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## Background on proposed timber auctions in Russian Far East

### Summary

Just one month before Russian Prime Minister Putin will host the International Tiger Summit in St. Petersburg, the forestry administration of Primorsky Province plans to auction off logging rights in the most critical habitat areas for the endangered Amur tiger. The winner of the October 26 auction (almost certainly the Provincial Forest Enterprise, a state-owned company) would have the right to conduct “intermediate harvesting,” a widely abused practice used to cut valuable pine, oak and ash timber in protected forests. This practice greatly increases poaching access to remote tiger territories (through forest road building), destroys key breeding, feeding and overwintering habitat for tigers and their prey, and significantly reduces the supply of pine nuts and acorns on which tiger prey species survive.

Three tiger habitat areas in the proposed lease of are of particular concern. The first is riparian forests along the Bikin River (the “Russian Amazon”) leased by the Udege indigenous peoples for harvesting pine nuts and medicinal plants. According to Russian Forest Code, as leaseholders it is the Udege who are responsible for conducting sanitary and intermediate logging in these forests; the upcoming auction is in violation of this law and the state contract with the indigenous community enterprise. The second area of concern is the Pozharsky Pine Nut Harvesting Zone, which contains some of the last high-volume oak forests in the province.

As the head of the Provincial Forest Management Department said in a secretly filmed interview as part of the recent documentary film “Dark Forest” on the Rossiya channel: “The only wood that’s left is in the pine nut harvesting zone, which you can’t take on auction cause the greens would raise hell. Especially in the ‘Year of the Tiger’. So only we, the State Enterprise, cut there, we use intermediate logging.... I would have snatched it up myself long ago.” The proposed auction appears to be an attempt to “snatch” this critical old-growth forest massif.

Lastly, the lease includes the proposed Middle Ussuri wildlife reserve, which is opposed by the Forest Management Department. The reserve protects the last tiger migration corridor from the Russian “source” population to the critically endangered and isolated tiger population in the Wandanshan Mountains of northeastern China.



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This auction comes after the recent news that Korean pine has been added to the CITES list of globally threatened species, and in the midst of a campaign to add it to the Red Book of Primorsky Province and the list of wood species forbidden for sale. The auction was authorized by forestry administration head Pyotr Diuk, who in a secret interview in March explained how on his watch oak timber is cut at four times the permitted amount, how sanitary logging by the State Enterprise directly violates Russian law, and how he rigs timber auctions to favor himself and his partners.

WWF Russia considers that this auction a critical threat to the Amur tiger in the Russian Far East and northeast China, a violation of the Forest Code and contracts signed by the provincial government, and a direct barrier to the implementation of Prime Minister Putin's strategy to protect the Amur tiger. The organization has called for the exclusion of the above-mentioned territories from the October 26 auction.

## Supporting information

What is the threat?

The Provincial Forestry Department of Primorsky Province has scheduled an auction for October 26, 2010 for the rights to carry out "intermediate harvesting" in protective forests (wildlife reserves, pine nut harvesting zones, riparian areas) in Pozharsky and Kavalеровsky



**for a living planet**® Counties. The majority of these areas are either within or border the Bikin River Basin, known by ecologists as the “Russian Amazon”. The basin contains the largest massif of old-growth coniferous-broadleaf forests in the world, is the homeland of the Udege indigenous people and constitutes one of the largest and most important habitat zones for the endangered Amur tiger. The western-most territory included in the auction includes a strip of forest that is the only migration corridor between tiger habitat in the Russian Far East and remaining habitats in the Wandanshan Mountains of China.

Intermediate harvesting threatens Amur tigers through three main influences:

- Logging roads greatly increase poaching access to remote tiger habitats. Research in the Sikhote-Alin Nature Reserve in Primorsky Province has shown that tigers living in the vicinity of lightly-traveled secondary roads have higher levels of mortality, more often have to abandon kills and have lower reproductive success than tigers in roadless territories.<sup>1</sup> Nature Reserves with low road density support twice as many tiger cubs and nearly five times as many wild boars and Sika deer (key tiger prey species) as comparable roaded territories.<sup>2</sup>
- Poorly-planned logging can destroy «key habitats» critical for breeding, feeding and overwintering of tigers and their prey. Examples of such habitats damaged during intermediate harvesting include natural salt licks, riparian forests and rocky outcrops where tigers den.
- So-called «intermediate harvesting» often targets high-quality, rigorous Korean pine and Mongolian oak trees, thus significantly reducing the pine nut and acorn crop in the logged forests. These food sources are critical for the ungulate species on which the Amur tiger depends for survival.

