Certification Development in Russia: Advances and Challenges

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Forest certification schemes present in Russia

1. National FSC initiative

accredited by **Forest Stewardship Council** in 2006 and **National FSC office** (part of FSC International) since 2005

2. Russian National Council on Forest Certification

National forest certification scheme backed by the Forestry Agency of the Russian Federation, cooperates with both FSC and PEFC

3. National Council of Voluntary Forest Certification in Russia

Since 2004 a member of **PEFC family** with the right to represent Russia in the PEFC Council

Relationships between Certification Schemes in Russia

Umbrella Agreement to jointly represent PEFC in Russia

Standard Harmonization Process

Russian FSC National Working Group

FSC National Office Russian
National Forest
Certification
Council

Russian Forestry Agency National Council of Voluntary Forest Certification in Russia

Union of Roundwood Exporters

PEFC Council Membership

FSC

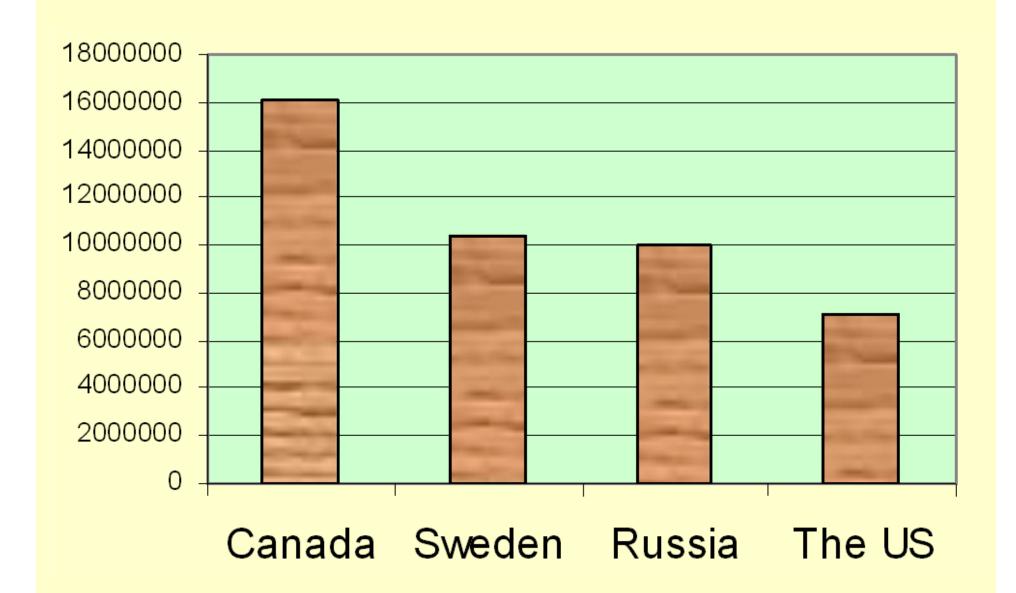
Partnership Agreement

Consultations

PEFC



Russia is the 3d globally by the area of FSC-certified forests



The largest companies operating in Russian go for FSC:

- IKEA/Swedwood
- Mondi Business Paper Syktyvkar
- Arkhangelsk PPM

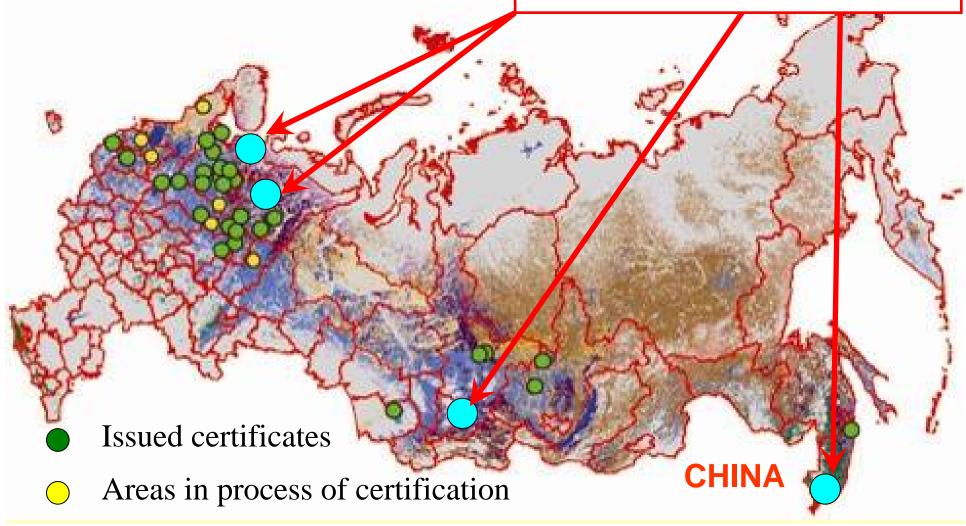
- Ilim Pulp
- Stora Enso
- Terneyles



There are 4 acting regional FSC working groups in Russia

Regional Working Groups:

