



TIM/SEM.1/2003/R.34
10 February 2003
Original: ENGLISH

Seminar on
STRATEGIES FOR THE SOUND USE OF WOOD

Poiana Brasov, Romania
24-27 March 2003

**Project “Capacity Building to Improve Trade Finance and Investment Prospects
for the Russian Timber Sector”**

Poster Session

Paper by Mr. Mr. Hans Jansen, UNECE Trade Development and Timber Division

INTRODUCTION.

The UNECE Trade Development and Timber Division is currently implementing the project “Capacity Building to Improve Trade Finance and Investment Prospects for the Russian Timber Sector”. The project aims at strengthening the trade performance of the Russian forest sector by contributing specific trade facilitation expertise from the division.

The focus of the project is on:

- ❑ Sustainable development;
- ❑ Direct cooperation at the enterprise level
- ❑ Regional cooperation at the level of the North-Western regions of the Russian Federation;
- ❑ Trade, timber and environment issues;
- ❑ Cross-sectoral work.

The project activity “Improved Trade Logistics for the Sustainable Use of Biomass” in particular is a good example of the practical results that have been achieved.

The project was initiated at the request of the Russian Federation.

The project partners are from the public and private sectors, in the Russian Federation and in Europe. They include a wide range of private enterprises, local and regional governments, and major forest sector institutions.

2. MAIN ACTIVITIES OF THE PROJECT.

The project aims at improving the trade performance of the Russian timber sector through the following activities:

- Sustainable management and certification at the enterprise level
- Improved trade procedures in the timber industry
- Timber port logistics
- Capacity building for improved foreign investment
- Sustainable use of biomass

These activities are based on the core competencies of the Trade Development and Timber Division and the priority needs of the Russian forest sector.

Experts from the Timber Branch, the Policy and Governmental Cooperation Branch, and the Global Trade Solutions Branch work closely together in the project for the benefit of the Russian timber enterprises.

Our main concern is to promote best practice in the sustainable management of the forests of the Russian Federation.

3. GEOGRAPHICAL IMPLEMENTATION

The project is implemented in two regions (“oblasts” in Russian) of the northwestern part of the Russian Federation: the Leningrad oblast and Arkhangelsk oblast. These regions were chosen because of the importance of the forest industries in the regional economy. The results of the project are shared with other regions in the Russian Federation, but it is thought to be more efficient to limit the actual project activities to a well-defined geographical area.

Our partners in the Leningrad oblast are the Government of the Leningrad oblast, the Committee of the Forest Industry Complex, the Saint Petersburg branch of the Russian Union of Timber Exporters and Manufacturers, the Northwestern Customs Administration, timber port terminals and a large number of timber enterprises.

We also work very closely with the forest research institutions of the region and with relevant non-governmental environmental organizations.

In the Arkhangelsk oblast we work in close cooperation with the Arkhangelsk Region Administration, the Forestry Complex Administration, timber port terminals and timber enterprises.

4. ACTIVITIES AND ACHIEVEMENTS.

The main working method of the project is through workshops. Many are held in the Russian Federation, but on average once a year a Forum is organised at the United Nations Office in Geneva or elsewhere in Europe. The workshops bring together the private sector, financial institutions, regional and federal government institutions that support the timber industry.

The implementation of the workshops is done in cooperation with local project counterparts, who bring in local expertise and who are responsible for the organization of the workshops tailored to the local needs. This ensures that the workshops are directly relevant at the enterprise level.

Some of the most recent project activities have focused on:

Sustainable development and forest certification

The objective is to assist timber enterprises in the Arkhangelsk and Leningrad regions to incorporate principles of sustainable management in their business strategy. The emphasis is on direct exchange of information at the management level between Russian enterprises and their foreign counterparts.

Sustainable development of biomass

Biomass is, largely defined, organic matter available on a renewable basis, including forest residues, wood and wood waste.

Under the Kyoto Protocol (1997) to the United Nations Framework Convention on Climate Change (UNFCCC) greenhouse gas emissions (in particular CO₂) have to be drastically reduced over the next decade. One way to reduce CO₂ emissions is by substituting biomass for fossil fuel. The project examines the sustainable use of biomass fuel, both at local energy plants and as a new export product.

Improved timber port logistics

Careful consideration is given to all aspects of improved trade logistics, using the extensive experience of the Trade Division in this field. The focus of this activity is on the timber ports of the Arkhangelsk and Leningrad regions. Close cooperation between timber enterprises and shipping companies has resulted in, for example, the upgrading of riverport terminals, and the adaptation of a timber port for handling containerised paperloads. A customs training program on risk analysis is also being implemented as a result of the logistics workshops of the project.

The project invites government institutions and private sector enterprises that want to share their expertise with the Russian timber sector, to participate in the working groups.

CONTACT ON THE PROJECT MANAGER:

Mr. Hans Jansen
UNECE Trade Development and Timber Division
Palais des Nations
Room 423
CH – 1211 Geneva 10
Switzerland
Tel: +41 22 917 37 28
Fax: +41 22 917 00 41
E-mail: hans.jansen@unece.org