

REPORT
ON THE IMPLEMENTATION
OF THE G8 ACTION PROGRAMME
ON FORESTS

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I. Executive Summary

At the G8 Birmingham Summit in 1998, Heads of State or Government of eight major industrialized democracies and the President of the European Commission announced that in the year 2000 they would assess progress on implementation of the newly launched *G8 Action Programme on Forests*, which focuses on five areas of particular importance: (1) monitoring and assessment; (2) national forest programmes; (3) protected areas; (4) private sector; and (5) illegal logging. The Action Programme reflects a political commitment and aims to complement the extensive range of actions currently being taken by the international community and various regional and international processes.

This report, which will be considered at the Kyushu Okinawa Summit in July 2000, provides information on efforts made to date by G8 members domestically, internationally and collaboratively towards sustainable forest management. G8 activities since 1998 are diverse, reflecting the variety of their forest ecosystems, land ownership arrangements, administrative and governance structures, and international cooperation programmes, as well as G8 members' individual and collective leadership and endeavours with respect to forests. They also illustrate where the G8 members have capitalised on their strengths and worked cooperatively on a number of issues as opportunities arose, including in support of the Intergovernmental Forum on Forests (IFF). This report highlights some significant activities, while a more detailed overview is provided in the individual progress reports attached as Annex A.

In the area of **monitoring and assessment**, the G8 members took a wide range of actions from launching a new national forest inventory system to establishing a public-private stakeholder process on implementation of criteria and indicators, adopting national guidelines to assess forest resources, developing a national climate change strategy that includes forest sector issues, as well as improving the comparability of national inventories in Europe. The G8 members hosted international meetings on criteria and indicators under the Montreal and Pan-European processes and established new cooperative forest fire management programmes with partner countries in Southeast Asia, the Amazon, the Mediterranean basin and Central America. The G8 members are also in the early stages of initiating a collaborative effort to assess the enhanced use of remote sensing as a tool to inventory, assess, monitor and manage forests.

With regard to **national forest programmes**, G8 members' actions taken include adopting strategic documents on forest conservation and use, establishing a new national forest programme, enacting new legislation either nationally or to reduce debt in return for tropical forest conservation, and producing major policy documents on promoting sustainable forest management. Bilateral and international cooperation were strengthened to support national forest programmes in Africa, Asia, Central and Latin America and the Near East. The G8 members also sponsored international initiatives and experts meetings related to national forest programmes to support the work of the IFF.

With respect to **protected areas**, the G8 members took actions such as designating a new national protected forest system to preserve wildlife and other values, announcing plans to close extensive areas of national forests to harvesting and road building, expanding in a significant fashion protected areas, and establishing a border park to protect significant boreal forests and a European network of protected areas. Cooperative work on forest protection in

the Near East was expanded, and an international experts meeting on protected forest areas was co-sponsored to support the work of the IFF.

A number of G8 members' actions involved the **private sector**. These range from forming a national government-NGO coalition on new technology for forest industries to launching a public-private pilot project on sustainable forest management in Central Africa, creating a joint venture to restore Central American forests devastated by Hurricane Mitch, and announcing plans for a new fund to support private sector activities in East Asia. Further development was also seen domestically in voluntary certification schemes by the private sector, including NGOs, in voluntary codes of conduct by industry, in some cases with support from governments, through grants, studies and projects, as well as in assistance in aboriginal business development and local decision making.

In the area of **illegal logging**, the G8 members highlight a major review of the nature and extent of illegally harvested timber, new funding commitments to tackle this problem in partner countries particularly in Southeast Asia, as well as plans to host a regional conference on illegal logging and cross border trade. Funds were also provided through international organisations to improve statistics and economic information systems in tropical timber producing countries and increase market transparency.

The Action Programme on Forests launched two years ago represents the first consolidated experience for the G8 members in working together on the world's forests. It builds on individual G8 member's experiences and complements the extensive range of actions currently being taken by the international community in various regional and international processes. While the actions taken to date are important contributions towards sustainable forest management and in turn sustainable development, the G8 members recognise that further efforts are needed by all members to meet these ends.

II. Introduction

Heads of State or Government of eight major industrialised democracies (Canada, France, Germany, Italy, Japan, Russian Federation, United Kingdom, United States of America) and the President of the European Commission meet annually to discuss issues affecting people in their own and other countries. Recognising the continuing pressure on the world's forests and the positive contribution that sustainable forest management can make to sustainable development, the G8 Leaders at their summit in Denver 1997 reiterated their commitment to implement the proposals for action contained in the report of the United Nations Commission on Sustainable Development's Intergovernmental Panel on Forests (IPF, 1997) and agreed to support a practical Action Programme focused on five priority areas:

- **Monitoring and Assessment**
- **National Forest Programmes**
- **Protected Areas**
- **Private Sector**
- **Illegal Logging**

In May 1998, the “**G8 Action Programme on Forests**” was launched by G8 Foreign Ministers. G8 Leaders agreed at the Birmingham Summit to assess progress on implementation of the Action Programme in the year 2000.

The G8 Action Programme on Forests reflects political commitment and aims to complement the extensive range of actions currently being undertaken by the international community and various regional and international processes and to strengthen some activities G8 members have identified as issues of particular importance. The G8 Action Programme focuses on domestic actions by the G8 members and on areas where they can make unique contributions through their bilateral assistance programmes and through their support for intergovernmental processes.

This report provides information on efforts made to date. In Chapter **III. Implementation Highlights**, illustrative activities carried out in this context are highlighted by the five priority areas. Further information on current activities is provided in the individual reports of G8 members contained in **Annex A**. This report will be considered at the Kyushu Okinawa Summit in July 2000.

III. Implementation Highlights

This section contains highlights provided by individual G8 members on their efforts to advance particular aspects of the G8 Action Programme on Forests. Collectively these highlights illustrate the range of activities being undertaken cooperatively, internationally and domestically which support the Action Programme. Details on the work of each G8 member can be found in the individual reports included at Annex A.

Together, the G8 members account for nearly 40% of the world's forests[†] and the vast majority of bilateral assistance to forests. However, it is important to recognise that G8 countries are highly diverse regarding the extent and nature of their forest ecosystems, land ownership patterns, governance and regulatory systems, and terms of aid and international co-operation. The European Commission, as the executive body of the European Union (EU), is increasingly involved in major forest policy processes within and outside Europe.

The activities highlighted below reflect this variety within the G8.

A. Monitoring and Assessment

The G8 members have been making substantial efforts to develop better information on the state of forests and monitor and assess their condition, domestically and in many regions of the world. Canada, Japan, Russia and the USA are members of the 12-country Montreal Process on criteria and indicators for sustainable forest management, while France, Germany, Italy, Russia, the UK and the European Commission actively participate in the Pan-European Process on criteria and indicators for sustainable forest management.

In 1998 and 1999, Russia and the USA respectively hosted the 10th and 11th Meetings of the Montreal Process Working Group on Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forests. The meetings, held in Moscow and Charleston, South Carolina, brought together representatives of governments, international and non-governmental organisations, other criteria and indicators processes and academics, as well as a variety of domestic stakeholders, to advance implementation efforts. In 1998 countries reported their progress on institutionalising criteria and indicators, while at the 1999 meeting, among other things, they called on FAO to cosponsor with interested governments an international meeting to explore ways to improve comparability among the several existing criteria and indicator initiatives. Also in 1999, Canada, which serves as the Liaison Office for the Montreal Process, hosted a meeting with its Pan-European counterpart to share experiences and discuss further development of criteria and indicators, data collection and reporting and other issues of mutual interest.

The Third Ministerial Conference on the Protection of Forests in Europe, held in Lisbon in 1998, reached an important milestone when it adopted general criteria and indicators for monitoring and assessing sustainability of European forests, as well as *Pan-European Guidelines for Sustainable Forest Management at the Operational Level*. In October 1999 the Pan-European Process agreed a detailed programme of work which includes a review of the regional criteria and indicators for sustainable forest management and their refinement for use in national forest inventories and management plans within Europe. Further, the European Commission is in the process of improving comparability of national inventories and establishing a database for community forest measures and programmes.

[†] *State of the World's Forests 1999*, Food and Agriculture Organisation of the United Nations (FAO), Table 2.

In a related area, the G8 has begun work on a collaborative initiative to consider the enhanced use of remote sensing as a tool to inventory, assess, monitor and manage forests and detect and respond to forest related threats and disasters such as fire. Work is underway to make an inventory of existing G8 remote sensing initiatives, both domestic and in partnership with countries and international organisations.

Recognising the disastrous effects on forests of the catastrophic fires of 1998, as well as their threat to the global environment and regional stability, G8 members have strengthened and expanded co-operative activities with partner countries in Southeast Asia and Central and Latin America. For example in December 1998, Japan International Co-operation Agency (JICA), the International Tropical Timber Organization (ITTO), and the Indonesian government co-organised the *International Cross-Sectoral Forum on Forest Fire Management in Southeast Asia*, attended by over 200 experts from 17 countries and 8 international organisations, in order to share information, review existing forest fire management activities, and contribute to the effective implementation of future measures to combat forest fires. In addition, Canada worked closely with Mexico in early 1999 to develop and implement a new Forest Fire Information System for Mexico. It accesses weather data through the World Meteorological Organization and processes them through the Canadian Forest Fire Danger Rating System to produce daily fire weather and fire danger maps.

Individual G8 members have undertaken considerable efforts to better monitor and assess the state of forests domestically. In 1999 Japan launched a new nationwide Continuous Forest Inventory (CFI) to monitor and assess forest resources and their dynamics using nationally unified methodologies. The CFI is considering the compatibility with the Montreal Process criteria and indicators and so reflects the multifaceted components of sustainable forest management such as biodiversity, productivity, ecosystem health, conservation of water resources and global carbon cycles.

The Federal Forest Service of Russia adopted new Guidelines for the State Forest Account, which introduce uniform procedures consistent with the Forest Code and provide a basis for timely adjustment of national forest policies at federal and regional levels. In 1998 the Forest Account was conducted through a multi-factorial assessment of forest resources. A comparison of data between the periods 1993-98 and 1988-93 reveals a general improvement in basic characteristics of Russia's forests (e.g., increased area of forest lands, greater share of conifers in the "young stands" age group, and significantly shorter periods after which forest plantations are considered forested lands), while also identifying serious challenges facing regional forest management.

Germany is also carrying out a broad survey of its forests and various forest functions. Following up on the first Federal Forest Inventory in 1987, which supplied baseline information on forest area, shares of tree species, growing stock, forest structures, forest opening, etc., this second Federal Forest Inventory, scheduled for 2002, will provide additional, topical information on growth, removals and ecological parameters, taking into account the Pan-European criteria and indicators of sustainable forest management.

In 1998 the UK published the *Forestry Standard*, setting out how the principles of sustainability will be delivered, and the criteria and indicators by which sustainability can be assessed at national and forest management unit levels. The UK Government will monitor performance against these criteria, which will influence development and refinement of the *Standard* as well as related policy, regulations, incentives and guidance.

Also in 1998, in a major step to improve US forest monitoring and assessment nationwide, the Chief of the Forest Service launched the "Roundtable on Sustainable Forests," a unique public-private initiative bringing together representatives of federal, state and local government, NGOs, academia, industry and forest owners to facilitate implementation of the Montreal Process criteria and indicators for the 300 million ha of US forests, including 180 million ha owned by 10 million private owners. The Roundtable will hold a number of workshops in 2000 to address data collection issues for each of the seven criteria and their associated indicators.

B. National Forest Programmes

National forest programmes as defined in 1997 by the Intergovernmental Panel on Forests (IPF) encompass a wide range of approaches to achieve sustainable forest management reflecting national circumstances. In order to promote implementation of the many IPF proposals for action directed to countries, as well as to gain experience with national forest programmes, Germany and the UK together with several other developed and developing countries sponsored in 1998 the *Six-Country-Initiative* for putting the IPF proposals for action into practice at the national level. The initiative involved a series of case studies to assess the IPF Proposals for Action against national settings.

Several G8 members continue to be actively involved in supporting the Pilot Program to Conserve the Brazilian Rain Forest (PP-G7), which was initiated by the G7 at the Houston Economic Summit in 1990. Germany and the EU continue to be the major donors; other contributors include France, Japan, the UK and the USA.

France, Germany and the UK are also co-operating through UNDP's Programme on Forests (PROFOR) to promote sustainable forest management in a variety of partner countries, while Italy and Japan are actively working with FAO to the same end. The FAO-Italy Co-operative Programme includes numerous projects in the Mediterranean, Northern Africa and the Near East aimed at promoting and demonstrating complementarity among natural resource management activities, including forests, as well as economic efficiency and participatory and integrated approaches. Japan is working with FAO and the International Model Forest Network Secretariat to host a series of international workshops through 2000 on the promotion of model forests as a field-level application of sustainable forest management, particularly focusing on the Asian region.

G8 members strengthened or initiated bilateral activities with partner countries to support national forest programmes. For example, Germany has identified such programmes as a basic standard for its decisions regarding development co-operation with partner countries in the field of forests. In this context a German technical co-operation strategy is being elaborated to assist development co-operation agencies and their partners to implement the IPF proposals for action and develop national forest programmes.

Canadian development assistance continues in Asia, Africa and the Americas, with a focus on national forest programs and community forestry. Such assistance is administered through the Canadian International Development Agency and the International Development Research Centre, in partnership with Canadian groups and organizations in the private and public sector in recipient countries.

During the 1990s, France enhanced its support in several Mediterranean and African partner countries for environment and sustainable development co-operation projects focused on improving the management of natural resources, including forests and rangelands.

In 1998 US President Clinton launched a major new initiative to assist partner countries by signing the Tropical Forest Conservation Act (TFCA), authorising the reduction of official debt owed the US by tropical countries in exchange for forest conservation measures. The law expands the innovative 1992 Enterprise for the Americas Initiative, which has cancelled nearly \$1 billion in official debt while generating substantial local currency for child survival and environmental projects.

The European Commission, recognising the growing importance of forests within and outside Europe, recently released several fundamental policy documents relevant to forest management, conservation and national forest programmes, including the *Forest Strategy for the European Union*. Moreover, a Council Regulation on support for rural development regulates financial support for forestry measures and links it to existence of and provisions in national or sub-national forest programmes. The EC supports numerous development co-operation projects with the objective of building capacity for national forest programmes in partner countries.

On the domestic front, G8 members have taken various steps to improve national forest programmes. In the context of *Comite 21*, France committed at the highest level to promote sustainable forest management by enacting a new forestry law entitled *Orientation and Modernisation Forestry Law (loi de modernisation et d'orientation forestière)*.

Canada renewed its commitment to sustainable forest management by adopting a new five-year strategy to bring together the ecological, economic, social and cultural aspects of forest conservation and use. The National Forest Strategy (1998-2003), titled *Sustainable Forests: A Canadian Commitment*, is a collective attempt to reconcile the range of expectations placed on the forest and forest managers.

In October 1998, following a review of relevant national forest laws, Japan introduced a system to make available for public comment draft forest management plans at the local government level, and substantially expanded the roles of municipalities in its forest management planning system.

To preserve and improve long term functioning of its forests, Germany initiated a process of creating its own National Forest Programme based on experiences gained through the Six-Country Initiative and in close co-operation with States, NGOs and other relevant partners. Results are expected in late 2000.

In Russia, where forest fires are an acute problem causing significant economic and environmental losses, the Federal government has begun addressing fire through its national forest programme and in January 1999 approved the *Federal Target Programme: Forest Fire Management for 1999-2005*, which outlines urgent actions and targets to deal with forest fires. Programme implementation and timely investment in fire management are expected to reduce the number and area of anthropogenic forest fires and related economic losses, as well as conserve forest biodiversity, enhance ecological and resource potential of forest ecosystems, improve maintenance of carbon balance, and eventually meet the goals of the Russian Federation's Concept of Sustainable Development.

C. Protected Areas

The G8 members consider forest protection to be an important part of sustainable forest management and are involved in international and domestic efforts to enhance forest protection. For example, recognising the need to build consensus on forest protection and how to achieve it, the USA and Brazil co-sponsored the *International Experts Meeting on Protected Forest Areas* in March 1999 in San Juan, Puerto Rico as a contribution to the work of the IFF. France and the UK, as well as other countries and international organisations, collaborated as members of the organising committee for this meeting, which drew 130 experts from 70 countries, organisations, environmental and indigenous groups, research institutions and universities.

