

# **FOREST CODE OF THE RUSSIAN FEDERATION: STATE AND ECONOMIC FOREST MANAGEMENT**

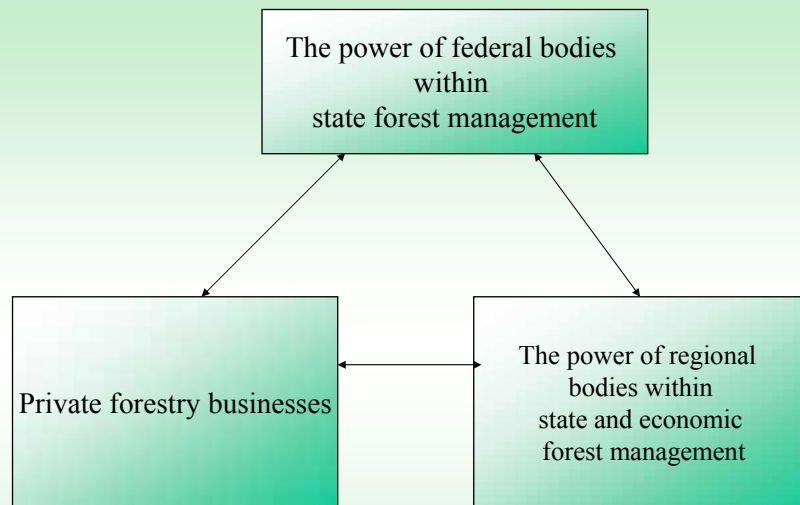
Address on seminar  
held 14-18 May, 2007  
in Zamardi, Hungary

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PhD (Economic Sciences)

Slide 1

1. To transform biological forest resources into economic potential for Russia
2. To establish a balance of power, that will be market-oriented, between the state powers of the Federation and the powers of its regions
3. To separate the work of state and economic management within the forest sector
4. To create a competitive environment for industrial production in timber and forestry
5. To create an effective investment climate within the forest sector

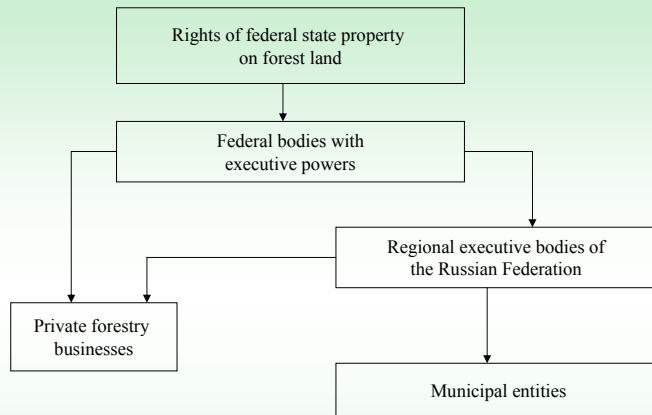
*Aims of the Russian Federation's  
new forest legislation*



*«Triangle» of key problems, to be resolved by policies and legislation on forests*

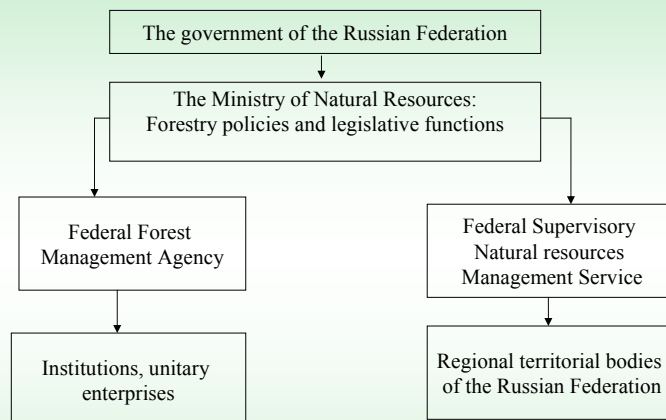
*The Principle of Federalism as established by the Constitution of the Russian Federation:*  
issues in respect of the possession, use and management of land, mineral resources, water and other natural resources shall be under the joint jurisdiction of the Russian Federation and the regions of the Russian Federation (Article 72)

