

## **Illegal Logging in the Russian Far East**

### ***Threatening Russia's Dwindling Amur Tiger Population***

The forests of the Russian Far East—known as the “Ussuri Taiga”—are being pushed to the brink of destruction due to pervasive, large-scale illegal logging, largely to supply Chinese furniture and flooring manufacturers, many of whom in turn export to the U.S. and Europe. This widespread timber theft is driving the endangered Amur tiger—which calls these forests home—closer to extinction.

To demonstrate the scale of this rampant criminal activity, WWF Russia has synthesized over 10 years of on-the-ground field observations into an eye-opening report, *Illegal Logging in the Russian Far East: Global Demand and Taiga Destruction*. The report highlights a sobering reality: Russia's forest sector has become deeply criminalized, with poor law enforcement, allowing illegal loggers to plunder valuable timber stocks of oak, ash, elm, and linden with impunity.

For instance, WWF analysis of Russian customs data revealed that in 2010, the permitted volume of Mongolian oak authorized for logging in the region exceeded 200 percent—meaning that at least half of the oak being exported across the border to China was stolen. Further analysis of export data showed that 2010 was a mild year—in 2007 and 2008 the oak harvest was four times as large. And the unavoidable truth is that U.S., Europe and other global consumers unknowingly finance this timber theft.

As one of the largest importers of flooring and furniture from China, the U.S. and Europe can play an important role in helping address this crisis. In 2008, the U.S. Congress amended the Lacey Act, incentivizing U.S. companies to conduct rigorous due diligence and exclude criminal suppliers by imposing legal liability for the importation of illegally sourced wood products. In March 2013, the European Union implemented its timber regulation, which prohibits companies from placing illegally sourced forest products into the EU market.

Both legislations, as well as the growing momentum in other countries to bar the illegal trade of wood products makes it imperative for companies to address the issue of illegal logging in the Russian Far East. Governments, companies and consumers can all play a role in helping combat illegal logging and saving this crucial tiger habitat.

## **Impacts of Illegality**

### **Ecological**

The vast tracts of tiger forests in the Russian Far East are composed of valuable species like Korean pine and Mongolian oak, which provide an important habitat for Amur tigers, Amur leopards and their prey. Critically endangered, around 450 Amur tigers and roughly 50 Amur leopards remain in the wild. Illegal logging severs vital taiga food-chains as pine nuts and acorns are the main food source for prey like wild boars and red deer. Overharvesting of these tree species became so extreme that Prime Minister Putin completely banned logging of Korean pine in 2010. But the plunder of oak resources continues unabated and total collapse of this wildlife food resource is imminent. Furthermore, as timber supplies dwindle,

illegal loggers are moving more and more into ecologically sensitive forests like riparian buffers and wildlife reserves.

### **Social**

These rich temperate forests also support the traditional income generation activities of tens of thousands of taiga villagers and indigenous communities, such as pine nut collecting, hunting, sable trapping, and forest beekeeping. The vast majority of forest villagers receive no economic benefit from illegal logging. Instead, their traditional livelihoods are under threat. For instance, a sharp conflict has erupted between logging brigades and beekeepers in the Dalnerechensk region over the illegal logging of linden, a key honey species.

### **Rule of law**

Demand for inexpensive flooring and furniture from foreign purchasers drives illegal logging in the Ussuri Taiga, where, despite the efforts of some dedicated forestry law enforcement officials, the system has become deeply criminalized. Illegal logging is carried out by a variety of actors: wildcat “brigades” that steal timber with impunity; forest leaseholders who overlog on permitted logging sites; and logging companies that use an “intermediate logging” loophole to log export-quality timber in violation of forestry regulations and often above permitted volumes.

### **Economic**

On a global scale, illegal logging has huge economic impacts, flooding markets with cheap, illegal products that undermine law-abiding companies and depress prices an average of 7 to 16 percent. In 15 years, illegal logging has nearly tapped out the timber supply in the Russian Far East that should have supported the legal forest industry for generations. Legal actors cannot compete in a market awash with illegal timber. Hope for economic development in depressed Taiga regions is disappearing as the resource is stolen for export.

## **SOLVING THE CRISIS**

The breakdown of the forest management system in the Russian Far East and the development of a criminalized regime exporting up to 400 percent of the legal volume pose significant risks not only to wildlife but to companies and consumers who are unwittingly contributing to destruction of these tiger forests. Key to solving this illegal logging crisis are improved law enforcement within Russia, better international coordination between governments, and responsible wood sourcing by companies and consumers.