France, Germany, Italy, the UK and the European Community are co-operating under the *Pan-European Work Programme on the Conservation and Enhancement of Biological and Landscape Diversity in Forest Ecosystems*, which aims to conserve all types of forests in Europe and is complemented by EC research programmes on indicators for forest biodiversity, as well as programmes on natural forests and forest reserves. The European Community has also created *Natura 2000* to develop a cohesive European network of representative protected sites, including many forest sites, by 2004.

Complementing these efforts, Development Cooperation of Italy is actively involved in supporting a process of transboundary collaboration toward the sustainable management of protected ecosystems shared across international boundaries in the Peruvian and Bolivian Amazon, and in the contiguous National Parks in the South African region, by opening biological and economic corridors, harmonising respective standards, relevant legislation and management procedures, and by fostering collaboration across the borders by various abutting countries.

In 1999 Russia and Lithuania submitted a request to UNESCO, now under consideration, to include the Curonian Spit National Park in Russia and the Kurshu Nerija National Park in Lithuania on the list of World Cultural and Natural Heritage Sites. Russia is also working with Finland on plans to co-develop a border park in the frontier zone involving the Paanayarvi (Russia) and Oulanka (Finland) National Parks.

In Germany, 65% of its forests are under some sort of special protection, including 83,000 ha excluded completely from commercial uses. In the UK, the Government has initiated a review of its mechanisms for establishing and managing its protected areas.

To ensure the public benefit of forests, in December 1998 Japan formulated the *Basic Plan for Administration and Management of National Forests*, which introduced three new types of National Forest classification by the purpose of management: Forest for Water and Land Conservation, Forest for Humans and Nature, and Forests for Recycling Use of Resources. Japan has since expanded the first two categories, which are for public benefit, to include 80% of national forests, and has been also implementing a Protected Forest System to protect essential natural forests and precious wildlife habitats, which as of April 1999 encompassed about 514,000 ha in 812 locations within the country.

In October 1999, US President Clinton announced plans to protect an additional 18 million ha of national forests from commercial use in order to provide research sites, protect vital fish and wildlife habitats and guard against invasive species. A year-long review process will

solicit public comments and produce an environmental impact statement to determine the specific forests to be protected.

D. Private Sector

Individual G8 members have expanded their activities with non-government interests in order to promote sustainable forest management. For example, France has launched a pilot project on integrated sustainable management of tropical rain forests, which brings together local private and public stakeholders in the Dimako region of Cameroon to demonstrate in concrete terms how a tropical rain forest can be sustainably managed.

During his July 1999 visit to China, Japan's Prime Minister Keizo Obuchi announced the establishment of a fund ("*Obuchi Fund*") to support Japan's private sector groups' activities with Chinese counterparts to promote afforestation in China.

The Italian Development Cooperation's project on the agroforestry systems in the Amazonia Region, in the Brazilian states of Rondonia and Acre, aims to help associations of small producers (principally *colonos* and *seringueiros*) in these two States, in finding new economic earning alternatives, that correct the tendency of predatory and indiscriminate exploitation of the natural resources, irreplaceable for the biosphere and for climatic balances, that cause massive deforestation of extensive areas in favour of wild grazing and/or mining.

The US Agency for International Development and the US Department of Commerce joined ranks with the American Forest and Paper Association under its *Sustainable Forestry Initiative* to restore areas of Central America devastated by Hurricane Mitch in 1999, including a pilot programme on the Honduran Island of Guanaja designed to establish the infrastructure needed for long-term sustainable forest management.

The European Community contributes financial support for forest management and conservation complementing the Member State's financial aid systems. EC contributions cover activities such as afforestation, improvement of established forests, reforestation after calamities, forest roads, marketing and processing of forest products, and facilitation of small owner co-operatives. The EC has supported forest certification as an evolving, voluntary, market driven instrument and as a potential, versatile forest policy tool through grants, by hosting conferences and by commissioning publications, as well as by supporting projects regarding certification in tropical partner countries.

In June 1999, the UK Woodland Assurance Scheme (UKWAS) was launched as a voluntary scheme for the independent certification of forest management in the UK. The scheme was developed by a broad partnership of forestry, environmental and social organisations in response to increasing demand for timber products from sustainably managed forests. UKWAS represents the first ever consensus on a forestry performance standard at a national level. UKWAS is managed by a Steering Group made up of representatives of all sectors and interested parties. In the UK, nearly 1 million hectares of forests and woodland, out of a total of 2.5 million, have already been certified against the UKWAS Standard.

The US considers public-private partnerships a powerful tool for sustainable forest management at home and abroad. For example, the US Government joined the Ford Motor Company and a consortium of environmental groups led by the World Wildlife Fund-US to prepare a comprehensive *Conservation Assessment of the Terrestrial Ecoregions of North America*, including forests, which was published in May 1999. In 1998 the US Department of

Energy and the American Forest and Paper Association expanded their co-operative *Technology Vision and Research Agenda 2020*, which promotes sustainable forestry practices across the US.

E. Illegal Logging

G8 members have strengthened their efforts to work with partners to assess the scope of illegally harvested timber, which robs governments and other forest owners of significant revenues and acts as disincentive to sustainable forest management. For example, in 1999 the UK completed a major review of this subject in Indonesia, *Addicted to Rent: Corporate and Spatial Distribution of Forest Resources in Indonesia; Implications for Forest Sustainability and Government Policy* and is following up on counter measures with the government and civil society organisations. In the same year, the UK provided funds to other partner countries to tackle illegal logging, and over a three-year period will support the *Forestry Crime and Reporting Project* in Cambodia and the core activities of *Global Forest Watch*.

The US has committed to hosting an regional conference in Southeast Asia, drawing on the results of the “Forest Law Enforcement” symposium sponsored by the World Bank in Phnom Penh, Cambodia in June 1999, as well as other work underway by governments and NGOs. The US is in the process of consulting with governments and international and non-governmental organisations on potential dates, venue and programme.

Japan has made financial contributions to the activities that aim to improve economic information and market transparency on timber trade. For instance, Japan has contributed funds through ITTO to the producer member countries' projects to develop their human resources and institutions, with a view to developing the statistics and information systems relating to the production and trade of forest products, and to enhancing their statistical processing ability. Furthermore, Japan has also contributed funds to ITTO for its co-operative activities with relevant international organizations to enhance the statistical functions and network internationally.

As documented in its development policy on forests, the EC supports rules that apply world-wide, in order to tackle the problem of trans-national logging companies operating in unregulated frameworks. The EC finances projects which deal with this vexing, persistent problem of illegal logging, and, in specific cases brought to its attention, has approached partner state governments.

The Italian Development Cooperation is actively involved in integrated programmes for the systemic management of forest resources and protected areas, all of which include initiatives to fight illegal hunting and logging, both directly by strengthening forest inspection and control services and the participation of local communities, and by providing economic and administrative incentives towards the establishment of forms of legal use of forest resources. Particular emphasis is given to the development of environmentally compatible forms of their utilization, e.g. ecological and cultural tourism, etc.

Domestically in the UK, tree felling is regulated through licences, management plans, tree preservation orders and statutory development control. All applications for felling licences are placed on a public register before approval is granted, to help the public identify and report unauthorised felling.

IV. Conclusion

The Action Programme on Forests launched two years ago represents the first consolidated experience for the G8 members in working together on the world's forests. It builds on individual G8 member's experiences and complements the extensive range of actions currently being taken by the international community in various regional and international processes.

This report demonstrates that G8 activities since 1998 are diverse, reflecting the variety of their forest ecosystems, land ownership arrangements, administrative and governance structures, and international cooperation programmes, as well as G8 members' individual and collective leadership and endeavours with respect to forests. The report also illustrates where the G8 members have capitalised on their strengths and worked cooperatively on a number of issues as opportunities arose, including in support of the Intergovernmental Forum on Forests (IFF).

While the actions taken to date are important contributions towards sustainable forest management and in turn sustainable development, the G8 members recognise that further efforts are needed by all members to meet these ends.

Annex A
Individual Progress Reports

Progress Report

Canada

Canada

I. INTRODUCTION

Canada is endowed with an abundance of natural resources and vast forests that cover nearly half the nation's land area. Our forests are part of our heritage and national identity. Canadians believe that they come to us as a legacy to sustain and pass on, recognizing that these life-supporting ecosystems provide a wide array of environmental, economic, social and cultural benefits ranging from the spiritual to the material.

The following overview describes some of Canada's activities related to sustainable forest management that are consistent with the G8 Action Programme on Forests.

II. Monitoring

Data on Canadas Forests

In 1990, the Canadian Council of Forest Ministers (CCFM) established the National Forestry Database Program (NFDP) to provide a quantitative description of the level of activity in any period, to mark change in activity and to determine changes in the resource itself. Since then, information on the financial aspects of forest management has been added, along with information on the use of pest control products. However, expansion of the database into the realm of non-timber forest values continues to be a challenge.

Another initiative, the Canadian Geospatial Data Infrastructure (CGDI), facilitates the exchange of forestry-related information. It is driven by partnerships among the federal and provincial and territorial governments and the private sector and academia, the purpose of which is to facilitate timely access to geospatial data, information holdings and services to support policy development, decision-making and economic activity.

Criteria and Indicators (C&I)

In 1995, after a year-long process of consultation, the CCFM adopted a framework of national C&I for sustainable forest management. The criteria represent forest values that Canadians want to sustain and, with the indicators, track the nation's progress toward sustainable forest management.

Implementation is underway and reports describing Canada's ability to measure the forest values that Canadians wish to sustain are at: <http://www.nrcan.gc.ca/cfs/proj/ppiab/ci>. In addition, the CCFM approved a plan to collect data and information to report on sustainable forest management, in 2000, through a core set of 49 indicators.

Remote Sensing

Canadians have developed a cost-effective combination of computer software and airborne remote-sensing technology that produce detailed and meaningful pictures of forest composition. The new system automatically groups trees according to their species and other salient characteristics, enabling forest managers to compile faster and more accurate

inventories, to pinpoint areas that are ready to harvest, and to detect areas that need protection or help in regenerating.

A new project, Earth Observation for Sustainable Development of Forests (EOSD), is being developed to monitor the sustainable development of Canada's forests from space. Two federal partners, the Canadian Forest Service and the Canadian Space Agency, are mounting the ten-year project in co-operation with the provinces and territories. It will support, with space based technology, Canada's priorities and international commitments for monitoring the sustainable development of its forests and for meeting forest information needs of the Kyoto Protocol. The status and major changes in the composition, distribution, structure and function of forests over time will be quantified. The remote sensing observations will also form part of a three-stage new national forest inventory. It is intended that products and data will be widely available via intelligent information systems.

Canada also launched GeoConnections, a national project to make Canadian geospatial information available on the Internet, and the Canadian Geospatial Data Infrastructure (CGDI), the geographic information component of the information highway.

Global Disasters

Each year, crown fires are responsible for a large proportion of the forests lost to fire world-wide. The CFS participated in an international ground-breaking study on the behaviour of crown fires (hugely destructive fires in which flames spread quickly across tree tops, consuming vast areas in a short time). The study, which resulted in a detailed, field-tested physical model of crown fires, provides information on how these fires start and spread.

This crown fire model, along with the fire monitoring systems developed in Canada has established Canada as the world's leading innovator in advanced forest fire management. The system developed by Canadian scientists represents the culmination of 75 years of fire science. It includes computer programs that can help fire managers evaluate the risks and spread of forest fires, and can offer managers efficient ways of fighting fires, right down to the number of water bombers needed and where to position initial-attack crews. In the 1980s, the Canadian Forest Fire Danger Rating System gained international recognition when it was adapted for use in New Zealand and Alaska. More recently, the Canadian Wildland Fire Information System (CWFIS) has been adapted for use in B.C., Alberta, Saskatchewan, South East Asia, Florida and Mexico, with other provinces and countries giving it close consideration.

In 1998, Canada played an active role in the discussions related to a proposed Global Disaster Information Network (GDIN), sponsored by the United States Department of State. GDIN is an outgrowth of the G7 Information Society, Global Emergency Management Information Network Initiative, formerly led by the CFS.

III. National Forest Programmes

Canada's National Forest Strategy

A new five-year National Forest Strategy was adopted in May 1998. It provides a framework that will guide the policies and actions of Canada's forest community into the next millennium,

setting out nine strategic directions that encompass 31 objectives and 121 commitments to action. The strategic directions are:

- forest ecosystems: multiple values,
- forest management: practising stewardship,
- public participation: many voices,
- the forest industry: a global competitor,
- forest science and technology management: a team approach,
- communities and the work force: living with change,
- Aboriginal people: issues of relationship,
- private woodlots: a growing opportunity, and
- the global view: Canada on stage.

A report on implementing the strategic action plans will be ready in April 2000.

Climate Change

The Canadian Forest Service (CFS) has identified climate change as a priority for science and technology (S&T) research to assist Canada meet its present and future national and international reporting requirements. A Climate Change Task Group made up of scientists and science managers identified two key research needs around which specific deliverables were formulated:

- i) enhanced knowledge and prediction and measurement capabilities pertaining to forest global cycles and the impacts of climate change on Canadian forest ecosystems; and
- ii) adaptation and mitigation options and strategies.

Simultaneously, all of the longer-term research is continuing. This involves experiments and measurements in the field, as well as modelling activities and research into the sensitivities of various genetic complexes to environmental flux.

At the international level, CFS climate change scientists pursue their efforts in support of scientific institutions such as the International Union of Forest Research Organizations (IUFRO), and the International Geosphere Biosphere Program (IGBP). The CFS will also host the International Conference on the Role of Boreal Forests and Forestry in the Global Carbon Budget, to be held in Edmonton in May 2000.

Model Forests

In Canada, a network of eleven working-scale forests is operational across most of the major forest eco-regions. Ranging in size from 100,000 to 1,500,000 hectares, they cover more than 8.5 million hectares and operate on the basis of partners working together on shared sustainable forest management goals within the parameters of unique social, ecological and economic conditions of each forest area. One example of collaboration at the network level is the development of indicators at each site that are locally significant and consistent with Canada's national criteria and indicators framework.

Further, an Aboriginal-led model forest was established in 1998 and a network-wide initiative has increased Aboriginal involvement at the other ten sites.

Official Development Assistance

Canada, through the Canadian International Development Agency (CIDA) and the International Development Research Centre (IDRC), provides assistance to developing countries and countries with economies in transition. Bilateral forestry development assistance is provided on a responsive basis and is generally undertaken within the framework of national forest program where these exist. Such activity covers about 120 projects in Asia, Africa, the Americas and Central and Eastern Europe. Financial support to these and other efforts amounts to approximately \$50 million per year and includes commitments to multilateral institutions and initiatives. Increased public and political interest in international forest issues and sustainable forest management in the tropics will likely result in increased technology transfer and financial support to developing countries.

One major activity for Canada internationally is the Southern African Development Community (SADC) Tree Seed Centre Project in South Africa, initiated in 1991 with a budget of \$11.8 million over 6 years. Additional funding has since been allocated to continue the program.

Intergovernmental Forum on Forests (IFF)

As mandated by the nineteenth Special Session of the United Nations General Assembly on the implementation of the Agenda 21, the IFF focused its work on three categories, one of which dealt with future international arrangements and mechanisms for all types of forests (Category III).

In support of the IFF's mandate to identify the possible elements and work towards consensus on future international arrangements and mechanisms, for example, a legally binding instrument on all types of forests, Costa Rica and Canada entered into a partnership to provide a neutral, transparent, participatory and representative forum to facilitate technical discussions. Twenty-one countries and international organizations contributed to the initiative, financially and otherwise, making it possible to hold regional meetings around the world.

Participation was open to governments, intergovernmental institutions, non-governmental organizations (NGOs), Indigenous Peoples, women's groups and the private sector. Attention was also paid to reflect balanced geographic representation and the range of views on the issues addressed.

IV. Protected Areas

Approximately 83 million hectares are protected in Canada, of which roughly 32 million hectares are forested. Less than half of Canada's forests is managed for timber production. The rest is considered open or inaccessible.

In 1995, a review of progress related to the 1992 National Forest Strategy noted less than anticipated progress toward completing a network of protected areas and consequently identified this goal as being of the highest priority. The restatement of the commitment to protected areas in Canada's new National Forest Strategy, endorsed in 1998, reflects this priority.

