a chance to work
- National action plans will have better prospects of being implemented if they are based on open and transparent tripartite dialogue from the start
- Government officials should be continually engaged at as high a level as necessary to legitimise national action planning and implementation processes. All government departments that have an impact on forest lands should be involved
- An important component of national action plans is capacity building for the judiciary, local magistrates and customs officials
- Grassroots organizations, communities, traditional leaders and parliamentarians are key actors to involve to ensure that policy and legal reforms are adopted, supported and implemented
- Stronger national ownership of FLEG processes can be achieved by highlighting actions that show that local opinion leaders ‘are already doing it’
- FLEG efforts need to keep pace with the evolving FLEG context and growing number of initiatives, such as the opportunities created by negotiation of Voluntary Partnership Agreements and formal national action planning processes promoted by the World Bank

## Conclusion

Based on these experiences and lessons learned, we are working with our partners to move ahead quickly with specific and innovative actions. There is actually a great deal more happening on FLEG at the local and national level than many people realise, though these efforts need more technical, financial and political support. To increase the pace of governance reform we are engaging strategically in policy processes at the sub-regional and regional level.

Ultimately, forest governance is a societal responsibility. IUCN is committed to working with different sectors of society to catalyze commitment to change.



# TRAFFIC.

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