



## FAQ - Earthsight report July 2021

### FSC's work in Russia

**Q: How much of Russia's forest area is FSC certified?**

A: Out of a total of 800 million hectares of forested area in Russia, 59 million hectares are FSC-certified.

**Q: What are some of the issues that FSC is aware of in Russia? How do these issues affect FSC certification in Russia?**

A: There are still many challenges that put the forests of Russia at risk and that affect FSC certification. One of the key underlying challenges is that the government's approval of activities related to forest management does not necessarily mean that the activity is fully legal. For instance, there have been cases where sanitary logging permits were issued by regional authorities in the Irkutsk region, which later proved to be illegal by federal authorities. Therefore, all certification parties need to make an extra effort to ensure that wood is sourced responsibly. Moreover, the complexity of forest legislation, frequent changes in the legal framework and the lack of harmonized implementation practices create additional risks for businesses in their day-to-day activities, while judiciary processes between the authorities and forest businesses take many years. A good example is the salvage felling regulation which has become much stricter than five years ago. This means that what was legal five years ago may not be legal today, and that some of the violations identified by the prosecutor's office **could** refer to the times when regulations were different.

**Q: Why does FSC work in Russia despite all the problems?**

A: FSC is fully aware of the complex environment in Russia that has many of the problems typically prevalent in emerging economies. Issues such as corruption, law enforcement failures and social transformation difficulties are a significant reason behind many forestry management problems in the country.

While FSC certification cannot replace government oversight and measures against illicit activities, it can address part of the issue by taking action against these activities.

Some of the actions resulting from FSC certification deliver immediate results, while others will trigger further awareness and debate, and may take longer to lead to visible change. Through an inclusive approach that engages all stakeholders, FSC is setting the ground for the long-term protection forests.

**Q: What has FSC done to address these problems?**

A: FSC is taking strong measures to combat illegal sanitary logging where this is in FSC's remit and scope, and raises the issue with other key stakeholders to do their part. Firstly, FSC is revising its standards and working with certification bodies to strengthen the control over the sanitary logging processes. Secondly, FSC is leading discussions with the Federal Forestry Agency to make the information about sanitary wood more transparent. Thirdly, FSC is



leading a study to understand the scale of the problem and the loopholes, and to find ways of addressing them through the revision of its standards and processes. Whilst the above is being implemented, FSC is considering certain targeted interim measures aimed at immediately preventing the entry of non-conforming products into FSC certified supply chains.

## Sanitary logging

### **Q: What is sanitary logging?**

A: Sanitary logging is an important forest management practice to maintain forests in good health. It consists of felling of infected or dead trees, when these are affected by pests, diseases, windfall or fire.

### **Q: What is the difference between sanitary logging and salvage logging?**

A: Sanitary logging is a regular forest management operation that maintains the value of the forest by removing weak or infected trees; while salvage logging is an emergency operation to remove heavily damaged or dead trees after windfall, fire or pest outbreak.

In Russia and in some other countries, there is no clear distinction between salvage and sanitary logging in terminology - they are better known under the same term – ‘sanitary logging’ which we use throughout this document.

### **Q: Is sanitary logging always illegal?**

A: No. Sanitary logging is illegal when companies obtain a permit via illegal means or conduct sanitary logging in violation of legislation. Examples of these infringements include logging broader areas than defined in the permit, logging healthy trees, or having authorities issue a permit without good reason.

### **Q: Has FSC done any studies on salvage logging in Russia?**

A: FSC has been leading a study since December 2020 to understand the scale of the problem and the loopholes, and to find ways of addressing them through the revision of its standards and processes.

### **Q: How much Russian timber comes from sanitary logging?**

A: Based on public data, up to 10 per cent of total harvesting in Russia comes from sanitary felling.

### **Q: How much FSC-certified timber comes from salvage logging in Russia?**

A: We are actively working to understand how much timber is sourced by salvage logging in Russia in FSC-certified forests.

## FSC’s stance on illegal sanitary logging in Russia



**Q: What is FSC's position on sanitary logging?**

A: Sanitary logging is a regular forest management operation that maintains the health of the forest. Therefore, FSC does not oppose sanitary logging, if done legally. FSC's priority is to prevent risks of illegal salvage logging in FSC-certified forests. It is urgently developing measures to combat this practice, for example by working with certification bodies to strengthen the control over the sanitary logging processes, initiating efforts with the Federal Forestry Agency to make the information about sanitary wood more transparent, and leading studies to understand the scope of the problems and addressing them through revising FSC standards and processes.