In 1998, the G8 Action Programme on Forests called on member countries to achieve consensus on categories of protected areas, drawing on the World Conservation Union's (IUCN) protected areas management categories and other classification systems. It further suggested that members identify key forest types not sufficiently represented within the existing network of protected areas.

Although there continues to be a high degree of interest in protected forest areas domestically and internationally, Canada faces a variety of challenges, aside from the issues of overlapping responsibilities and co-ordination between levels of government. For example, there are no nationally agreed principles for conservation planning; a definition of the term representative has not been formalized; and there exist hundreds of different categories of protected areas. Furthermore, Canada does not currently have a national mechanism to comprehensively collect and report on biological diversity data in relation to protected areas.

The provinces and territories tend to take action toward establishing protected areas according to their own circumstances and decisions are frequently based on geography rather than biological diversity. Some provinces, such as Nova Scotia, Ontario and British Columbia, have made significant progress toward protecting representative areas in recent years. Other provinces and territories are involved in extensive consultations to reconcile the interests of the public and industry.

The Forest Stewardship Recognition Program

Launched at the National Forest Congress in 1998, the Forest Stewardship Recognition Program (FSRP) aims at stimulating awareness of and appreciation for stewardship, sustainable practices and forest biodiversity conservation efforts in Canada's forests. The program is intended to thank people for their work in these areas and share lessons learned to keep Canada's forests and wildlife populations healthy and secure. People, organizations and companies who make outstanding contributions are recognized.

V. Private Sector

Private Lands

Forests in Canada are largely owned by the public in that nearly 90 percent of the country's commercially productive forest is the responsibility of provincial governments. Yet, that land is harvested almost exclusively by private forest companies through lease agreements.

While the exact terms vary, depending on the province and the duration of the lease, tenure agreements generally impose strict requirements on forest companies, ones that attempt to balance the commercial goals of industry with the broader goals of government and the public. These partnerships are complex and changing, are affected by market forces, environmental conditions, government initiatives, international trends and by the changing attitudes and values of Canadians. Public interest has helped shape forest legislation and management throughout Canada's history, and it continues to do so today, more directly than ever before.

In 1997, the CCFM established a task force to review taxation policies and their impact on sustainable private woodlot management. During its meeting in September 1998, ministers received the study which confirmed that taxation regimes at all levels of government raise a

number of concerns. The ministers agreed to forward the study to their respective finance ministers once the full extent of the recommendations are evaluated.

Certification

As of July 1999, more than 3.7 million hectares were certified in Canada under one of three systems. One forest area (230 000 hectares) was certified under the Canadian Standards Association (CSA), three (210 000 hectares) were certified under the Forest Stewardship Council (FSC) and six companies (3.7 million hectares) have portions of their forestry operations certified under the International Organization for Standardization (ISO 14000). While these represent a large area, they only form a small share of Canada's forest.

Governments in Canada have not officially endorsed any particular certification scheme, believing such activities should be market based and market driven. In this regard, governments have been offering technical and research support while ensuring initiatives do not become barriers to trade.

Helping Other Countries

Canada, through the Canadian International Development Agency and the International Development Research Centre, provides support to private sector enterprises interested in commercial forest-related activities in developing countries and in countries with economies in transition. Such support is designed to assist Canadian and developing country private sector partners in bringing joint ventures to fruition. However, interest within the Canadian business community to pursue investment opportunities and partnerships in tropical forestry, while increasing, remains modest.

VI. Illegal Logging

Illegal logging, when taken as the illegal harvesting, processing or export of timber on a large scale, is not a major concern in Canada, partly because of legislation and regulations that clearly define procedures pertaining to planning, harvesting and processing of wood. Another reason is the low value of the forest resource in Canada compared to precious tropical species.

From a Canadian perspective, illegal logging is the action of individuals removing live or cut trees from properties that do not belong to them or on which they do not have permission to operate. In this context, provincial and federal authorities are implementing measures ranging from public education, technology development, monitoring, investigations and criminal prosecution of persons conducting activities against the law. Currently, \$10 to \$20 million per year is lost to tree rustlers in British Columbia.

Canada is nonetheless addressing this issue through some of its research activities. For example, the CFS work on wood DNA-analysis techniques may lead to a forensic spin-off: catching and thwarting tree thieves. As CFS scientists refine methods of identifying tree DNA, it may be possible to match a specific yellow or western red cedar log with its stump and to determine whether the log was harvested without authorization. Trees, like all living organisms, contain DNA-genetic material in cells that are as individual as a set of fingerprints.

In addition to being of use domestically, this promising technology can be easily transferred abroad to help countries deal with problems that reach larger proportions.

Progress Report

France

France

I. Introduction

G8 Action programme on forests was adopted on May 9, 1998, at the G8 Foreign Minister meeting, and endorsed by the Head of States at the Birmingham Summit.

The following describes the French progresses regarding the commitments taken.

France considers that the sustainable use and management of natural resources is of utmost importance. In forestry, a long tradition has learnt lessons, on which have been elaborated laws and regulations, but also management practices.

The G8 commitments focused on specific actions, reported below, although they are only a part of a whole, to be considered, and dealt with, in a holistic way.

II. Monitoring and assessment

• **monitoring :**

The French **Forest Health Department** which is exactly 10 years old, is made of a core of foresters specialised in forest protection leading a network of 240 correspondents belonging to the different forest management organisations : National Forest Agency (ONF), private ownership organisations (CRPF), and other public services.

They collect yearly about 4,000 individual records of damage caused by insect pests and diseases as well as a abiotic factors. This information is stored in a data base.

In addition, crown condition is assessed yearly since 1989 within the systematic 16x16 km (Level I) Network built at European level (EU + 17 other countries). This represents 540 plots and 10,800 trees which are monitored individually.

The relevant results and assessments are published in the annual report: "The health of French Forests (France) in ...".

These monitoring activities are intended to depict not only the current forest condition, but also possible trends, as related to environmental factors, including airborne pollution, monitored by other organisations.

A second permanent network is the **RENECOFOR Network**, made of 100 plots and implemented by ONF as the French part of the pan-European intensive monitoring (Level II) Network of more than 800 plots distributed throughout 30 countries.

This network, set up in 1992 for a 30 year-period, is aimed at detecting possible long-term changes in a wide range of ecosystems and determining the causes of these changes.

A large number of core parameters is measured in each plot : crown condition, soil and foliage chemistry, growth, ground vegetation, litter fall. Atmospheric deposition (in open field and below canopy), meteorology and soil solution chemistry are monitored in subsamples, on 27, 26 and 17 plots respectively.

• **assessment :**

Most of data are provided by **IFN (Inventaire Forestier National), the National Forest Inventory.**

It has been set up gradually between 1960 and 1970, first as part of the Forest Service (Ministry of Agriculture). It was then transformed into a public agency, with its board and independent budget.

The main purpose of the Forest Inventory is to depict the distribution of types of land use and land cover.

It produces diverse data and maps, and firstly, "departement" booklets including a general description, and many tables of the main inventory results. These results are analysed, and compared with the previous inventories.

Implementing the commitments of the G8 Heads of States, a particular attention has been brought to **FRA 2000**, with the publication of a special booklet, gathering required data, with many added comments. Several meetings have been organised, between different countries and FAO representatives to harmonise definitions understandings, and methods as far as possible due to the diversity of backgrounds.

What are the **main improvements** in progress ?

1. discontinuation of aerial photography in favour of satellite images.

The advantages will involve some loss of detail until very high resolution images become available from the SPOT 5 satellite (expected to be launched around 2005)

2. replacement of the statistical estimations derived from sampling theory by "spatialised" estimations.

In addition to these major developments a lot of improvements to procedures are being studied or applied, e.g. :

- a) photo digitalisation, or direct digitalisation ;
- b) transfer of applications for the measurement database to a customer server;
- c) partial automation of the drafting of "departement" inventory publications;
- d) *in situ* capture of ground data using portable input terminals;
- e) replacement of topographical traverses to the sample plots with satellite guided assistance provided by GPS.

III. National Forest Programmes

The G8 members committed themselves to promote sustainable forest management though, *inter allia*, defining and implementing national forest programmes (n. f. p.).

21 - Forest act :

A forest act has been adopted and implemented since 1827. Of course many amendments and additions has been made in the original text.

It was obvious that the G8 commitments had to be translated into a "text at the top", namely in the "Forest Code".

An important work has been initiated. The first part is a **preamble, referring to the sustainable management of forests**, as an addition to the three classical objectives : economic, ecological and social functions of forests. We expect to achieve this preliminary work *to mature a project, for consideration of the Parliament* as soon as possible, and hopefully during winter 1999 or spring 2000.

22 - Forestry and rural development :

In the European region, there is a long tradition in regulations, laws and also applications on the ground, aiming at improving forest management towards sustainability. The focus on yield shifted, step by step, to include environmental and social aspects. This later aspect is also stressed by an **E.U. process targeted on rural development**.

It is therefore a unique opportunity to revisit the forest programme, and improve the dialogue and the co-operation with other actors.

As outcome of this dialogue, a 60 page report includes :

- the current situation, as a result of history, with special reference to previous E.U. programmes ;
- Goals and targets, expressed according to an area shared in "great regions" ;
- Precise programme, with quantified targets, defined in a 5 year programme ;
- *ex ante*, mid term and *ex post* evaluation.

The broad dialogue was a valuable opportunity for forest managers and representatives of many ministries and sectors to be better known and understood, and *vice versa*.

Two main ideas:

- the maintenance of rural areas through a balanced management ;
- the creation of employment.

23 - Forestry strategy

Define a national forest programme implies a consensus on the medium and long term objectives.

A broad consultation with our usual partners took place under the aegis of the French « Committee 21 ». As outcome of this wide and open discussion was produced a document, entitled "**French Forestry Strategy**". The draft is currently being circulated within diverse ministries and regions.

An Internet Forum has also been opened, to encourage transparency and public awareness and participation to the provision and the contents of this document.

IV. Protected areas

The G8 commitment reinforced the primacy of such a topic. France is actively involved in two current and active processes :

- The **Ministerial Conferences on the Protection of Forests in Europe**, with a special focus on biodiversity (Strasbourg Conference Resolution S 2 and EUFORGEN project).

- The **Natura 2000 network** : this network will include many "reserves", with diverse status of protection. The implementation of the E.U. regulation raised many discussions and even conflicts. These conflicts are being solved, one after the other, while designing "*target documents*".

In addition, several research projects have been launched, to improve the knowledge and common understanding in this field, e.g. COST E4, aiming at collecting the data on existing reserves and protected areas, including diverse status of protection.

V. Private Sector

In France, forest is more than 70 % private owned. The private sector plays therefore a major role, not only in term of ownership, production of goods and services, and management, but also as the unique actor in wood logging and processing.

Since a law, adopted in 1963, a **management plan** is **mandatory** for any property exceeding 25 ha. These documents are prepared by the owners themselves, taking into account regional orientations. Then the document is discussed and approved by the owner representatives, between themselves, the State representative having only a veto right.

The new forestry act in progress (cf §2) proposes to **lower to 10 ha** the threshold for the obligation of a mandatory management plan.

Codes of conduct :

The G8 meeting stressed the interest of the involvement of the private sector, taken in a broad sense, to make a greater contribution in securing sustainable forest management.

In this context, an initiative has been taken by forest owners, then jointly with other private partners, in France and, step by step, with other countries, to define a **Pan European Forest Certification (PEFC)** framework. This voluntary tool is intended to defining in the diverse European conditions what means sustainable forest management, and at the same time, to establishing the foundation for the mutual recognition of certification systems, under a condition of compliance vis à vis some common basic principles.

VI. Illegal logging

Logging is, in France, under strict control.

In public as well as in private forests the management planning defines the felling permitted. France has a limited territory, and a high population density, so that most of offenders are rapidly discovered and prosecuted.

The tentative work on conditions for certification of sustainable management of forests is also an initiative directed towards discouraging illegal logging. However in a country with very small properties and small processes units, the chain of custody is difficult to be set up with safety.

It might be helpful for imported timber, if it appears reliable.

Progress Report

Germany

Germany

I. Introduction

The following report deals with the activities carried out in Germany to implement the G8 Action Programme on Forests, which the G8 Ministers for Foreign Affairs decided at their meeting in Birmingham (United Kingdom) in May 1998. While implementing this Action Programme, Germany will at the same time pursue the implementation of the "Proposals for Action" contained in the report of the Intergovernmental Panel on Forests (IPF). Furthermore, Germany will continue to participate in the dialogue on sustainable forest management in the competent fora, in particular the Intergovernmental Forum on Forests (IFF), the Ministerial Conference on the Protection of Forests in Europe and the Agenda for the Baltic Sea Region (Baltic 21). Germany supports the activities within the framework of the Convention on Biological Diversity (CBD) in the field of biological diversity of forest ecosystems namely the programme of work which takes account of the conclusions of IPF and IFF and aims at contributing to ongoing work within IFF.

II. Monitoring and Assessment

Germany

- carries out a broad survey of its forests, taking account of the manifold shapes and various functions of forests. The first Federal Forest Inventory supplied information on the forest area, shares of tree species, growing stock, forest structures and forest opening etc. by the deadline 1 October 1987. A second Federal Forest Inventory is scheduled for the year 2002. It will go beyond the already surveyed parameters of the first inventory and provide additional, topical information on growth, removals and ecological parameters,
- assesses the condition of forests on a broad basis, including three approaches:
 - surveys on a systematic grid throughout Germany supplying area-representative information on the extent and development of forest condition (designated „Level I Programme“ at the European level),
 - the intensive examination of cause-effect relations between forest ecosystems and the factors influencing them („Level II Programme“),
 - research into forest ecosystems,
- monitors the forest condition additionally by means of separate *Laender* (Federal States) forest monitoring programmes,
- co-operated intensively in the set of questions of the Global Forest Resource Assessment (FRA 2000) of the Food and Agriculture Organization of the United Nations (FAO) and transmitted the FRA 2000 data to FAO,
- takes - as far as possible - account of the criteria and indicators for sustainable forest management in all national survey programmes,
- created the framework conditions for the access of all interested groups and organizations to remote sensing data and technologies,

- supports capacity-building measures regarding fundamental issues of national forest policy and sustainable forest management in developing countries within the framework of bilateral technical co-operation,
- promotes the project „Integrated fire-management in Indonesia“ within the framework of technical and financial cooperation. In addition to its normal tasks regarding advisory services as well as infrastructure improvement for forest fire prevention and control in East-Kalimantan in 1996/97, this project made a major contribution to disaster relief. Ad-hoc advisory services were also financed in this connection.

III. National Forest Programmes

Germany

- required all forest owners under the Federal Forest Act to conserve forests because of their multifunctional importance, to expand them if required and to ensure their proper management on a sustainable basis. This principle of sustainability is accepted by all forest owners and by the public,
- set out the situation of the German forestry sector in the 1997 National Forest Report of the Federal Government and assessed it in terms of its economic, social and ecological significance. The Federal Government formulated aims and measures of the Federal Government forestry policy in this report,
- also adopted the principle of sustainability and proper management to safeguard and develop the multifunctionality of forests into the *Laender* forestry legislation, taking the respective specific regional conditions into account,
- has a programme of measures at its disposal for the “improvement of agricultural structures and coastal protection“ in which the Federal Government and the *Laender* jointly assist private and community forest owners in overcoming structural handicaps and safeguarding multifunctional forests on a sustainable basis,
- further expanded the joint Federal/*Laender* programme of measures at *Laender* level through *Laender*-specific measures,
- developed in Federal/*Laender* co-operation a strategy for the conservation and sustainable use of the biological diversity of public forests in Germany,
- participated in the so-called Six-Country Initiative, making a major contribution to the exchange of experience between industrialized and developing countries on the issue of national forest programmes. A methodical set of tools – Practitioner’s Guide – has been developed, improved and presented at IFF 3 in May 1999,
- is elaborating a national forest programme in co-operation with the *Laender*,
- takes account of the priority accorded by partner countries of development co-operation to the issue of sustainable forest management as well as the instrument of national forest programmes. The setting of these policy priorities of partner countries will become increasingly important,

- uses new findings (Six-Country Initiative, national forest programmes, cross-section evaluations) for reviewing and, as appropriate, re-aligning German forest-related development co-operation programmes in selected partner countries (e.g. Indonesia, Ecuador, Vietnam) as well as for a better co-ordination of the current promotional measures in the forestry sector,
- supports international initiatives promoting sustainable forest management in various ways. This includes, for example, bilateral promotional measures to assist partner countries in achieving the ITTO-2000 aim (i.a. Indonesia, Malaysia), advisory services and co-ordination with international programmes (UNDP-Global Forests Programme) and the provision of trust funds (e.g. WWF for WWF/World Bank co-operation programme in the forest sector, IUCN, IIED, WRI/Forests Frontier Programme). Within the framework of horizontal exchange of information among relevant projects of development co-operation, these aspects are continuously being intensified and improved,
- is the most important donor (40% of the funds) during the first phase of the Pilot Programme to Conserve the Brazilian Rainforests (PPG7), the largest programme world-wide for the conservation and sustainable management of tropical forests,
- contributes actively to the fulfillment of the IFF mandate, i.a. regarding the identification of possible elements of and working towards a consensus on international arrangements and mechanisms, for example, a legally binding instrument on all types of forests.