What is intermediate harvesting?

“Intermediate harvesting” is meant to improve forest health by removing low-quality and diseased trees. In theory, the focus of this practice is not profitable timber harvest, but the “tending” of forests to increase their condition and future value. However, in the Russian Far East it is widely abused as a means to cut valuable timber in protective forests where “final



**for a living planet**® harvesting” is prohibited. The most valuable trees are harvested by loggers, while low-grade trees are left standing and no provision is made for regeneration.

The Provincial Forest Enterprise (a state company) has a virtual monopoly on intermediate harvesting contracts, and practices widespread degradative logging in protective forests that have not been leased to private timber companies. This valuable pine, oak and ash timber is then sold through intermediaries to Chinese companies that produce low-cost furniture for American and European markets (Denis Smirnov, WWF Russia).

The Amur division of WWF Russia has recorded numerous violations of Russian forest law by the Forest Enterprise during intermediate harvesting. These include overcutting by as much as five times the allowable cut, logging on a much larger area than permitted in the harvest ticket, logging in riparian buffer zones, unpermitted stream crossings by forest tractors and the systematic selection of high-value and vigorous trees in violation of the Law on Sanitation Harvesting.

In the Forest Plan for Primorsky Province 2009-2018 (authorized by the provincial governor), it is stated that “In the past decade the practice of sanitation harvesting

in the field has discredited the idea of this forest management practice... The continuation of sanitation harvesting threatens the existence of water-protective forests, pine nut harvesting zones, Korean pine – broadleaf forests and other valuable and specially protected forests of Primorsky Province.” The Plan called for the reduction of sanitation and intermediate harvesting to 40% of the 2007 level. The upcoming auction offers a stark contrast to this policy.

#### Corruption

The forest industry in Primorsky Province is known for high levels of illegality and corruption. The collapse of the forest law enforcement structure and virtually bottomless and unquestioning demand from Chinese furniture mills has enabled this<sup>3</sup>. Estimates of illegal logging in the southern Korean pine – broadleaf forests of Primorsky Province (the core habitat of the Amur tiger) are as high as 75%, for high-value species like Mongolian oak (*Quercus mongolica*), Korean pine (*Pinus koraiensis*) and Manchurian ash (*Fraxinus*



**for a living planet**® *mandschurica*). Illegal actions include rigged timber auctions, harvesting in protected and unpermitted areas, overharvesting in permitted areas, harvest of protected species, forging of harvest permits, violations of water- and soil-protection provisions and underreporting of wood value at the time of export. To give an example of just one species, the export volume of Mongolian oak in 2008 was four times the volume permitted for harvest (Denis Smirnov, WWF Russia).

This corruption extends to the leadership of the Provincial Forestry Agency. In March 2010, a reporter from the Russian investigative reporting program «Special Correspondent» secretly filmed an interview with Pyotr Nikolaevich Diuk, head of the agency. Mr. Diuk thought that he was meeting with a timber company representative from Moscow, and explained in great detail the criminality that pervades the industry, and in which he participates.

Here are some excerpts from the interview transcription.:

- *On intermediate harvesting*: «Intermediate harvesting, that's when they cut the sick trees, and leave the healthy and high-quality ones. But the healthy ones today go for processing, and the sick ones get left. So what goes on today isn't normal. But that's how we make a living these days. When this will end – I don't know... If you're going to cut oak legally, you'll cut one rotten tree. In order to cut good oak, you've got to pay everybody off, so they're loyal to you.»
- *On oak harvest in Primorsky Province*: «200 thousand [cubic meters] was authorized, but they cut 800 or a million. Every year... Today the Primorsky forest has another ten years. No more. After ten years, there'll already be nothing... There'll be ash for ten more years... Oak, too, for ten more years.»
- *On underreporting of harvest volumes*: «The thing is, everyone overstates. Let's assume that in the documents it says there's this volume of oak there. Then somebody cuts that oak, but nobody checks, nobody saw it. They were authorized to cut ten, they cut fifty, that's it. In the documents there's oak there, but in reality there's stumps.»