**Q: Is the FSC-certified timber from salvage logging legal or illegal?**

A: FSC does not accept illegal logging or illegal timber trade in its system. The very first principle of FSC's Principles and Criteria requires that businesses comply with all applicable laws, regulations and nationally ratified international treaties, conventions and agreements. Therefore, FSC certificate holders must operate in accordance with the laws.

**Q: Is FSC aware of the allegations against ExportLes group? What is it doing address them?**

A: The certification body that issued certificates to the ExportLes group was aware of some problems and has already investigated these. At the time of writing, FSC is waiting for the report from the certification body.

**Q: Why do FSC audits not mention the illegal logging?**

According to the Russian legislation, forests are allocated for sanitary logging through the approval of regional authorities. FSC cannot declare any sanitary logging illegal until the court / federal authorities rule it as such. However, certification bodies and ASI have the full right to decide that a particular sanitary logging was unjustified or made without legal permission, and we are in the process to strengthen the FSC requirements for field checks of such felling sites and related transparency. Until recently, the assessment of approvals given by regional authorities was not in the FSC procedures to check, but FSC standards are being revised so that certification bodies will need to check the regional authorities' decisions to ensure that sanitary logging are not happening in healthy stands.

## **Addressing potential breaches and threats**

**Q: How are FSC-certified forests audited in Russia?**

A: The annual audits of FSC-certified forest management units in Russia are performed by third party certification bodies accredited by Assurance Services International; this is standard practice for FSC certificates anywhere in the world. Certification bodies employ national forest



management experts who in turn use the nationally available information, documentation and tools to complete their audits.

**Q: How does FSC address the risk that illegally harvested timber enters relevant supply chains?**

FSC does not accept illegal logging or illegal timber trade in its system. The very first principle of FSC's Principles and Criteria requires that businesses comply with all applicable laws, regulations and nationally ratified international treaties, conventions and agreements. Therefore, FSC certificate holders must operate in accordance with the laws. There are provisions in national standards addressing illegal activities and corruption. However, fraud based on corruption of authorities is extremely difficult to uncover via auditing as relevant documentation comes with official approvals.

**Q: Why were the alleged wrongdoings of Bakurov's companies (ExportLes group) not picked up by FSC auditors or reported?**

None of Bakurov's companies has a forest management certificate at the moment. In 2019, the certification body carried out a control of Bakurov's forest management unit (forest lease owned by Vilis and later by Kalinov Most) and found out four non-conformities to address by 17.06.2021. About three weeks before the deadline, the company informed the certification body that they wished to discontinue their license which is why it was terminated. The summaries of the related audit reports are publicly available.

One of his companies, Kalinov Most, still holds an FSC chain of custody certificate, The certification body is required to only audit FSC certificate holders, and would not have audited the other companies in the ExportLes group.

FSC has raised the case with Assurance Services International (ASI) to look into the matter and perform a check of the performance of the certification body.

**Q: What is FSC doing to address allegations about illegal sanitary wood entering its supply chains?**

FSC is urgently developing measures to combat this practice, for example by working with certification bodies to strengthen the control over the sanitary logging processes, initiating efforts with the Federal Forestry Agency to make the information about sanitary wood more transparent, and leading studies to understand the scope of the problems and addressing them through revising FSC standards and processes.

FSC introduced a [moratorium on wood from sanitary logging](#) in Irkutsk Oblast region of Russia which prevents wood from sanitary logging entering FSC-certified supply chains. The



moratorium will be lifted once permanent measures addressing risks related to sanitary logging are incorporated in the national FSC standards.

**Q: What has FSC done to improve forest management in Russia?**

A: With the new improved FSC forest management standards that came into force in March 2021, all FSC-certified forests are subject to stricter controls. Forest managers must set aside up to 80 per cent of the intact forest landscape to preserve their biodiversity. From next year onwards, no harvesting will be allowed in the newly certified intact forest landscapes, with only a few exceptions. In addition, when it comes to preserving forests of high conservation value, such as intact forest landscapes, all stakeholders with an interest in that forest, including Indigenous Peoples, must be engaged.

Additionally, new technologies are being applied to improve the overall assurance and integrity of the FSC system to give the market greater confidence in FSC products/ material. To give some examples, randomized checks are performed through Wood ID to detect the timber species and origin and Transaction Verification is carried out to investigate false FSC claims between businesses in high-risk supply chains.