IV. Protected Areas

In Germany

- all forests are generally conserved according to the Federal Forest Act. All forest owners have to conserve forests because of their multifunctional importance; where required forests are to be expanded and their proper management is to be ensured in a sustainable manner. This principle of sustainability is accepted by all forest owners and by the public,
- special protected forest areas are created on two legal bases essentially:
 - *Nature conservation legislation.* In Germany, the responsibility for the field of nature conservation rests with the *Laender*. The Federal Government provides a general framework through its Nature Conservation Act. Within this framework, the *Laender* can designate various categories of conservation areas, especially nature reserves, national parks and biosphere reserves. Many of the larger conservation units comprise forest areas. The highest degree of protection is achieved in the core zones of these areas, where any type of commercial use of forests is in principle prohibited.
 - *Forest and forestry legislation.* Again this field is within the competence of the *Laender* and the Federal Government provides a general framework through its Federal Forest Act. Within this framework, the *Laender* can designate e.g. protected forest reserves and recreational forests,
- around 65 % of the total forest area is located in protected areas and is under some sort of special protection. About 5 % of the total forest area is situated in forest reserves as well as in the forested parts of nature reserves and national parks. Forests in these reserves are subject to protective regulations which often severely limit or even exclude use. The total forest area, which is completely excluded from commercial use, comprises around 83,000

hectares (around 0.8% of the total forest area, mainly forest reserves and core zones of nature conservation areas),

- there is cross-border co-operation between countries on protected areas. Four protected areas with extensive forest cover maintain a cross-border relationship with protected areas outside of Germany:
 - the National Park “Unteres Odertal” in Brandenburg which is part of the International National Park “Unteres Odertal” of Poland and Germany,
 - the "Bavarian Forest National Park and "Sumava National Park" in the Czech Republic,
 - the national park „Sächsische Schweiz“ in Saxony and the protected landscape area (and planned national park) „Labske Piskovce“ in the Czech Republic,
 - the biosphere reserve „Pfälzerwald“ in Rhineland-Palatinate and the biosphere reserve „Vosges du Nord“ in France.

In the case of Saxony, cross-border co-operation has a legal basis in a treaty of co-operation in environmental matters between Saxony and the Czech Republic. The co-operation between the biosphere reserve „Pfälzerwald“ and the biosphere reserve „Vosges du Nord“ is intended to lead eventually to the creation of a cross-border biosphere reserve „Vosges du Nord-Pfälzerwald“,

- a system of natural forest reserves has been established by the *Laender*, which aims at the protection and undisturbed development of forest ecosystems. It is co-ordinated at Federal level and permanently improved. The development of these forest ecosystems is monitored in detail to obtain useful information for future forest management practice. The *Laender* have designated a total of 676 forest reserves of various types; average size: over 36 hectares, total percentage: 0.24 % of total forest area,
- the Federal Government and the *Laender* are aiming at further improvements in securing and maintaining biodiversity also in the forest sector. This includes above all close to nature forest management, if possible on the whole managed forest area. In certain regions attempts are being made to establish further protected forest areas,
- support for protected areas is granted by German development co-operation. German development co-operation provides support for a number of projects dealing with the conservation and sustainable management of tropical forests. The management of protected areas and their buffer zones has increasingly received attention over the past few years,
- currently over 150 projects of forest and biodiversity protection (funding commitments: around DM 1.5 billion) are being promoted through bilateral technical and/or financial co-operation. Corresponding measures are additionally also promoted within the framework of funds in trust arrangements with international non-governmental organizations such as IUCN, WWF, WRI and IIED. In some countries like Bolivia and Peru, for example, possibilities of bilateral debt relief or debt swaps measures are also being used.

V. Private sector

Germany

- grants its private (and communal) forest owners in various ways assistance and incentives for a sustainable management of their forests,
- promotes sustainable forest management through specific fiscal regulations for private forestry enterprises,
- ensures the proper and sustainable management of forests in the privatization of large forest areas in the *new Laender* by a long-term commitment of purchasers,
- can count on a consensus among private forestry enterprises regarding sustainable development as the priority aim of the forestry sector. The objectives are being further refined in an intensive dialogue between the Federal Government, the *Laender* and the private sector discussing possibilities of a more transparent account of the realization of aims,
- supports the improvement of framework conditions in developing countries for a responsible involvement of the private sector in various projects of technical co-operation in the field of forestry (e.g. Ecuador, Malaysia and Indonesia). The sectoral project on certification initiated by the Federal Government in 1998 in the tropical forest/tropical timber area is also closely related to this topic.

VI. Illegal logging

Germany

- is not affected by illegal logging due to its legislation and control, land ownership structures and the traditional management of forests by their owners,
- promotes the improvement of legal or administrative framework conditions and technical possibilities of control aided by the ongoing forestry policy advice, sectoral planning and forest conservation within the framework of technical and financial co-operation to check illegal timber use activities as part of a broader concept of advice or promotion (e.g. Indonesia, Ivory Coast, Central African Republic, Brazil, Costa Rica).

Progress Report

Italy

Italy

I. Introduction

Considering minor importance of the domestic Italian initiatives in the context of the world forest problems, the report is entirely dedicated to the Development Cooperative Assistance programmes managed by the Ministry of Foreign Affairs.

In this regard, it must be firstly referred the FAO/Government of Italy Co-operative Programme in the field of Environment and Sustainable Development activities, aimed at assisting in improving the management of natural resources, that includes various projects interesting forestry, rangelands and water.

Furthermore, important references to forestry have to be considered on the bilateral and multilateral initiatives generally interesting sustainable agriculture and rural development, following the holistic approach commonly recommended in the Intergovernmental Forum on Forests and specifically examined on the FAO/ Netherlands Conference on the Multifunctional Character of Agriculture and Land, held in Maastricht, 12-17 September 1999. In fact, the goal of SFM appears to be strongly linked to the general harmonization of human activities which essentially depends on the adequate comprehension of typical cultural values - not only in terms of forestry and agriculture but generally - of the different civilizations existing in the world, as a reflection of their natural identity.

II. Monitoring and Assessment

The most important initiative of Italy in this field is represented by the project “Land Cover Mapping of East Africa based on Satellite Remote Sensing”, that is part of FAO assistance to the Nile Basin Countries and a component of a larger multi-donor program interesting the whole Africa and known under the title of “AFRICOVER”.

This project started in 1995 for the duration of 5 years with the development objective to strengthen the capabilities of East African and Riparian Nile countries for a sound planning of natural resource development and their sustainable management, by producing reliable land cover maps and strengthening the national capacities in operational application of remote sensing.

The operational site of the project is based in Nairobi, at the Regional Center for Surfaces in Surveying, Mapping and remote Sensing (RCSSMRS).

At the national level, activities to search and assess the availability of topographic and existing thematic data for project use have been accomplished. Moreover, national working groups have been established in each country, with thematic capacities in map preparation.

Land cover mapping for Somalia and Kenya have been completed, those concerning Tanzania and Egypt are currently in an advanced state, those related to Burundi, Rwanda and Sudan started in 1998, while other countries are still outstanding.

Another important project actively supported by Italy in the framework of a World Bank programme, aims at the requalification and upgrading of forest management in the Bosnia and Herzegovina Federation.

Project activities include the completion of the federal basis of satellite imagery and mapping of forest resources and an inventory of forest species. While giving particular emphasis to complementing the existing mapping work, the project has a broad integrated institutional building perspective, as it aims toward improving the reference basis and capacities for forest management planning and span from forest legislation and forest policy, forest and parks development and the rehabilitation of State forest enterprises, to the administrative and financial organization.

Furthermore, we must mention the initiative of Italian forest project for Albania to which we are referring in the following point.

III. National Forest Programmes

Regarding this point, the main initiative is the Technical Assistance to the Forestry Project in Albania, funded by the World Bank and by the Italian Government. Assistance regards two of the selected components of the general Forestry Project, thus focussing on the institutional development of forest administration and on improved management of state forests.

The first objective has been to strengthen the institutional capacity of the Directorate General of Forests and Pastures (DGFP), which is the main administrative institution in charge of forest management, to be transformed, upon project completion, into a Forest Corporation and a Forest and Pasture Department. Activities in this domain include the revision of DGFP management principles, and the preparation of a legislation draft to transform the DGFP. A strategy for environmentally sound development of forests and pastures has to be formulated, as well as financing and accounting procedures related to forest management. The project also upgrades the organizational structure of forest agencies, providing training in project evaluation and establishing a system of project monitoring.

Secondly, the project aims at reducing forest degradation, improving the management and planning capacity at the Prefect and District level. It thus provides training to appropriate staff to establish a multi-purpose forest management plan.

Finally, the project has been intended to promote environmental management, monitoring and assessment capacities, establishing a new institutional structure within the Ministry, training its staff, and setting up an information system to monitor the status of Albanian forests, and the socio-economic and environmental impacts of the project.

Due to the civil unrest which spread during 1997, the project effectively started its activities in October 1997, with some logistic problems. In 1998 a large number of consultations were carried out including: forest management plans, wood trading, forest inventories, financial and data management, legislation, monitoring and evaluation, training of trainers. New forest management plan guidelines were drafted, and a review of the thinning operations undertaken. Upon request of the World Bank and the Project Management Unit, the technical assistance is expanding to support monitoring and evaluation of all DGFP activities.

Furthermore, the Project for the “Développement rural intégré dans l’Adder Douchi Maggia” in Niger has been mentioned, as an example of integration between forest and rural programs, with the objective of enhancing the productivity and exploiting the agricultural, forestry and pastoral potentialities of the region.

The activities conducted from July 1996 to March 1999, permitted to cover with forestry trenches an area of about 1.986 ha, utilizing about 2.300.000 plants that had been produced in some 40 small nurseries by peasants’ associations.

Some connection with the theme of NFP is offered, also, by an Inter-regional Project for Participatory Upland Conservation and Development, conducted in collaboration with National Agencies dealing with Forestry, Soil Conservation and/or Watershed Management, of Bolivia, Nepal and Tunisia.

Among other results, the Project contributed to improve the management of water streams, forests and rangelands, by introducing innovative technical and organizational measures and/or by revitalizing indigenous know-how.

The NFP item is subsequently considered in the project “Participatory and Integrated Management of Forest Resources in Syria, for the duration of 1 year from May 1999 to April 2000, with the total approved budget of about 306.000 US\$.

Since the forest resources in Syria are threatened by high anthropic pressure, the objective of the project is to facilitate the following aspects: a) a participatory planning and implementation approach, allowing for coordination between central and local levels; b) the nature (i.e. simplicity and cost-effectiveness) of technologies and practices diffused and adopted; c) the user-friendly and effective monitoring system; d) the high importance given to training activities.

Finally, it is important to mention the 4 years project “Country Capacity strengthening for National Forestry Action Plan (NFAP) implementation in Vietnam”, with the total approved budget of 1,941,000 US\$.

Among the objectives of the project are confirming aspects already considered for other countries, particularly to note the aim at increasing knowledge and skills of NFAP officials and other individuals involved in the forestry sector on problems related to the process of transition to a market economy.

IV Protected Areas

Regarding this point some particular initiatives must be mentioned.

The first one concerns a project for the management of natural resources in the Province of Taza, in Morocco, the duration of which is 3.5 years, from July 1997 to March 2001, with a total approved budget of 2,940,580 US\$.

The project intends to overcome existing constraints in the Province of Taza, by implementing the adoption of a participatory management approach to natural resources. The project concentrates its activities in two sites of the Taza province, Tafrata and Tazekka, respectively located in the arid plains and in the mountains: Tafrata being interested in strengthening the production potential of pastures; the area of Tazekka, made into a National Park in 1950 and recently enlarged, playing a strategic role in the Moroccan Government’s policy of forestry ecosystems protection.

The project aims at: introducing ameliorated grazing systems; supporting local cooperatives at the technical and legal level; training technical personnel in participatory management and planning; activating a system of evaluation of project activities.

Income generating activities in small-scale animal husbandry and apiculture are specifically addressing existing rural women’s associations, supporting the creation of new rural cooperatives and associations.

The project team organized various meetings with local farmers, specifically with women groups, defining concrete actions to be undertaken through project assistance.

Towards the end of 1998 a seminar was held in Rome (Italy) to present the participatory planning results obtained so far, which has launched an updated workplan.

Various documents concerning an analysis of foreseen activities have been prepared by the experts who took part in the above meetings, and by local team members of the project.

Other initiatives in the field of protected areas regards the follow up of the Italian Presidency of the European Union, that led Development Cooperation of Italy to be actively involved in supporting a process of transboundary collaboration toward the sustainable management of protected ecosystems shared across international boundaries by opening biological and economic corridors and by harmonising respective standards, relevant legislation and management procedures.

Some of these projects involve extremely important and endangered protected areas of the forest biome which emerge internationally for their level of biodiversity, such as Tambopata Candamo-Madidi National Parks in the Peruvian and Bolivian Amazon, and the Kruger-Zinave-Gonarezou National Parks in South Africa, Mozambique and Zimbabwe respectively. They are specifically aimed at contributing to the economic, social and political stability of their region, by fostering collaboration across the borders by various abutting countries, in tackling shared problems related to the management of vast and difficult to access forested regions, the non optimal use of resources and their depletion, and illegal activities related to wildlife poaching and drug production

Lastly it must be referred the 4 years project for “Rangeland Rehabilitation and Establishment of a Wildlife Reserve in the Syrian Steppe” that, during its implementation, took in dutiful account the links with the project “Forestry and Food security in the Mediterranean and Near East Region” of the FAO/Italy cooperative programme, closed in 1997.

V. Private Sector

Besides its contribution to boosting entrepreneurial activities by providing an active support to general SFM policy and procedure development (e.g. the Primary Environmental Care model), the Italian Cooperation implements a number of specifically relevant community development projects.

Among these a project in the Madre de Dios basin in the Peruvian Amazon Forest emerge, which aim at involving indigenous communities in the identification and mobilisation of entrepreneurial activities linked to sustainable use of renewable resources of the forest. Special effort are made at integrating existing forms of use with improved technologies and communal trading approaches for better marketability and reducing wastages, identifying alternatives towards the sustainable trade of traditionally used as well as new products from the forest, and finally, contributing with a research assessment on differences in the response of distinct ethnic and cultural groups to entrepreneurial innovation, and their bearing on the formulation of sound management procedures.

An additional noteworthy exemple is given by a project of Italian Cooperation whic focus on agroforestry systems in the Brasilian Region of Amazonia, on the states of Rondonia and Acre.

The project aims to help Associations of small producers (principally *colonos* and *seringueiros*) of these two States, in finding new economic earning alternatives, that correct the tendency of predatory and indiscriminate exploitation of the natural resources -which, locally, are mainly mediated by massive deforestation in favour of wild grazing and/or mining- by not only helping in mobilizing the necessary stakeholder involvement, but also assessing innovation perspectives in the context of effective acessibility to market, user and service areas, and ecosystemic constraints.

The alternative in question is represented by a kind of mixed installation, that foresees the combined use of trees and native-fruit palms and of common perennial farming, generally for human and animal food, in accordance to the schemes approved by the Brazilian and International scientific community, that allow for the recuperating and the sustainable management of the deforested areas.

Agricultural-forestry systems, even if at different levels in the two states of Rondonia and Acre, in relation to their specific situations, are a necessary strategy of human and environmental development, to which private-sector initiatives, relying on international programmes supported by considerable financial resources of the World Bank and of developed countries, can be of great use.