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- *On rigging timber auctions:* "You can't take part in the auction for one simply reason: all auctions that get announced today have already been decided. I can disqualify all the bidders, because, thank God, the law permits me to do so without any problems. And I take it for myself. Right?"
- *On logging in protective forests:* "The only wood that's left is in the pine nut harvesting zone, which you can't take on auction cause the greens would raise hell. Especially in the "Year of the Tiger". So only we, the State Enterprise, cut there, we use sanitation logging. We cut something around 30-50 thousand cubic meters. But there's 40 thousand hectares left there. But after this year, next year, there won't be anything left there."

After this interview was aired on national television, Mr. Diuk disappeared from the public eye for a time. A promised «full investigation» was conducted half-heartedly and produced no genuine results, and he returned to office in the summer. In his absence his deputy wrote an editorial in the well-known newspaper «Izvestiya» stating that Diuk was the target of an unscrupulous smear campaign by illegal loggers due to his successful struggle against corruption in Primorsky Province!

#### Threatened key habitats

WWF Russia has called for the exclusion of three particular forest parcels from the upcoming auction, which are particularly critical for Amur tiger survival:

- Riparian forests along the Bikin River, leased by the Indigenous Peoples Community Enterprise "Tiger" for the collection of edible and medicinal plants. This tract constitutes the heart of the Bikin Basin ("Russian Amazon") and supports both the traditional practices of the Udege indigenous peoples and a healthy population of Amur tigers. The Udege and their allies have held off several earlier attempts to open this old-growth forest massif for logging. Their lease was seen as a solution to this problem, since according to its terms they hold the right to conduct all intermediate harvesting on the territory. The Primorsky Province Forestry Administration has ignored this basic fact and offered the parcel for auction in direct violation of the Law on the Utilization of Forests in Primorsky Province" 23.10.2007 № 141-K3. It is pushing forward with a harvest plan that would fragment this irreplaceable forest landscape.



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- The Pozharsky Pine Nut Harvesting Zone. This area is excluded from industrial timber management in order to conserve its commercial pine nut supply. It also constitutes a *de facto* old-growth forest reserve, and a critical habitat massif for the Amur tiger. But as Pyotr Diuk pointed out in his secret interview, it contains some of Primorsky Province's last significant oak forests. This auction constitutes the realization of a plan he elaborated in the interview – to cut over the remaining oak forests of the Zone in the next two years.
- Lastly is the proposed «Middle Ussuri» wildlife reserve. The administration of the counties in which this reserve is proposed have already approved it. The

Forest Management Department has delayed its formal establishment, possibly until it has extracted the most valuable timber through «intermediate harvesting». The reserve includes the last tiger migration corridor connecting the «source» population in the Russian Far East with the critically endangered tiger population in the Wandanshan Mountains of northeast China. The habitat present in China is not sufficient to support a stable tiger population, and without connectivity to Russia's habitat base the future of the Amur tiger in China is grim.<sup>4</sup>

#### WWF's demands

- The exclusion of the forests leased by the Indigenous Peoples Community Enterprise "Tiger", the Pozharsky Pine Nut Harvesting Zone and the proposed "Middle Ussuri" wildlife reserve from the October 25 auction.
- Compliance with the Forest Plan of Primorsky Province 2009-2018, which states that intermediate logging levels shall be reduced to 40% of the 2007 level.

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<sup>3</sup> Illegal Logging Info page for publications on Russia.

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<sup>4</sup> Sun B., D. G. Miquelle, Y. Xiaochen, E. Zhang, S. Hiyai, G. Goshen, D. G. Pikunov, Y. M. Dunishenko, and I. G. Nikolaev, and L. Daming. 1999. 1999 Survey of Amur tigers and Far Eastern leopards in eastern Heilongjiang Province, China, and recommendations for their conservation. A final report to The Wildlife Conservation Society. 56 pages. <http://www.wcsrussia.org/Publications/tabid/1453/language/en-US/Default.aspx>