### **Strengthened Law Enforcement within Russia**

The Russian federal government and provincial administrations must re-establish control over the Ussuri Taiga through:

- Regular patrolling of criminalized forest regions
- Open access to all logging authorization documents
- Comprehensive re-assessment of valuable hardwood stocks

- Holding forest leaseholders responsible for timely reporting of illegal logging in their territories
- Closing the “intermediate logging” loophole

## **Improved International Coordination between Governments**

Cooperation by China and Russia is critical to solving this crisis. Their various documentation systems should be harmonized, creating a clear “chain of custody” that tracks wood flows from the time they leave the ground in Russia to the point the wood is purchased as furniture or flooring from China’s factories.

### **Regional Cooperation**

The Asia-Pacific Economic Cooperation (APEC) “Experts Group on Illegal Logging and Associated Trade” (EGILAT) should continue to develop a regional strategy for combating illegal logging. We urge governments to maintain active participation in APEC and encourage:

- Timely collaboration with APEC’s Anti-Corruption and Transparency Working Group and Sub-Committee on Customs Procedures to increase law enforcement cooperation and information sharing related to combating illegal logging and associated trade between Russia and China, and other APEC members
- Engagement of civil society organizations in developing national and regional efforts to combat illegal logging and associated trade
- Information exchange with international and regional organizations to participate in EGILAT strategic planning to combat illegal logging, and to share experiences and identify opportunities for further collaboration

## **Reducing Demand for Illegal Timber**

### **Recommendations for Companies**

Illegal logging in the Russian Far East poses a significant risk of liability under U.S., European and Australian law for trading and purchasing illegally sourced wood products. Companies importing furniture and flooring from China or Russia can mitigate these risks by adopting some of the following approaches to demonstrate due diligence:

- Know your source. Importers of Chinese or Russian flooring and furniture made with Russian oak, ash, elm or linden must ensure accurate identification of species and country of wood origin. These species can be incorrectly labeled as originating from forests in China or other countries.
- For products made with Russian oak, ash, elm or linden, exclusively purchase wood products certified by the Forest Stewardship Council (FSC). This provides protections for legality and responsible forest management for the limited supply of FSC-certified Russian Far Eastern hardwoods.

- If FSC is not available but sourcing must continue, establish rigorous legality and traceability confirmation systems that go beyond “collecting the right documents” and that incorporate third-party auditors and Russian civil society stakeholders.
- In the case that neither of the above approaches is possible, avoid any furniture, flooring or other wood products made from hardwoods that could be of Russian Far East origin (oak, ash, elm, and linden) due to the high risks of illegality.

### **Recommendations for Consumers**

Knowing where your wood comes from is more important than ever, if we are to conserve this crucial habitat for the Amur tiger and its prey. How can you be sure that you’re not contributing to destruction of Amur tiger forests?

The answer is simple. By purchasing forest products certified by the Forest Stewardship Council (FSC), you can have the assurance that it came from a responsibly managed forest, which offers economic opportunity while protecting important tiger habitats and their prey.

### **What WWF Is Doing**

WWF has been working for more than a decade in the Russian Far East to engage with companies committed to responsible forestry. We are tackling this issue from several angles: lobbying governments to prevent actions that will destroy irreplaceable tiger habitats in the Russian Far East, promoting Forest Stewardship Council (FSC) certification among forest concession holders in the region, and working closely with global business and industry through initiatives like WWF’s GFTN to ensure that commodities sourced from the region—like wood and pine nuts—do not jeopardize wild tigers’ survival.

As time is running out for valuable and threatened species like the Amur tiger, their fate depends on collective action across all levels—from public policy to corporate procurement to consumer purchases. With a united commitment—reaching across borders and continents—Amur tigers just may stand a fighting chance.

The Global Forest & Trade Network is working with committed companies throughout the global forest products supply chain to harness the power of their purchasing decisions to drive improvements in forest management in valuable and threatened forests like the Ussuri Taiga. Companies can utilize GFTN’s “Keep It Legal” Russia country guide to better understand requirements around Russian forest laws and documentation to confirm legality of wood supplies from Russia. Learn more at [gftn.panda.org](http://gftn.panda.org).