Naturally, these programmes also include action in favour of environmental education, primary and preventive health, acquisition of machinery for the agro-industrial transformation of products and credit opportunities for enterprises.

VI. Illegal Logging.

The issue of poaching forest products is actively dealt with the Italian Cooperation in the framework of its integrated programmes for the systemic management of forest resources and protected areas, all of which include initiatives to fight illegal hunting and logging, both directly -by strengthening forest inspection and control services and enhancing the participation of local communities- and indirectly -by providing economic and administrative incentives towards the establishment of forms of legal use of forest resources- with particular emphasis given to the development of environmentally compatible forms of their utilization (e.g. ecological and cultural tourism) etc.

Among the most relevant examples, two above referred projects types emerge for their systemic approaches and institutional building contributions, which Italy finances for the sustainable management of transboundary protected ecosystems shared across boundaries of South Africa, Mozambique and Zimbabwe, and the forestry projects within National Forest Programmes in Albania and in the Bosnia Herzegovina Federation.

Progress Report

Japan

Japan

I. Introduction

G8 Action Programme on Forests was published at the G8 Foreign Ministers Meeting in May 1998 held prior to the Birmingham Summit. The communique of the Birmingham Summit held in the same month stated that the G8 leaders will assess the progress on implementation of the Programme in 2000. The following describes Japan's progress on implementation of the Programme, including Japan's domestic actions, international assistance programmes and contributions through intergovernmental processes, as of August 1999.

II. Monitoring and Assessment

Japan

1. has been surveying the state of its forest resources basically every 5 years in order to contribute to the development of appropriate forest management plans and to their smooth implementation. The most recent survey indicated information of the state of forest resources in each of 44 expanded watershed areas around the country.
2. in FY 1999 launched a new nation-wide Continuous Forest Inventory (CFI) to monitor and assess the forest resources and their dynamics using the unified methodologies, considering the compatibility with the criteria and indicators (C&I) of the Montreal Process.
3. has been conducting a 10-year-survey project in two watershed areas in Japan in order to develop C&I at the local level and the monitoring methodologies.
4. has been conducting a research project in Japan in order to develop and assess measurement methodologies of the indicators of the Montreal Process.
5. has been monitoring at fixed locations in Japan for early detection of forest degradation caused by acid rain and for observation of changes in forest conditions.
6. has been undertaking the National Survey on the Natural Environment in order to collect information on the present state of Japan's natural environment including forests, and to utilize it for the national policy development on nature conservation. Especially, as a part of the Survey in 1999, actual vegetation maps throughout the country are being revised.
7. has been conducting surveys to support the development and application of C&I monitoring systems in partner countries.
8. has contributed funds to the International Tropical Timber Organization (ITTO) projects to develop C&I and the C&I measurements application manual, as well as to disseminate ITTO's C&I. Japan will consider the possibility of further contribution to ITTO projects for the wide use of ITTO's C&I.
9. has contributed funds to the Food and Agriculture Organization (FAO) project for strengthening the country capacity in forest resources assessment for sustainable forestry

planning in the Asia-Pacific region as a contribution to the Forest Resources Assessment 2000.

10. has been implementing the Forest Fire Prevention Management Project in Indonesia through the Japan International Cooperation Agency (JICA) for the purpose of monitoring forest fires and developing initial suppression methods.
11. has been financially supporting an ITTO project in Indonesia to develop the national guidelines on the protection of forest against fire in line with the ITTO's guidelines on fire management in tropical forest adopted in 1996. In February 1999, these national guidelines were completed at the international workshop in Indonesia. Training of the Indonesian local government personnel using these national guidelines will be conducted.
12. dispatched a JICA project formulation study team on forest fire management to Indonesia and Malaysia in September 1998. Following up on this study, JICA has dispatched the Japanese experts to Indonesia in 1999, and also will dispatch an expert to Malaysia.
13. financed the ITTO expert mission on forest fire to Indonesia and Malaysia in September 1998. In order to find out further necessary actions, the mission examined the extent and causes of the forest fires, and the various national and international initiatives which had already been undertaken.
14. JICA, ITTO, and the related agencies of the Indonesian government co-organized the International Cross-Sectoral Forum on Forest Fire Management in Southeast Asia in December 1998. The objectives of this forum were to share information among the relevant countries and international organizations, to review forest fire management activities which had been conducted, and to contribute to the effective implementation of future measures against forest fires.
15. has been conducting a project to support the establishment of the methodologies for forest resource assessment using the remote sensing technology and to assist the establishment of the data service system, in order to promote appropriate management of the tropical forests in partner countries.
16. has funded an ITTO project to develop and disseminate user-friendly methods to estimate the forest canopy density, using the remote sensing technology. This project is still on-going.

III. National Forest Programmes

Japan

17. on the basis of the Forestry Basic Law, has developed and announced the "Basic Plan on Forestry Resources and Long-range Demand and Supply Projection on Important Forest Products" as the most basic long-term program on which Japan's forest management plans and various forest and forestry policies and measures should be based. The present Plan clearly sets forth the concept of sustainable forest management and, in view of the importance of forests as an ecosystem, promotes the development of diversified forest resources with the wide range of people's participation.
18. in October 1998 reviewed the relevant laws including the Forest Law with a view to

contributing to the promotion of sustainable forest management nationwide. As a result of this review, Japan introduced a system to make available the draft plans, such as forest management plans (e.g., Regional Forest Plans for private and national forests) and the Basic Plan for Administration and Management of National Forests, to the public for comments in order to reflect a wide range of opinions. Japan also expanded substantial roles of municipalities in the forest management planning system.

19. in August 1999 developed the Medium-Term Policy on Official Development Assistance (ODA), in which Japan described the basic direction of its ODA. Based on the philosophy and program of action in the Initiatives for Sustainable Development (ISD), which Japan announced at the United Nations General Assembly Special Session (UNGASS) in 1997, Japan attached great importance to its partner countries' sustainable forest management, and stated in this "Medium-Term Policy" that it would continue to actively implement various technical and financial assistance projects. Japan is conducting technical and financial cooperation through a variety of schemes by JICA and the Overseas Economic Cooperation Fund (OECF), aiming to support the promotion of its partner countries' sustainable forest management.
20. has been conducting a survey to support the establishment of the model forests for the field-level application of sustainable forest management in partner countries, which aims to develop a system for the participation of stakeholders such as local people .
21. has been hosting a series of international workshops, which will continue until FY 2000, for the promotion of model forests as a field-level application of sustainable forest management.
22. in FY 1999 started to provide funds for an FAO regional project which aims at demonstrating sustainable forest management at the field level through strengthening the national capacity building for formulation and implementation of national forest programs in partner countries in Asia.
23. has been conducting the transfer of technology through JICA's Development Studies for the formulation of national or specific regional forest resources master plans in partner countries, and has been carrying out projects to build the partner countries' national capacity to formulate and implement their national forest programs.
24. has contributed funds through ITTO to the producer member countries' projects for the field test and application of ITTO's various guidelines and C&I in Asia, Africa and South America, in order to support the producer member countries' efforts toward the ITTO's Year 2000 Objective. Japan has also funded a number of other ITTO projects related to the ITTO's Year 2000 Objective.

IV. Protected Areas

Japan

25. has designated various protected areas nationwide to conserve the forest ecosystems and restrict the development activities therein, on the basis of such legislation as the Forest Law, Law for Administration and Management of National Forests, the Nature Conservation Law, and the Natural Parks Law. Japan also conducts research on protected areas.

26. has designated protection forests throughout the country, which are expected to provide the public functions including conservation of the unique natural environment. Through the regulation such as the restriction on logging, forests conservation and appropriate forest management are secured in the protection forests, which account for 30% of the total forests in the country.
27. in December 1998 formulated "The Basic Plan for Administration and Management of National Forests" and shifted its management policy to emphasize the public functions of National Forests. In line with this shift, Japan reorganized forest types into 3 new types categorized by their respective expected functions. These new types are; "Forest for Water and Land Conservation," "Forest for Humans and Nature," and "Forest for Recycling Use of Resources". Among these, the "Forest for Humans and Nature" gives priority to the conservation of forest ecosystems and to the promotion of health, cultural and educational activities, and its area is about 2 million ha (approximately 30% of National Forests). In order to reserve specific forests that are essential natural forests and precious habitats for wildlife, the "Protected Forest System" has been working in the National Forests and its area is about 514 thousand ha in 812 places located in the above-mentioned "Forest for Humans and Nature" as of April 1, 1999.
28. has designated "Wilderness Areas" and "Nature Conservation Areas" throughout the country under the Nature Conservation Law. While the former are the natural areas that maintain a wilderness condition having certain coherence as an area, the latter are the forests in which excellent natural forests account for a considerable part. In these Areas, the natural environment is protected through the regulations on human activities.
29. has designated 28 national parks, 55 quasi-national parks, and 306 prefectural natural parks in Japan as of March 1999, on the basis of the Natural Parks Law. In these natural parks, various human activities are restricted to protect wildlife and their habitats. As a result, natural parks play a great role in conserving the biodiversity. To conserve the forests in these natural parks, certain activities are restricted according to the respective regulations necessary for protection.
30. is considering the identification of forest vegetation types based on the results of the nation-wide Continuous Forest Inventory (CFI).
31. has contributed funds through ITTO to a forest conservation project in the permanent forest estate in Malaysia.
32. has contributed funds through ITTO to a joint project of Indonesia and Malaysia to study biodiversity of flora and fauna in protected areas straddling the Indonesian-Malaysian borders.
33. has been conducting a survey project to support the establishment of appropriate management methods of protected forests in partner countries in tropical areas.
34. in 1999 started the JICA training courses for the technical experts of partner countries to strengthen their capacity to manage protected areas.
35. is planning to do research on the roles played by the protected areas within various types of forests in the world in conserving the biodiversity and preventing global warming.

V. Private Sector

Japan

36. promotes the watershed-based forest management system in 158 watershed areas in the country. Under this system, according to the characteristics of each watershed area, the public and private sectors are consulting with each other on the forest management and activation of forestry throughout the private and national forests. Promotion centers, in which various stakeholders participate, are set up in each watershed area and are formulating and implementing programs and projects on a consensus basis.
37. has been conducting projects in Japan to raise public awareness about functions of forests and to promote the people's voluntary participation in reforestation, as one of the counter-measures against global warming.
38. has been domestically implementing projects to promote technological innovation of utilization and processing of wood in order to tackle global warming through the effective use of wood.
39. has been conducting a survey to support the formulation of a code of conduct for tropical timber production forests, contributing to the work of the Asia-Pacific Forestry Committee (APFC) of FAO to develop a regional code of conduct for forest harvesting in the Asia-Pacific region.
40. has contributed funds through ITTO to member countries' projects to facilitate effective use of resources and sustainable production in the timber production sector. These projects are still on-going.
41. has been supporting the Japanese private sector's tree planting activities in partner countries by disseminating information and providing training and technical advice regarding tree planting activities.
42. Prime Minister Obuchi announced in July 1999 during his visit to China that Japan would establish a fund ("Obuchi Fund") to financially support Japan's private sector groups' activities to co-operate with the Chinese private sector groups engaged in afforestation programs in China. Japan is currently in the process of organizing the operational body of this fund.

VI. Illegal Logging

Japan

- 43 in the Forest Law and other relevant legislation, stipulates various systems that regulate disorderly felling and uncontrolled forest development activities in Japan, as well as penal provisions and other rules for the violations.
 - (1) Forest Management Planning System: Submission of logging plans by private forest owners; administrative orders to comply with and/or to make amendments to submitted logging plans.
 - (2) Forest-land Development Permission System: Permission is required for forest development activities exceeding a certain scale.

- (3) Conservation Forest System: Permission is required for logging (and damaging) of standing timber and bamboo in Protection Forests.
 - (4) Others: Under such legislation as the Nature Conservation Law and the Natural Parks Law, permission is required for logging (and damaging) of standing timber and bamboo in stipulated areas.
 - (5) Penalty: In the case of violation of above-mentioned regulations, the offenders have to pay a penalty.
- 44 has a domestic system to control illegal logging (stealing) in national forests as follows. Forest officials including the district foresters and the forest rangers of the District National Forest Offices are given authority to take judicial police action against a range of forest-related illegal activities including illegal logging, as agreed upon by the Regional Public Prosecutor's Office.
- 45 has contributed funds through ITTO to the producer member countries' projects to develop their human resources and institutions, with a view to developing the timber statistics and information system and to enhancing their statistical processing ability. Japan has also contributed funds to co-operative activities by relevant international organizations to enhance the statistical functions and network internationally. Japan contributes to the improvement of economic information and market transparency on timber trade by supporting these activities.

Progress Report

Russia

Russia

I. Introduction

Pursuant to the agreements, reached at the G-8 Summit, Birmingham, 1998, the President of the Russian Federation issued a Special Decree on the implementation of the above agreements. In compliance with the aforesaid Decree, the Federal Forest Service of Russia has developed and the Russian Government has approved a plan of measures (proposals) to implement the G-8 Action Programme on Forests. Aware of the immense environmental value of the Russian forests, Russia confirms its commitment to implement Proposals for Action of the Intergovernmental Panel on Forests and takes part in the on-going dialogue on sustainable forest management under the Intergovernmental Forum on Forests. The text below presents the National Progress Report of Russia for the G-8 Action Programme on Forests.

II. Monitoring and Assessment

The Russian Federation

- participates in the international processes and in their framework it has developed a system of criteria and indicators for sustainable forest management: the Ministerial Conference on the Protection of Forests in Europe (the Pan-European Process) and the Working Group on Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forests (the Montreal Process);
- hosted the 10th Meeting of the Montreal Process Working Group in October 1998;
- signed the General Declaration and Resolutions of the Lisbon Ministerial Conference on the Protection of Forests in Europe in June 1998;
- approved the Criteria and Indicators for Sustainable Management of Forests in the Russian Federation in 1998. This is a federal document to provide an framework for a balanced approach to economic decision-making in the forest sector and forest development sustainability assessment in Russia;
- is working at regional and local adaptation of the criteria and indicators;
- is developing a national system of forest product certification, consistent with the Forest Code;
- has introduced (through its authorised Agency - the Federal Forest Service of Russia) new Guidelines for the State Forest Account to establish uniform procedures of state forest account in compliance with the Forest Code;
- conducted the planned state forest account in the form of a multi-factorial assessment of Russian forest resources, in 1998. The previous similar inventory of forest territories took place in 1993. It has analysed, generalised and reviewed forest account data as of January 1, 1998 and identified positive trends in the forest resource status in Russia;
- submitted data for the Temperate and Boreal Forest Resource Assessment - 2000 (ECE/FAO) in January 1998; would participate in the next stage data collection;
- has developed and commenced to apply GIS-based methods for annual forest inventories to strengthen both federal and regional monitoring of forest ecosystem sustainable development;
- has adjusted the methods to calculate the allowable cut (harvesting volumes), based on the principle of sustainable and multiple use of forests;
- adopted the Concept and the Programme of Forest Information Management in 1998 and started to implement it;

- is exchanging information and experience with partner-countries in designing new technologies and equipment, based on satellite information, remote sensing of forests and meant for rapid detection of forest fires, pest outbreaks and other disturbances;
- has made a decision (based on a respective Government Resolution) to establish a single national system of environmental monitoring, integrating a system of forest monitoring. This system is first implemented on forest territories, homing most valuable stands and stands, prone to negative impacts;
- has established a national network for forest pest monitoring and pest management.

