Preparation Process of The Guidelines for Overseas Sustainable Forest Products Trade and Investment by Chinese Enterprises

> CINFT SFA RCFPT BFU

March 26 2014



Align with new pattern, new condition and new features

of world wood trade and regulate the behaviors of Chinese

enterprises in overseas forest resources trade and

investment

- A code of conduct for Chinese timber enterprises to implement sustainable trade and investment;
- A guide manual for sectoral associations to support the sustainable trade and investment by Chinese enterprise;
- A sectoral guidance in response to the demands of the International community for sustainable timber trade and investment.

Launching Meeting for the *Guidelines* Preparation on June 9th 2013



Preparation Steering Committee

- Ministry of Commerce, General Administration of Customs, Banking Regulatory Commission, China Development Bank
- SFA: Department of Development Planning and Asset Management, Department of International Cooperation, Department of Resource Protection, International Forestry Cooperation Center, Administration Office of Endangered Species of Wild Flora and Fauna
- Expert Committee of CINFT SFA



CINFT, SFA

D RCFPT, BFU

International NGOs including WWF

Main Contents

Foreword

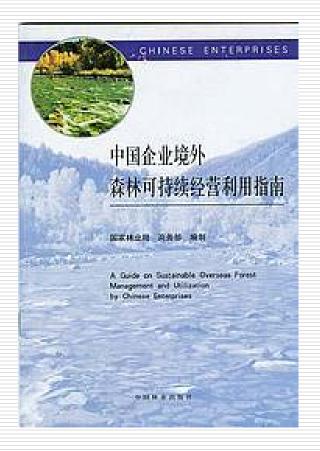
- 1. Purpose
- 2. Basic principle and applicable scope
- 3. Legislative regulation
- 4. Trade activities
- 5. Investment activities
- 6. Eco-environment protection
- 7. Community development

Plan for Next-phase Work

- Convene multi-stakeholder consultation meeting to solicit comments;
- 2. Implement pilot projects for the *Guidelines*;
- 3. Submit the finalized *Guidelines* to the government

1. Pilot projects on *The Guidelines for Sustainable Overseas Forest Resources Management and Utilization by Chinese Enterprises*

In 2009, the SFA teamed with the Ministry of Commerce to release the Guidelines for Sustainable Overseas Forest Resources Management and Utilization by Chinese *Enterprises*, with the purpose to enhance the guidance over Chinese enterprises in their use of overseas forest resources. The Chinese **Government encourages enterprises to refer** to and implement the Guidelines. CINFT SFA and national and international NGOs have made joint efforts to carry out training and pilot projects for the *Guidelines*, and promote the Government to include enterprises implementation of the Guidelines into the category of examination and monitoring over their management and utilization of overseas forests.



Pilot Working Group

Under the leadership of Department of Development Planning and Asset Management of SFA, CINFT SFA, together with other institutions, set up the Pilot working group, comprising experts from international organization and NGOs (e.g., WWF and IUCN), Academy of Forest Inventory and Planning, Planning and Design Institute of Forest Products Industry and a range of medias. The working group is responsible for making field trips, conducting questionnaire surveys, holding training workshops and providing technical supports to pilot enterprises; collect and analyze the information of enterprises to identify the gap between actual practices of enterprises and the requirements set in the Guidelines; carry out evaluations to provide a foundation for the issuance of implementation rules for the *Guidelines*.

Pilot Enterprises

Pilot projects have been first implemented in large SOEs and win phased outcomes. Later on pilot project will be scaled up to include more private enterprises. The projects are aimed to help enterprises understand related laws, regulations and policies, regulate their management activities and mitigate risks by disseminating the requirements of the Guidelines and providing trainings to enterprises. Up to now, overseas training workshops have been held in Russia, Guyana, Gabon, Mozambique and the other countries, and 60 enterprise in total have participated in workshops.



Ten enterprises signed the Chinese Enterprises Initiative for Sustainable Forest Management and Utilization on June 22nd 2011

Xinlin Zabaikalsk Economic & Trade Co., Ltd

Sanli Company (Gabon)

Nature Flooring Holding Company Limited

Power Dekor Group

Shanghai Jia Le Mei Timber Co., Ltd.

China Forest Product Distribution Corporation

Yueyang Paper Co., Ltd

Jiusheng Flooring

Wanfuchun Forest Resource Group Co., Ltd.

Yongbao New Oasis Wood

New Ark Forestry Investment Company



Overseas Training workshops

Help enterprises get familiar with related laws, regulations and policies. The trainings cover Chinese policies on overseas forest management and their evolvement, the specific requirements of the *Guidelines*, laws and regulations on forestry in the host country, with the aim to uplift enterprises' awareness.



Developing Training Materials



Apart from the Chinese-English version, the Guidelines has been published with the Chinese-Russian, Chinese-French and Chinese-Portuguese versions. Guideline explanation for Russia is published, and the explanation for South America has been composed. And a publicity film is produced.



《中国企业境外森林可持续经营利用指南》南美洲解读

《中国企业境外森林可持续经营利用指南试点》项目组



国家林业局林产品国际贸易研究中心 中国林业科学研究院林业科技信息研究所

二〇一三年十二月

Regular Feedback Tracking Mechanism

Establish the regular feedback tracking mechanism with the pilot enterprises via email, telephones and field trips, to monitor the actual implementation of the Guidelines by enterprises and identify the difficulties for the implementation, with the aim to lay a foundation for future technical support.





2. Main Characteristics of Pilot Projects

□Government leading in conjunction

with voluntary participation of

enterprises;

■Scope expansion from SOEs to private enterprises;

■Pilot enterprises mainly engage in forest management and utilization,

timber processing, wood trade, etc.;

Collaborate with local government.

□Full cooperation with international NGOs.



Thank You!

chenyong2000@vip.sina.com