Komi Republic Arkhangelsk Oblast Krasnoyarsk Kray Russian Far East



Russian National Council on Forest Certification

- The system is developed as a national forest certification scheme and is backed by the Forestry Agency of the Russian Federation
- The system declares equal support to FSC and PEFC with plans to issue FSC-compatible and PEFC-recognized certificates
- In 2006, after several years of negotiations, RNCFC signed the Umbrella Agreement with the National Council of Voluntary Forest Certification in Russia to jointly represent PEFC in Russia
- In 2006 it plans to accredit its forest management standard at PEFC

Cooperation between FSC and the Russian National Forest Certification Council

- The Partnership Agreement on Forest Certification Development between Russian National Office of Forest Stewardship Council and Russian National Council on Forest Certification was signed as of May 26 2005
- The purpose of cooperation to achieve maximum harmonization of the forest management and chain-of-custody standards and produce the unified checklist of the forest management standard.
- The harmonization process for forest management standards is mainly finished.

Conclusions from the FSC-RNFCC harmonization work

- Forest management standards of the two systems do not contain essentially contradictive indicators at the level of criteria and individual indicators
- It was found that the checklists of the both forest management standards have a different degree of development of indicators relevant to the FSC Principle 10 Plantations
- Therefore, the draft unified checklist will not be used for certification of plantation management
- Principal compliance of the forest management standard checklists was found at the level of criteria of the FSC Principle 9 Maintenance of High Conservation Value Forests
- However, relevant RNCFC indicators do not provide equally detailed interpretation of the notion "high conservation value forests" and approaches to their conservation and maintenance

The following next steps are proposed as part of harmonization of the FSC and RNCFC forest management standards

FSC and RNCFC shall jointly:

- develop special guidelines on interpretation of the notions and implementation of the indicators relevant to the FSC Principle 9
 Maintenance of High Conservation Value Forests
- conduct a field trial of the Unified Checklist



National Council of Voluntary Forest Certification in Russia

- National Council of Voluntary Forest Certification in Russia is a solely PEFC-oriented initiative supported by the Union of Roundwood Exporters of Russia
- Since 2004 NCVFCR is a member of PEFC family with the right to represent Russia in the PEFC Council
- In 2006, after several years of negotiations, NCVFCR signed the Umbrella Agreement with RNCFC to jointly represent PEFC in Russia
- In 2006 it plans to accredit its forest management standard at PEFC

NCVFCR and NGOs

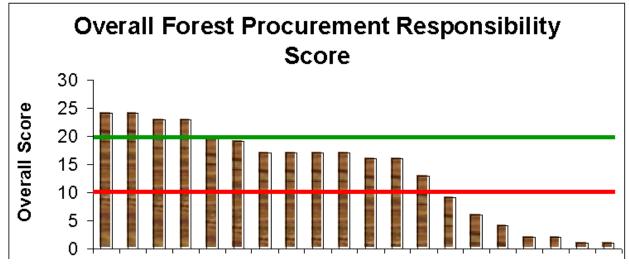
In 2006, Russian NGOs strongly criticized the draft forest management standard of NCVFCR for:

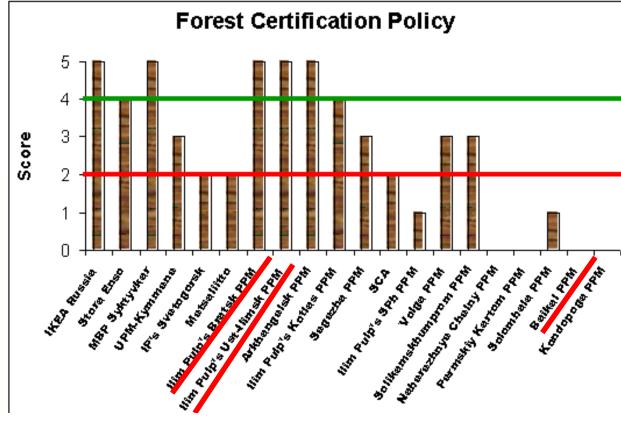
- Non-inclusive and discriminative approach towards NGOs when developing the standards
- Low level of demands in the standard, which in fact either:
 - just require to follow the forest regulations, while giving them preference over nature conservation laws or
 - are of very general character or
 - do not contain clear implementation mechanisms, especially with regard to indicators on biodiversity conservation.
- A number of standard requirements even prevent introduction of responsible forestry practices, by not permitting:
 - setting aside areas for conservation
 - leaving biodiversity trees etc.
 - underuse of the unrealistic allowable annual cut

NCVFCR and RNCFC: Common problems

- Both systems are planning to have a separate PEFC-endorsed forest management standard for Russia. How will they explain the difference between them to the industry?
- Both schemes still should develop a functioning (auditors, controlling body etc.) and profitable certification system that will receive credit from public and businesses
- Both schemes do not have experience of on-ground implementation of the forest management standards and lack implementation guidelines and policies
- The relations between these two systems are extremely official, lack trust and are maintained due to wish of the both to be at PEFC

Wood Supply and Forestry Policies of the Top-20 Mills





- Certification policy valued long-term commitment and progress in FSC certification
- ISO 14001 certification is encouraged
- Overall score included wood procurement policy, socio-ecological reporting and openness, wood tracking, attitude to HCVF and certification

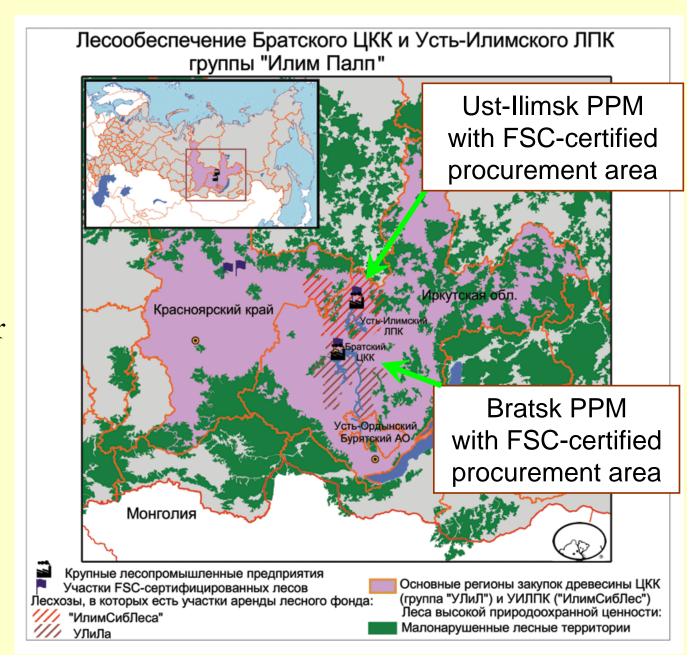
Environmental policies of the Top-20 mills in Russia

Remarkably that:

- Not all truly ecologically responsible companies (score 20 or more) are advanced in certification (score 4 or more) (3 companies of 6)
- Not all companies advanced in certification (score 4 or more) are truly ecologically responsible (score 20 or more) (3 of 7)
- However, ecologically most irresponsible (score less than 10) rare have even a minor interest in certification, tending to use it for greenwashing purposes (score 3) (2 of 7)