III. National Forest Programmes

The Russian Federation

- adopted a Concept of Sustainable Forest Management in the Russian Federation, in June 1998 (at the IV All-Russia Congress of Foresters); this Concept relies upon the environmental, economic and social values of forests and is a part of the national sustainable development strategy;
- has been implementing a Federal Target Programme called “Forests of Russia” for 1997 - 2000; the Programme is aimed at reducing the area of non-forested forest lands, improving the health of forests and preserving their high yield as well as meeting forest-related international commitments. The Programme integrates components on: forest management planning and inventory, forest monitoring, reforestation and afforestation, thinning, pest management, forest drainage, road construction, governmental supervision over forest utilisation, and forest research;
- has been implementing a Federal Target Programme called “Forest Fire Management” for 1999 - 2000, including a set of activities to prevent and localise forest fire, to ensure timely incipient fire detection and suppression, and to develop and apply new technologies and equipment for forest fire detection and suppression;
- has been implementing a Federal Target Programme to support the national nature reserves (*zapovedniks*) and national parks for the period up to 2000, which would ultimate into a national network of strictly protected areas established;
- has been implementing a sub-programme called “Russian Forest” as part of the Federal Target Research Programme of Russia: “Research and Development in Priority Areas of Scientific and Technical Development up to 2000”, which integrates and co-ordinates research organisations’ activities to investigate forest ecosystems and to develop guidelines on sustainable forest management;
- is developing a Federal Programme of Timber Industry Restructuring up to 2005 to be aimed at creating a sound core of competitive timber enterprises on the basis of cost-recovery and sustainable development to ensure effective demand for forest products both in domestic and foreign markets;
- is developing co-operation in the framework of the International Boreal Forest Research Association (IBFRA) with boreal countries of the Northern Hemisphere to ensure boreal forest integrated research and sustainable development;
- participates in implementing the international model forest network development programme; is establishing its national network of model forests. In 1998 and 1999, Russia hosted 2 international workshops on model forests.

IV. Protected Areas

The Russian Federation

- is expanding the network of strictly protected areas of the federal significance, representing all natural zones in the Russian Federation. On the forest lands in Russia, there are territories and sites of the highest value from the environmental, scientific, historical, aesthetic and recreational standpoints which are declared forest reserves (*zapovedniks*) (98) and national parks (35), their total area is 24.7 million ha. The conservation regime for these areas requires monitoring of protected flora and fauna status;
- keeps on enlarging the share of Group 1 forests meant for water-conservation, sheltering, sanitation and human health improvement with no permission for final cutting;
- is conducting a compliance study of the national protected forest areas classification versus the existing international systems, in particular, with the IUCN Protected Area Management Categories as well as with akin classifications, adopted by the FAO and other organisations, to identify gaps;
- develops assessment criteria for allocation of forest protected areas to maintain biodiversity and environmental value of forests;
- supports the establishment of direct contacts and the development of co-operation between adjacent national parks, located in the Russian Federation and other neighbouring countries.

V. Private Sector

The Forest Code of the Russian Federation declares federal ownership of forest lands, which are managed by the Federal Forest Service of Russia. And the timber is harvested and processed practically entirely by privatised timber industry enterprises.

The Russian Federation

- sets up rules for the interaction between forest resource owner and users;
- develops forest legislation, regulations and legal acts to improve and promote lease arrangements, to raise forest revenues and decrease the dependence of forest management on the budget allocations, as well as to create an enabling environment for private forest users and investors;
- has entered the final stage of preparing the IBRD-financed Sustainable Forestry Pilot Project, aimed at a favourable investment environment in the forest sector;
- holds negotiations with the World Bank on implementing a Forest Sector Partial-Risk Guarantee Facility;
- is a permanent participant of the CEOs' and NGO Leaders' Ad Hoc Forum on Global Forests convened by the World Bank President and is responsible for its Working Group 3i: "Forest Sector in Russia: Barriers and Incentives to Responsible Forest Investments";
- is improving arrangements to involve the private sector and other social groups in participatory decision-making on basic aspects of forest use.

VI. Illegal Logging

The Russian Federation

- is improving the system of forest use and forest management planning and inventory to make more precise assessments of timber resource potential and its actual utilisation;

- ensures access to forest information for various social groups;
- is introducing forest resource certification procedures and eco-labelling to prevent illegal timber harvesting;
- provides for interaction between customs and export trade organisations to ensure the chain of custody for timber and paper products.

Progress Report

United Kingdom

United Kingdom

I. Introduction

The UK plays an active part in the international and regional debates on sustainable forestry (Intergovernmental Panel and Forum on Forests, the Pan-European Process and forestry discussions within the G8) and the promotion of sustainable forest management. It attaches great importance to the G8 Action Programme on Forests launched in May 1998 and will continue to implement the programme both nationally and internationally. The following outlines the UK's contribution to the G8 Action Programme.

II. Monitoring and assessment

Domestically, the UK:

- published the *UK Forestry Standard* in 1998. The Standard sets out the criteria for sustainable forestry within the UK and the indicators by which they can be assessed, both at the national level and within individual forests. The Government is committed to monitoring performance against these criteria and will continue to develop and refine the Standard and report on progress. It has published a number of Environmental Guidelines and Guides to support the UK Forestry Standard. Results from monitoring will influence the future of the Standard itself as well as policy, regulations, incentives and guidance.
- is conducting the National Inventory of Woodlands and Trees, a broad-ranging survey of public and private woodlands not just covering the timber resource, but taking in other factors such as environmental characteristics. The inventory covers Britain's largest forests right down to individual trees. The aerial photography is virtually complete and a digital map of British woodlands should be complete early in 2000. The survey field work is on target to finish by April 2000.
- has begun to publish results from the National Inventory and other information in support of its commitment to report on the criteria and indicators published in the UK Forestry Standard. Full results will be published in 2001.
- submitted information in January 1998 for the UN Food and Agriculture Organisation's forest resource assessment (TBFRA-2000) and during 1999 participated in data checking and in reviewing the UNECE/FAO conclusions.
- continues to participate in all areas of the pan-European process and follow-up work of the Lisbon Conference. Agreed a pan-European work programme which includes the continued review, refinement and development of regional criteria and indicators for sustainable forest management.
- undertook a survey of forest landscape in 1999. Sample data have been collected and are being analysed.
- has commissioned independent consultants to undertake a survey of the health and vitality of forestry businesses. The results will be reported by March 2000.

- has published the Forestry Commission Research Strategy to improve the scientific underpinning for sustainable forest management.
- carries out an annual survey to assess forest health.

Internationally, the UK:

- has continued to provide support to capacity building in partner countries to help them develop monitoring and assessment systems and develop and apply criteria and indicators. For example, the UK Department for International Development (DFID) is working with the South African Department of Water Affairs and Forestry on the assessment of state-owned plantations; on a strategic environmental assessment of forest plantations and catchment yields; and on the development of criteria and indicators for the management of natural forests.
- completed support to FAO's FRA-2000 in two areas: protected area information (through WCMC); and plantations.

III. National Forest Programmes

Domestically, the UK

- has participated and made commitments in the IPF, the G8 and the Pan-European Process. The UK's national forest programme is made up from a number of key documents, including the UK Forestry Standard, with policies and responsibilities for individual components of the national forest programme spread across a variety of Ministries and Agencies.
- played an important role in the Six-Country Initiative in support of the Intergovernmental Forum on Forests which explored how the IPF proposals for action could be put into practice at the national level, to meet the circumstances of individual countries.
- commissioned work to map out the constituent parts of the policy and regulatory framework within which forestry in the UK takes place, and published *Towards a National Forest Programme for the UK* in 1998.
- is preparing a strategy for delivering sustainable forest management in the UK, to update the 1994 *Sustainable Forestry - the UK Programme*. The strategy aims to develop a more integrated approach and improve co-ordination of the mechanisms and processes that deliver the UK's national forest programme.
- devolved forestry responsibilities on 1 July 1999. Forestry strategies for Scotland, Wales and Northern Ireland are being prepared for publication in 2000, with widespread consultation exercises already underway.
- published a Forestry Strategy for England: *A New Focus for England's Woodlands* in December 1998, setting out the Government's priorities and programmes for delivering sustainable forestry over the next 5-10 years. This is based on four key programmes which include a range of actions to implement the strategy: forestry for rural development,

forestry for recreation, access and tourism, forestry for economic regeneration, and forestry for environment and conservation.

Internationally, the UK:

- has continued support to partner countries in the elaboration and implementation of national forest programmes and together with the UK Forestry Commission participated in the Six-Country Initiative. Since May 1998 DFID has begun new, long-term, programmes of support in Malawi and Uganda. In both countries the UK works closely with other bilateral and multilateral agencies, including Germany and the European Commission (EC).
- has, in the last twelve months, completed two studies related to climate change and forests in developing countries: *The Clean Development Mechanism: Benefits Of The CDM For Developing Countries* and *Rural Livelihoods and Carbon Management: A Draft Issues Paper For DFID*. Both serve to inform DFID and its partner countries about the implications of carbon offset scenarios for developing countries and, in particular, the rural poor and landless.
- together with Japan, is supporting the review to assess progress towards achievement of ITTO's Year 2000 Objective, to ensure that all exports of tropical timber come from sustainably managed sources.

IV. Protected forest areas

Domestically, the UK:

- initiated a review of the mechanisms for protected forest areas in the UK.
- provided assistance as a member of the Steering Group for the US/Brazil International Experts meeting on protected forest areas in March 1999. The initiative contributed to the work of the Intergovernmental Forum on Forests and helped advance the understanding of issues related to forest protection.
- developed the UK Biodiversity Action Plan which has led to a series of plans and targets for increasing the diversity of UK wildlife, particularly species and habitats defined as national priorities. Many of these plans affect forestry.

Internationally, the UK:

- has conducted a major review of its biodiversity conservation experience in developing countries, with a view to informing DFID's development programmes. Several thematic issues papers have been produced, including one on forests: *Forests, biodiversity and Livelihoods: Linking Policy and Practice*. A synthesis paper which will guide DFID's biodiversity policy and practices in the future will be published in early 2000.
- has started a three-year *Biodiversity in Development Project* in collaboration with the EC and IUCN to assist the EC and Member States of the European Union in working more effectively with developing countries to implement the objectives of the Convention on

Biological Diversity. Although not restricted to protected areas or forests the project promotes the conservation of forests in protected areas.

V. Private sector

Domestically, the UK:

- provides grants and information for the private forest and wood processing sectors in the UK, to encourage planting and promote sustainable forest management in line with the UK Forestry Standard. Most new planting is carried out by the private sector and forestry expansion must be balanced with the needs of other land uses and respect the character of the landscape. Grant aid under the Woodland Grant Scheme is aimed at creating habitats for wildlife, enhancing the landscape and providing opportunities for recreation and other benefits to society, as well as timber production. In addition, annual payments over 10 or 15 years are available to farmers establishing new woodlands under the Farm Woodland Premium Scheme. Both grant schemes are part-financed by the EC.
- consults widely and regularly with the private sector, for example, in the development of the UK Forestry Standard. The Government works closely with industry in the development and promotion of codes of good practice.
- worked closely with forestry and environmental organisations to develop and launch in 1999 a national scheme for the independent certification of sustainable forest management.
- launched in June 1999 the UK Woodland Assurance Scheme (UKWAS), a voluntary scheme, developed by a partnership of forestry and environmental organisations in response to the growing consumer demand for timber products from sustainably managed forests. The certification process represents a new way of doing business for the broader forest community so that UK forestry continues to improve its environmental and economic performance. A Steering Group, comprising representatives from private woodland owners, forestry managers and consultants, state forestry sector, environmental organisations, woodland users, timber processors and trade, forest workforce, countryside agencies, local government and forestry standard setting bodies, is formally establishing and taking forward the Scheme. UKWAS represents a consensus on a forestry performance standard at the national level and within the first year of UKWAS being operational it is estimated that up to 75% of wood production in the UK, from both private and public sector lands, could be certified.

Internationally, the UK:

- works with a number of countries to develop regulatory and institutional frameworks which encourage responsible private sector investment and practices. For example, DFID is supporting processes of institutional and legislative change in Ghana's forest sector.
- helps promote private investment and partnerships in sustainable forest management. For example, in South Africa, DFID is supporting the transfer of state-owned plantations to new management through a major restructuring process and the development of partnerships between the private sector and local communities.

- together with the EC, has embarked on a three-year programme (1998-2000) of policy research by the International Institute for Environment and Development (IIED) on *Instruments For Sustainable Private Sector Forestry*. The programme aims to identify effective market and regulatory instruments which ensure that the private sector produces social and environmental benefits from forest management. Working in a number of countries, the programme is examining partnerships between companies and communities; certification and audit, looking in particular at issues of effectiveness and equity; and other innovative instruments affecting public and private lands.
- together with other agencies (including the EC and Germany), is supporting UNDP's work on innovative financing mechanisms and partnership approaches in a number of countries under PROFOR (Programme on Forests - 1998 to 2002).
- co-sponsored with UNDP an international workshop on financing of sustainable forest management, in the UK in October 1999, as an input to the debate in the IFF.

VI. Illegal logging

Domestically, the UK:

- regulates tree felling through felling licenses, management plans, tree preservation orders and statutory development control. All reports of alleged illegal felling are thoroughly investigated and if confirmed, the individuals concerned are prosecuted.
- places applications for felling on a public register before approval is granted. This helps the public to identify and report unauthorised felling. With certain exceptions, it is illegal to fell trees in the UK without prior approval. Areas approved for felling are usually subject to a condition requiring the area to be replanted or naturally regenerated, except where felling is allowed for environmental improvement or for development authorised under planning regulations.

Internationally, the UK:

- has continued to work with partner countries to develop their capacity to assess the nature and extent of illegally harvested timber and implement counter measures. In 1999, a DFID-supported project working with Indonesia's Ministry of Forests and Estate Crops completed a major review of this subject entitled *Addicted to Rent: Corporate and Spatial Distribution of Forest Resources in Indonesia; Implications for Forest Sustainability and Government Policy*, and is following up on counter measures with the government and civil society organisations.
- has committed over one million dollars in 1999 for two new pieces of work to tackle illegal logging. In the first of these, the UK will, over a three-year period, support the *Forestry Crime and Reporting Project* in Cambodia. This will develop independent monitoring and verification processes and mechanisms to track specific forest crime incidents; promote effective co-ordination between units in different ministries; and create a transparent data base on forest crime.

- is also supporting the core activities of *Global Forest Watch*. This recently created body provides decision makers and civil society with independent and accurate information on the state and change of natural forest through a transparent monitoring network.

Progress Report

United States of America

United States of America

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I. Introduction

Heads of State or Government of eight major industrialized democracies (Canada, France, Germany, Italy, Japan, Russian Federation, United Kingdom, United States) and the President of the European Commission meet annually to discuss global political, economic and environmental issues. Recognizing the importance of forests in meeting the needs of people around the world and maintaining the planet's biodiversity and climatic health, G-8 Leaders at the Denver Summit in 1997 called for the development of a practical Action Program on Forests focusing on five areas: (1) monitoring and assessing the state of forests; (2) national programs for sustainable forest management; (3) protected areas; (4) role of the private sector and (5) illegal logging and illegal trade.

In May 1998 at the Birmingham Summit, the "G-8 Action Program on Forests" was launched by Foreign Ministers and endorsed by Leaders who asked for a progress report on implementation in 2000. The Action Program (see Annex) identifies activities the G-8 partners consider priorities for promoting forest conservation and sustainable management domestically and worldwide.

This report represents an initial response on US efforts to carry forward the actions outlined in the Action Program at home and abroad. It does not include all domestic and international programs and activities undertaken by government and non-government entities that are relevant to the five areas of the G-8 Action Program. The US report, together with other G-8 reports, will be included as an annex to a joint G-8 report submitted to Leaders at the Okinawa Summit in July 2000.

US Context. The United States is the fourth most forested country, with 8% or 300 million hectares (ha) of the world's forests. The US has a highly decentralized system of government and a mix of private and public forest land ownership. About 60% of US forests are privately owned by 11 million owners. The 50 states are individually responsible for guiding and regulating management of these private forests, as well as state-owned forests, which represent about 5% of US forests. The remaining 35% of forest land is publicly owned and managed by several agencies of the federal government, including the US Forest Service, Bureau of Land Management, National Park Service, US Fish and Wildlife Service and the Department of Defense. Given decentralized forest regulation and extensive private ownership, the actions of state and local governments and many non-government parties (small non-industrial forest owners, industry, local communities, etc.) are the principal factors

in how US forests are managed and in domestic progress towards forest conservation and sustainable management.

The United States has major forests interests at the international level. The US is the world's largest producer, consumer and trader in wood products, accounting for 15% of the international trade in forests products. Total domestic production, exports and imports are valued at about \$150 billion annually. The US also provides substantial forest-related assistance to developing countries and countries with economies in transition through the US Agency for International Development (USAID) and other federal agencies, as well as through contributions to international organizations and financial institutions, such as the World Bank, and innovative debt reduction initiatives. Several of the largest multinational forest and paper companies are US-owned, and many US-based environmental organizations and academic institutions undertake forest field activities and projects abroad.