Ilim Pulp Corporation's mills exporting pulp to China

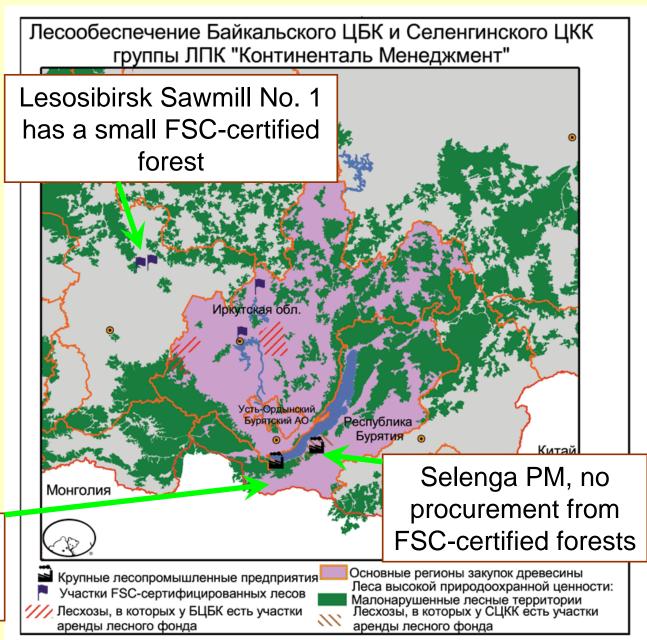
- have moderate overall score in responsible wood procurement and forestry, especially with respect to HCVF
- while have all their concession areas
 FSC-certified
- ISO 14001 certification is expected soon



Continental Management's mills exporting pulp to China

- have very low overall score in responsible wood procurement and forestry
- a sawmill has a small FSC-certified area
- while pulp mills do not even have plans for FSC and ISO 14001 certifications

Baikal PM, no procurement from FSC-certified forests



Why certification does not always help to make the timber business ecologically responsible? Issue 1. Unstable quality of certification

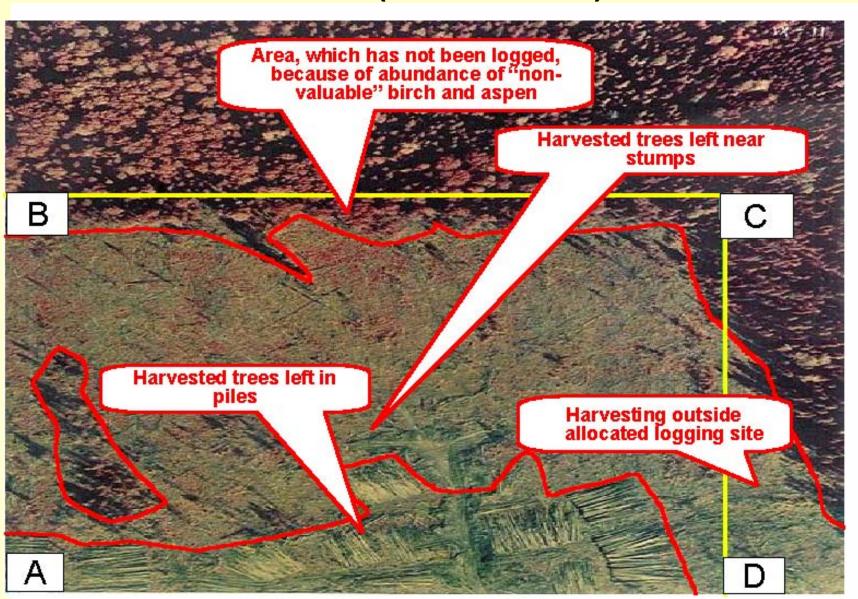
- Some particularly low-quality certifications compromise the whole idea
- More attention to paperwork than to on-ground changes in forest management:
 - Low attention to ecologically sound logging methods
 - Ignorance of high conservation value forests
- Formal stakeholder consultations
- Forest managers do not have stimuli for continuous step-by-step progress with respect to environmental and social performance

Why certification does not always help to make the timber business ecologically responsible?

Issue 2. Low motivation of state foresters

- Leskhozes (district-level state forest management enterprises) lack motivation for sustainable forest management
- Officials are generally against setting aside reference and high conservation value forests
- There is no effective law-enforcement system
- There are barriers for use of ecologically sound methods of logging and biodiversity conservation due to inadequate forest regulations
- State foresters fear to take responsibility for any non-standard decision, are conservative and prejudiced against wider interpretation of the acting forest regulations by forest industry
- Leskhozes are often main illegal loggers within concessions, while punishing forest industries for doing reasonable things

Examples of violations which are currently considered as illegal logging or "illegal non-logging" by Russian forest authorities (Irkutsk oblast)



Generally the average level of ecological responsibility in forest management and wood procurement is low

- There are no institutional stimuli for sustainable forestry (long-term planning, ecologically sound logging methods, sustainable allowable annual cuts etc.)
- Forest industries do not practice silviculture and ignore modern approaches to biodiversity conservation

• FSC certification is a good step toward responsibility, but require

further steps as well

• Roundwood exporters to China even do not have plans for FSC certification!