The US Government is committed to the goal of forest conservation and sustainable management at home and abroad. The G-8 Forest Action Program, together with the Montreal Process on Criteria and Indicators (C&I) and the Proposals for Action of the Intergovernmental Panel on Forests (IPF), as well as a number of national initiatives, provide an action-oriented policy and political framework for meeting this goal.

II. Monitoring and Assessment

A. Domestic Implementation of Montreal Process Criteria and Indicators

The US Forest Service –

- In June 1998 committed to prepare a ***comprehensive national assessment*** of the status and trends of US forest conditions and management based on the 7 criteria and 67 indicators for sustainable forest management identified by the Montreal Process. The resulting Presidential report to Congress will be released in 2003 as part of the mandated five yearly national assessment of all forest lands and trends in the forest sector, undertaken within the framework of the 1974 Resources Planning Act.
- In July 1998 initiated the ***Roundtable on Sustainable Forests***, bringing together federal, state and local government agencies, environmental groups and industry to facilitate implementation of the Montreal Process criteria and indicators (C&I) for both public and private forests. The Roundtable has drawn up a charter, established working groups on public outreach and technical issues, created a website and taken its message to key domestic forestry meetings. Workshops will take place around the country in 2000 to assess the status of data collection, including gaps, for each criterion and associated indicators.
- Also in July 1998 officially ***institutionalized the Montreal Process C&I*** as the framework for all future forest inventories, assessments, monitoring and performance accountability from the field level to the national level for the 76 million ha of national forests managed by the Forest Service. Several of the 50 States have since agreed to take similar steps for state and private forest lands.
- Has fully staffed the ***National Inventory and Monitoring Institute***, chartered in 1996 to coordinate national and subnational application of inventory systems, including the Montreal Process C&I, and is in the process of integrating and expanding its two existing ***national forest monitoring systems***: the Forest Health Monitoring (FHM) program, which includes a

systematic assessment of many indicators of environmental health, and the Forest Inventory and Analysis (FIA) program, which provides data on forest extent, type, growth and other timber values.

At the State level --

- *States* in the Northeast, Northwest and Great Lakes regions have begun using the Montreal Process C&I to develop subnational C&I to assess regional forest conditions. The *National Association of State Foresters* (NASF) recently completed a state-by-state survey on the status of available data for each C&I and is evaluating the data it provides federal agencies in order to better contribute to national forest assessments.

B. International Cooperation on Forest Assessments and Criteria and Indicators

- In July 1998 the US Forest Service completed its input to the UN-ECE/FAO Temperate and Boreal Forest Resources Assessment (*TBFRA 2000*), providing data on general forest resources, biodiversity, protection status, wood and carbon supply, forest condition and socio-economic function. The Forest Service is now looking at strategies to provide crosslinks among the Montreal, Helsinki and TBFRA process indicators. Under the auspices of the North American Forestry Commission, the US, Canada and Mexico have chartered a new study group on inventory and monitoring.
- In July 1998 the Forest Service hosted a regional workshop on how to carry out the *FRA 2000* remote sensing survey in North America, which FAO is using as a model for other regions. The US has since completed its survey, is assisting Mexico with its survey and, through the International Institute for Tropical Forestry in Puerto Rico, has coordinated surveys for the Caribbean, including country capacity building. In addition, the US is providing technical assistance to FAO for the remote sensing and non-wood goods and services components of FRA 2000, as well as consultants to assist FAO with developing related strategic and implementation plans.
- The Forest Service is working with the *International Institute for Applied Systems Analysis* (IIASA) to develop forestry databases for Russia and since 1998 has been providing analytical assistance for C&I implementation; it has also assisted Argentina, Mexico and Indonesia to establish or revamp their national scale inventories.
- In November 1999 the US hosted the *11th Meeting of the Montreal Process Working Group* on Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forests in Charleston, South Carolina. Representatives from the Montreal Process countries attended, as well as over 20 observers from international organizations, other C&I processes, NGOs, States, industry and labor. A major outcome of the meeting was a call to FAO to host, together with interested governments and organizations, a global meeting on ways to improve global C&I comparability and enhance implementation. In 1998, the US was named Convenor of the Working Group's Technical Advisory Committee.

C. International Cooperation on Fire and Remote Sensing

- In response to catastrophic fires around the world, in 1998 the US posted 24 time satellite data (images, graphs, maps) on the World Wide Web on fires in the *Amazon, Indonesia and Mexico* to support government and stakeholder forest fire management, prevention and suppression efforts; contributed \$2 million to Brazil's fire monitoring and prevention program

(PROARCO); launched a \$1 million community training and extension program in the Amazon; assisted Mexico with fire emergency planning, preparation and training; co-sponsored a fire experts meeting on fire use and management in agro-pastoral and forestry programs in Mexico; and established an \$8 million fire prevention and restoration fund with Mexican NGOs.

- In March 1999 the National Oceanographic and Atmospheric Administration (NOAA) hosted an "Intercomparison Workshop" with Brazilian and other scientists to assess lessons learned from the 1998 *Brazilian* forest fire monitoring campaign, using the Geostationary Operational Environmental Satellite (GOES), Polar-orbiting Operational Environmental Satellite (POES) and Defense Meteorological Satellite Program (DMSP). On this basis US and Brazilian drew up a 1999 fire management plan, including satellite fire detection, airborne imagery and computerized fire forecasting models to enhance Brazil's fire management capabilities.

- In June 1998 the US Department of State launched a new \$3.3 million *East Asia and Pacific Environmental Initiative* to help address the devastating fires and related haze problems in the region and reduce the extent of future fires. This included funding a study by the Center for International Forestry Research (CIFOR) and the International Center for Agroforestry Research (ICRAF) on the underlying causes of the 1997-98 fires.

- In July 1998 the US Department of State hosted the 1st International Conference to launch the *Global Disaster Information Network* (GDIN), which will create a virtual network for timely dissemination of accurate data to prevent, mitigate and respond to natural disasters. In May 1999 the US and Mexico co-sponsored the 2nd GDIN Conference in Mexico City. The 3rd and 4th Conferences will be in Turkey in 2000 and Australia in 2001.

- In 1999 the G-8 agreed to a US-proposed collaborative initiative to enhance the use of *remote sensing* as a tool to inventory, assess, monitor and manage forests and detect and respond to forest-related threats and disasters such as fire. As a first step, the G-8 will inventory their existing remote sensing activities, both domestic and those with other countries and international organizations. This will be complemented by an assessment of needs for remote sensing data and capabilities on forests. On this basis, the G-8 aim to identify ways to create and maintain comparable spatial data bases and internationally, facilitate access to such information by interested countries and other users, enhance capacity of interested countries to utilize and apply remote sensing data and techniques, and improve practical applications to meet the needs of forest field operations.

III. National Forest Programmes

Many of the domestic and international activities identified elsewhere in this report are relevant to improving "national programs for sustainable forest management" in the US and other countries. In addition:

- In September 1999 the US Forest Service issued *new draft planning regulations* that give emphasize sustainable management of National Forests, provide direction for working towards sustainability and recognize the importance of criteria and indicators and related monitoring activities. Under these regulations, the Forest Service will allocate \$11.5 million to engage more actively in partnerships with states, non-governmental organizations and industry to pursue sustainable forest management.

- In October 1998 the Chief of the Forest Service awarded \$2 million in grant funding under the *Natural Resources Agenda for the 21st Century* -- a major initiative that will use sustainable forest ecosystem management as its unifying theme, with emphasis on restoring degraded watersheds and improving recreation services at national forests.
- In 1998-99 the US Government (USG) initiated a process of consultation with interested stakeholders on implementing the *IPF Proposals for Action* endorsed by the UN General Assembly Special Session on Environment and Development in June 1998. As part of this process, the US is exploring linkages between the IPF Proposals for Action and the Montreal Process C&I.
- In July 1998 President Clinton signed into law the *Tropical Forest Conservation Act* (TFCA) authorizing reduction of official debt owed the US by countries with tropical forests in exchange for forest conservation measures. The law expands the innovative 1992 Enterprise for the Americas Initiative, which has led to agreements with eight Latin American countries to cancel nearly \$1 billion in official debt, generating substantial local currency for child survival and environmental projects. Several countries have expressed interest in entering into agreements under TFCA. Once implementing procedures are in place, the Act has the potential to provide unprecedented opportunities for promoting forest conservation in qualifying countries.
- In 1998 and 1999, the US Global Research Program updated its annual report, "Our Changing Planet," which provides data on the impacts in the US of *climate change*, including the impacts of climate change on forest ecosystems.

IV. Protected Areas

- In October 1999 President Clinton announced plans to *protect an additional 18 million ha* of federally owned forests from harvesting and road building. A year-long review process to solicit public comments and conduct an environmental impact statement will determine the specific areas to be protected. This represents one of the most significant land conservation efforts in American history.
- In February 1999 the US Forest Service announced a *moratorium on new road construction* in selected areas of national forests while a comprehensive study involving local communities is made of each area. New scientific tools and analytical procedures will be used to consider potential environmental, economic and social impacts of additional forest roads, including fragmentation of undisturbed forest ecosystems.
- In March 1999 the US and Brazil co-sponsored the *International Experts Meeting on Protected Forest Areas* in Puerto Rico to advance international understanding of forest protection and contribute to the work of the UN Intergovernmental Forum on Forests (IFF). 130 experts participated from more than 70 countries, international organizations, environmental and indigenous groups, research institutions and universities. The Final Report was presented and issued as a Conference Document at IFF 3 in May 1999.
- In 1998 the US, with Argentina, Brazil and Chile, became guarantors of the Peru-Ecuador Peace Treaty, which created a *peace park* along the heavily forested border as an innovative approach to solving border conflicts while protecting forests.

- The US is working with other Western Hemisphere Governments, universities and NGOs to develop a natural resource database building on computer programs such as the US BIOECONET and the Inter-American Biodiversity Information Network (IABIN), to facilitate hemispheric *information sharing* on resource conservation, including forest protection.

V. Private Sector

Public-private partnerships are essential tools for sustainable forest management in the US and many other countries. The term "private sector" includes the range of NGO interests: environmental, business, labor, academic, philanthropic, forest owners. Many activities noted elsewhere in this report have involved NGOs. In addition:

- In 1998 the US Department of Energy and the American Forest and Paper Association (AF&PA), representing major US companies (e.g., International Paper, Weyerhaeuser, Proctor & Gamble, Georgia-Pacific), expanded their cooperative *Technology Vision and Research Agenda 2020* to include the US Forest Service. Agenda 2020 promotes sustainable forestry practices across the US by identifying and funding high priority research projects aimed at improved efficiency, biotechnology and sustainable forestry. Agenda 2020 has attracted \$13 million to date in joint public-private financing.
- In September 1999 the State Department initiated a *high-level dialogue* with key non-government constituencies (environmental, business, the States, etc.) with a view to identifying US international forest priorities. The Department also broadened its consultation process to include the *Pulp and Paperworkers Resource Council*, a grassroots organization representing 300,000 workers in pulp, paper, solid wood products and other natural resource-based industries. The Council has established a group to engage the USG on international and domestic forest issues, emphasizing the importance of forest-dependent communities in the promotion of sustainable forest management.
- The US Government cooperated with the World Wildlife Fund US, other environmental NGOs and the Ford Motor Company in an initiative that led to the publication in May 1999 of a comprehensive *Conservation Assessment of the Terrestrial Ecoregions of North America*, including forests.
- At the 1999 Cologne Summit G-8 Leaders at US urging and with support from Canada and others, committed to work within the OECD towards common *environmental guidelines for export credit agencies*, with the aim of completing the work by 2001. The Export-Import (EX-IM) Bank of the United States is the only export credit agency to have in place "Environmental Procedures and Guidelines" for evaluating applications for financial support for foreign projects sponsored by US business, including forest management and wood processing projects..
- The *US Initiative on Joint Implementation* (USIJI), part of the US Climate Change Action Plan, encourages the US private sector, working with non-US partners, to use its resources and innovations to reduce greenhouse gas emissions and promote sustainable development worldwide, including sustainable forest management. As of March 1999, USIJI had accepted 36 projects in 16 countries, including projects supporting forest conservation, protected areas, reforestation, reduced impact logging and community silviculture that provide carbon sequestration benefits.

- Following Hurricane Mitch in May 1999, USAID and the US Department of Commerce began working with AF&PA through its Sustainable Forestry Initiative (SFI) to **restore devastated areas in Central America**. This partnership includes a pilot program on long-term sustainable forest management on the Honduran Island of Guanaja.

- In 1998 the US, through USAID and contributions to the International Tropical Timber Organization, supported projects on **low impact logging** in tropical forests of Brazil and Indonesia, which are being implemented by the Tropical Forest Foundation, an NGO with members from industry, environmental and academia.

- The USG continues to welcome the development and application of private voluntary **codes of conduct**, as well as private voluntary **market-based mechanisms**, as tools toward sustainable forest management. In this regard, we are informed that:

- **AF&PA** has opened participation in its SFI to non-members and is issuing licenses to, among others, local government and NGO forest owners (e.g. St Louis County, MN, The Conservation Fund) that agree to abide by SFI performance measures and reporting requirements, and has expanded the SFI to include a Voluntary Verification Process by which member companies/licensees may apply an internationally consistent verification approach to document and communicate their conformance with the SFI standard.

- **The International Wood Products Association (IWPA)**, which represents a number of importing and exporting companies, has established membership-approved voluntary Codes of Conduct similar to SFI for trade in wood products and forest management.

- As a result of the **Forest Stewardship Council (FSC)**'s work with domestic industry and private landowners to develop regional standards and criteria for forest management, today about 179 companies throughout the US carry FSC chain-of-custody certification and 52 US forest management companies are FSC-certified.

- **The National Woodland Owners Association**, representing thousands of small private forest owners, has developed and is implementing a "Green Tag Forestry Program" that certifies forest management of individual ownerships.

VI. Illegal Logging

- In June 1998 the Animal and Plant Health Inspection Service (APHIS), working in cooperation with the US Fish and Wildlife Service, increased the number of ports of entry available to accept timber species listed on CITES appendices to facilitate and respond to the Appendix III listings of **Swietenia Macrophylla** (a high volume commercially traded mahogany) undertaken by Bolivia, Brazil and other range states.

- In 1998 USAID, through its Proarca Capas program, provided financial support to undertake studies in Central America and Mexico on the distribution and status of **Swietenia Macrophylla** harvesting activities, illegal logging and illegal trade.

- In January 2000, following consultations with host governments in the Mekong Delta region of Southeast Asia, as well as with international organizations, NGOs and potential donor countries, the US announced its intention of hosting a regional workshop on illegal logging and cross border trade, building on the results of the "Forest Law Enforcement" symposium sponsored by the World Bank in Phnom Penh, Cambodia in June 1999.

VII. Next steps

The above actions reflect initial US efforts to carry forward the G-8 Action Program on Forests. Further work is needed in all five priority areas, particularly protected forest areas and illegal logging/trade. The role and contribution of the range of private sector interests, which are critical to improved forest management at home and abroad, also warrant greater attention.

The outcome of the Okinawa Summit in July 2000 will determine how the G-8 Action Program on Forests, which has only been in existence for less than two years, is continued as a G-8 initiative. The US strongly supports continuation of the Action Program, including a future review by Leaders on implementation. There is also value in considering a greater emphasis within the Action Program on collaborative efforts through which the G-8 can bring added value to existing endeavors to promote sustainable forest management.

Progress Report

European Commission

European Commission

I. Introduction

The Treaties on European Union make no provision for a comprehensive common forest policy. The management, conservation and sustainable development of forests are nevertheless vital concerns of existing common policies, like the Common Agricultural Policy, and the rural development, environment, trade, internal market, research, industry, development co-operation and energy policies. Moreover, the EU annually devotes considerable funds to the conservation and sustainable development of forests. The European Commission actively participates in the international forest regime and in the implementation of the G8 Action Programme on Forests, as described in the following.

II. Monitoring and Assessment

Most of the EU's total forest area of 130 Mio ha¹ are managed in a framework of regular cycles of management planning and implementation. These periodic forest management plans are based on stand-by-stand forest inventories, as well as on periodic analysis and assessment of the forest enterprise, including its economic, social and environmental functions. In many European states, national forest resource surveys, based on sampling theory and designed for statistical precision, incorporate additional forest attributes. Thus, they augment the operational data. Recently, these national inventories have provided a useful basis for assessing carbon stocks in forests.

Additionally, the European Forestry Information and Communication System (EFICS) seeks to improve the quality and comparability of these national inventories, based on pan-European criteria and indicators for sustainability. EFICS also collects information on trade, industry, employment environmental issues in the forestry sector and about community forest measures and national forestry programmes.

Two additional surveys assess the effects of atmospheric pollution and fire on forests, in the EU and other European states. During the last 12 years, crown condition of forest trees have been monitored and reported yearly. In 1997, the sample included 635000 individual trees on 28000 plots. The degree of crown defoliation in this sample serves as an indicator for adverse natural and anthropogenous impacts on growth and stability of forests. On a subsample of 860 intensive monitoring plots, site variables and atmospheric deposition are monitored, and soil, tissue and growth are analysed. Through this sampling design, it is not only possible to monitor the state of European forests and its year-to-year development², but also to assess at least major causes of forest decline.

A Community information system on forest fires permits monitoring, assessment and priority setting at the pan-European level and throughout Mediterranean countries.

¹ Average standing volume of timber in EU forests has increased from 85 m³ in 1950 to 132 m³ in 1990; annual cuts remove only about 70% of the average annual increment of 4.5 m³ / ha

² In 1998 64 % of European trees showed some degree of defoliation, about one quarter was moderately or severely defoliated.

The Commission participates in the Helsinki process which has developed Criteria and Indicators for monitoring and assessing sustainable forestry. Guidelines for achieving these sustainability goals have been issued recently for the operational level.

Externally, a widely recognised EU remote sensing programme and its associated database (TREES) permit regular systematic surveys of all tropical forests at a 100 m resolution and subsequent analysis. Results will be accessible in the future for institutional users and partners. In addition, the EU supports numerous development co-operation projects overseas, which focus specifically on monitoring and assessment, or incorporate at least a project component with that objective. Since 1997, the EU has supported 3 large forest monitoring and assessment projects in ACP countries with approximately 3 Mio euro.

III. National Forest Programmes

According to the IPF, National Forest Programmes are understood as “the process used by a country to deal with forest issues, including the planning and implementation of forest and forest-related activities.” The EU does not have a mandate for a common forest policy; hence, there is no formal “EU Forest Programme.”

However, numerous EU- instruments deal with forests, such as regulations within the Common Agricultural Policy, within the Regional and Cohesion Policy, within a framework of forest protection measures and within other environmental instruments, i.e. the Habitats Directive. In a process and with results that can to some extent perhaps be compared to a NFP, the EU has recently adopted the “Forest Strategy for the European Union.” The Commission is currently in the final stages of consultations about a “Communication on Forests and Development” and a “Communication on the Global and Sustainable Competitiveness of the EU forest-based and related Industries”.

Within Europe the EC has participated in the formulation and adoption of the resolutions H1 (Guidelines for the sustainable management of forests in Europe) and H2 (Guidelines for the conservation of biodiversity of European forests). These two resolutions establish the necessary framework for the national initiatives to the enhancement of sustainable forest management in Europe. As a result, many European countries reformulated or are in the process of adjusting their policies, strategies, and legislation on forests. The European Forest Institute has just published results of a survey on formulation and implementation of NFP’s in Europe.

A recent Council Regulation on support for rural development links financial support for forestry measures to provisions in existing national or sub-national forest programmes or equivalents

Within its development co-operation the EU supports numerous projects with the objective of building capacity for NFP’s. Since 1997 approximately 3 Mio euro have been committed to this goal. The new Communication on Forests and Development contains provisions of financial support for the formulation of NFP’s.

IV. Protected Forest Areas

The EU has agreed to the Helsinki and Lisbon resolutions of the Pan-European Process. Resolutions H1.6 and H2.6 commit signatories to protect forest areas of ecological fragility,

climax- and primary forests, and to establish coherent ecological networks of such special forests; resolution L2 includes such areas among the criteria for sustainable forest management. The EU also co-operates in the Pan-European Work-Programme on the Conservation and Enhancement of Biological and Landscape Diversity in Forest Ecosystems. The objectives of this programme also include adequate conservation of all types of forests in Europe.

Two Council Directives, the “Birds” and the “Habitats” Directive protect natural habitats, fauna and flora, and create Natura 2000, a European network of protected sites. It links to the external “Emerald Network,” created by the Council of Europe. Natura 2000 will eventually include a representative sample of all habitats of Community interest, among them many forest sites. At present, EU Member States propose areas for inclusion, many of them forest habitats. Natura 2000 should be established by 2004. It’s importance is recognised specifically in the EU Forest Strategy. Moreover, a special chapter in the Commission’s “Communication on a European Community Biodiversity Strategy” is devoted to forests

The EU also provides financial support for protected forest areas through its programme LIFE-NATURE. A research programmes investigates indicators for monitoring and evaluation of forest biodiversity in Europe (Programme BEAR). COST Action E4 has the objective of promoting research on natural forests and forest reserves.

Protected forest areas are part of the EU approach to “Forests and Development”, as stated in the recent Communication. Numerous forestry projects deal mainly with protected areas, others contain such components. Approximately 20 Mio. euro have been committed to this objective yearly since 1992.

V. The Private Sector

Sixty-six percent of the EU’s forest area consists of mostly small private forests managed by over 11 Mio. private owners. With their essential socio-economic and environmental functions these forests form an essential component of rural landscapes and livelihoods and, hence, of the EU’s rural development policy. Moreover, the EU contributes financial support for their management and conservation within the framework of Member State’s financial aid systems. Contributions cover activities such as afforestation, improvement of established forests, creation and improvement of nurseries, soil and water conservation through afforestation, reforestation after fires and calamities, forest roads and other infrastructure, marketing and processing of forest products and contributions to co-operatives of forest owners.

Over 850000 ha private and community lands were afforested in the period 1993 to 1998. The pace of afforestation is accelerating. Since 1993 annual commitments amounted to roughly 300 Mio euro annually. Overseas projects support the private forestry sector with approximately 0.3 Mio euro annually.

Certification of forest management and labelling of forest products are forest policy tools, which affect mainly the private and industrial sector in forestry. Up to now, the EU has supported this development internally mainly through grants to organisations involved in certification and by commissioning several major studies on the topic. In development co-operation, definition and development of certification systems for timber produced from

tropical forests according to sustainable forest management principles is one of the main themes for support.

VI. Illegal Logging

Within EU-forests, illegal logging is essentially not a problem. However, under this term, trans-national companies are frequently accused in fraudulent harvesting, marking and trading practises. In response to several NGO complaints about the practise, the Commission has recently voiced strong support for an NGO role in this respect. Moreover, the new Communication on Forests and Development specifically foresees support for the use of rules that apply world-wide in order to tackle the problem of trans-national logging companies operating in unregulated frameworks. A pilot project for the Brazilian Rainforest, for which the EC contributes a major part of financing, contains a specific component for logging control at the state level. Many other projects, for instance in the Congo Basin, deal at least to some extent with this vexing, persistent problem.

Annex B

G8 Action Programme on Forests

G8 Action Programme on Forests

May 1998

I. Introduction

1. Recognising the continuing pressure on the world's forests and the positive contribution that sustainable forest management can make to sustainable development, the G8 members at Denver reiterated their commitment to implement the proposals for action contained in the report of the Intergovernmental Panel on Forests and agreed to support a practical action programme. The following elaborates such a Programme which reflects a political commitment and aims to complement the extensive range of actions currently being taken by the international community and various regional and international processes and to strengthen some activities G8 members have identified as issues of particular importance. The Programme focuses on domestic actions in the G8 member countries and areas where they can make unique contributions through their bilateral assistance programmes and through their support for intergovernmental processes. G8 members intend to follow up this action programme individually and/or co-operatively and to review and report on progress as appropriate to G8 summits.

II. Monitoring and Assessment

2. The G8 members participate in international processes within which national level criteria and indicators for sustainable forest management have been developed. These criteria and indicators are tools for monitoring and assessing national trends across land ownerships in forest conditions and forest management. As such, they provide a common framework for describing, monitoring and assessing, over time, progress towards sustainable forest management. The link between national level criteria and indicators and the Food and Agriculture Organisation's ongoing global forest resources assessment programme is also important in providing consistent, reliable and compatible forest data on a global basis.
3. The G8 members will:
 - monitor and assess the state of their own forests using agreed national level criteria and indicators for sustainable forest management and make the results, including areas where additional information is needed, available to interested parties;
 - drawing on national level assessments, provide information and data to the Food and Agriculture Organisation's global forest resource assessments and particularly Forest Resource Assessment 2000;
 - work with partner countries to build national capacity to:
 - participate in regional criteria and indicator processes
 - develop and apply agreed criteria and indicators to monitor and assess the state of their own forests
 - develop national forest inventory and monitoring systems which take account of these criteria and indicators
 - improve scientific underpinning of the economic, social and environmental indicators of sustainable forest management;

- improve access to remote sensing data and geographic information processing technologies, including geographical information systems (GIS) and global positioning systems (GPS), to groups and organisations with an interest;
- exchange information and experience with partner countries on monitoring and responding to large scale disasters affecting forest ecosystems, such as forest fires.

III. National Forest Programmes

4. Countries have sovereignty over their own resources as set out in para 1 (a) of the Forest Principles adopted by the United Nations Conference on Environment and Development and are responsible for achieving sustainable forest management. National forest programmes and other actions to promote sustainable forest management will contribute to national strategies for sustainable development, which the United Nations General Assembly Special Session called on all countries to formulate by 2002. They encompass a wide range of approaches to achieve sustainable forest management which reflect national circumstances including land ownership patterns and the fact that in many countries the responsibility for forest management is allocated among federal/national, state/provincial and local levels of government, as well as indigenous people. These programmes assess the environmental, social and economic values of forest resources, establish national priorities and identify specific steps to manage forests sustainably in a participatory and transparent manner.
5. The G-8 members will:
 - share their experience in developing and implementing their national programmes to promote sustainable forest management and encourage partner countries to develop their own national forest programmes;
 - focus technical and financial assistance on those partner countries which give priority to sustainable forest management in the programming of their overseas development assistance (ODA);
 - support partner countries in the elaboration and implementation of their national forest programmes, including by supporting new approaches, initiatives and partnerships that promote sustainable forest management;
 - work to improve a global understanding and recognition of the role of boreal and temperate forests as important carbon sinks, biodiversity reservoirs and sources of other goods and services, in support of national forest programmes and the sustainable management of these forests;
 - identify and support international initiatives which contribute to sustainable forest management, such as the pioneering work of the International Tropical Timber Organisation in respect of tropical forests to achieve the Year 2000 Objective;
 - further co-ordinate their in-country support to partner countries, within the framework of respective national forest programmes in support of the International Forum on Forests proposals for action, and urge international institutions, particularly the international financial institutions, to do likewise.

IV. Protected Areas

6. Forests contain 70% of the earth's terrestrial biodiversity and as such are among the world's richest and most diverse ecosystems. They also provide a wide range of ecological services and other values. There are, however, forests with important biodiversity or ecological values in danger of being lost or degraded which warrant special recognition through the establishment of protected forest areas intended to

maintain such values. Given that protection is an important element of sustainable forest management, geographic networks of protected areas of representative forest ecosystems at a national, transnational and global level can contribute to protection and recognition of these forests. In this context, a better understanding of protected area management classification systems is needed.

7. The G-8 members will:

- work in domestic, regional and international fora, such as the Convention on Biodiversity and International Forum on Forests, to achieve a broad consensus on categories of protected areas, their management and the biodiversity and other ecological values and benefits they bring to key stakeholders, drawing on the International Union for the Conservation of Nature 'Protected Area Management Categories' and related Food and Agriculture Organisation and other classification systems;
- on this basis, analyse and categorise their existing protected forest areas and identify their key forest types not sufficiently represented in the different categories of protection;
- also, on this basis, encourage the achievement of a global assessment of the effectiveness of protected forest areas in maintaining forest biodiversity and ecological values in co-operation with relevant organisations;
- work with partner countries to maintain and, where necessary, establish protected forest areas and associated networks, including border parks and other transnational and international initiatives, aimed at protecting important forest biodiversity and other ecological values, through for example innovative financial mechanisms, such as Joint Implementation, debt-for-nature swaps and public/private partnerships.

V. Private Sector

8. Sustainable forest management requires a range of partnerships to be successful and is not possible without the positive involvement and commitment of the private sector, which includes forest owners, forest industries, civil society, non-governmental and community-based organisations and indigenous people. In some countries the private sector is playing an increasing part in the management of forests. It is therefore vital that the private sector should make a greater contribution to securing sustainable forest management. It is the responsibility of each government to involve all private sector stakeholders in achieving sustainable forest management and encourage responsible private sector initiatives.

9. The G-8 members will:

- encourage the private sector, particularly forest-related industries, to develop and apply voluntary codes of conduct that support sustainable forest management, both domestically and internationally;
- further examine ways of promoting private investment and partnerships in sustainable forest management and the identification of innovative financing mechanisms to attract private sector finance;
- encourage private voluntary market-based mechanisms that would support improved management practices in the forest sector;
- share experiences with partner countries on ways in which they encourage the private sector to increase efficiencies and reduce waste in forest product processing and recycling;

- assist partner countries to develop a regulatory institutional and economic framework which encourages responsible domestic and foreign private sector investment and practices.

VI. Illegal Logging

10. Illegal logging robs national and subnational governments, forest owners and local communities of significant revenues and benefits, damages forest ecosystems, distorts timber markets and forest resource assessments and acts as a disincentive to sustainable forest management. International trade in illegally harvested timber including transfer pricing, under invoicing and other illegal practices, exacerbates the problem of illegal logging. Better information on the extent of the problem is a prerequisite to developing practical and effective counter measures.

11. The G-8 members will:

- encourage the sharing of information and assessments on the nature and extent of international trade in illegally harvested timber as a basis for developing practical and effective counter measures;
- identify and assist in implementing measures to improve economic information and market transparency regarding the international timber trade, including through International Forum on Forests and International Tropical Timber Organisation;
- identify and assess the effectiveness of their internal measures to control illegal logging and international trade in illegally harvested timber and identify areas needing improvement;
- take measures to implement their obligations under international agreements aimed at combating bribery and corruption in international business transactions as they pertain to trade in timber;
- work with interested partner countries and through international organisations including the International Tropical Timber Organisation to develop their own capacity to assess the nature and extent of illegal logging and trade in illegally harvested timber and their capacity to develop and implement counter measures.

Excerpt from G8 Denver Summit Communique

June 1997

19. Forests continue to be destroyed and degraded at alarming rates in many parts of the world. To reverse this trend, we call upon all countries to make a long-term political commitment to achieve sustainable forest management practices worldwide and to join us in the immediate implementation of proposals put forward by UNCSD Intergovernmental Panel on Forests. We have discussed in Denver and have agreed to support a practical Action Programme that includes implementing national programs and building capacity for sustainable forest management; establishing networks of protected areas; assessing the state of each nation's forests using agreed criteria and indicators; promoting private sector management of forests; and eliminating illegal logging. We ask that our officials meet early next year to assess progress in implementing this Action Program and call for a report at our next meeting.

20. At the Special Session of the United Nations, we will work with the active involvement of the environmental groups to build consensus on an international agreement with appropriately high international standards to achieve these goals. We welcome the progress made in implementing the Brazil Pilot Program initiated in Houston, and see it as an example of practical cooperation.

Excerpt from G8 Foreign Ministers Conclusions

May 1998

3. We have published today and commit ourselves to the implementation of an Action Programme on Forests. This sets out specific measures at the domestic and international levels to promote sustainable forest management, complementing the work of the Intergovernmental Forum on Forests and other international initiatives. We underline the importance of participation and transparency in the development and implementation of practical approaches to sustainable forest management that reflect environmental, ecological, social and economic values. We look forward to working together and with other partners, including those outside government, in implementing the Action Programme and reporting back on progress in the year 2000. Recent large scale forest fires lend urgency to this task.

Excerpt from G8 Birmingham Summit Communique**May 1998**

12. The recent devastating forest fires in south-east Asia and the Amazon, threatening not only our environment but even economic growth and political stability, illustrate the crucial importance of global cooperation, and of better and more effective frameworks and practical efforts designed to sustainably manage and conserve forests. In the year 2000 we will assess our progress on implementation of the G8 Action Programme published last week. We strongly support the ongoing work on forests under the auspices of the United Nations, and we look forward to continuing these efforts.