Slide 4



*Organisational chart showing delegation of rights in respect of federal state property*

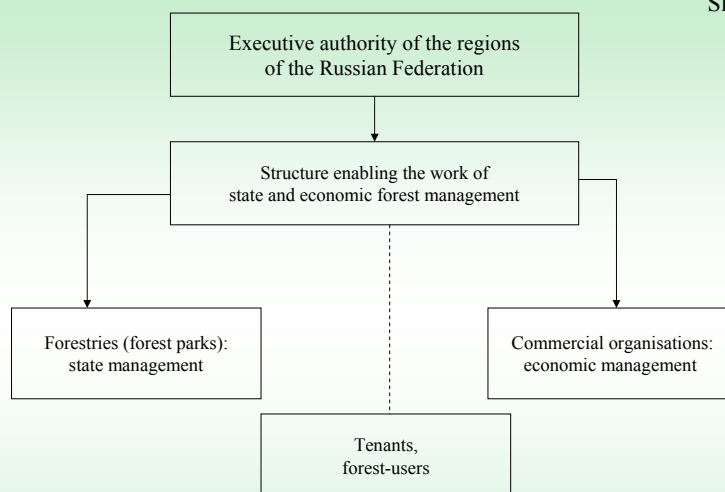
Slide 5



*The place of federal bodies in the forest management system*

1. Forest monitoring
2. Forest regulation, inventory
3. Forest protection
4. Seed-growing
5. Scientific research
6. Specialised secondary-level education in forestry
7. Supplementary education in forestry
8. Federal budget subsidies
9. International cooperation

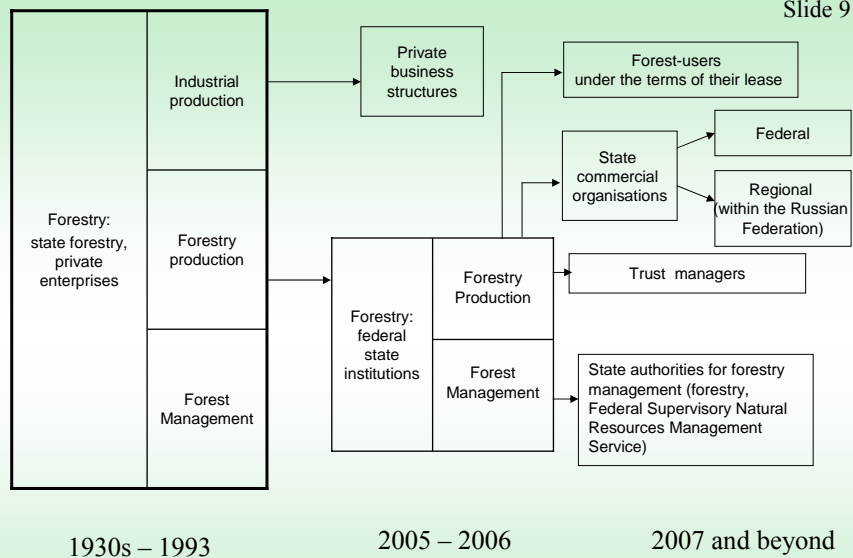
*Responsibilities of the federal authority for forest management*



*The place of regional bodies of the Russian Federation in the system of forest management*

1. A forest plan for the regions of the Russian Federation
2. Forestry Regulations
3. Forest development project
4. State or municipal expertise for the forest development project
5. State forest inventory
6. Register of state forest land

*Tools for state forest management*



*Stages in the progress of forestry reform*

1. Lease contracts on forestry land that is in state or municipal ownership

Term: 10-49 years

Conditions for lease:

- a) auction;
- b) priority investment projects in the field of forest mastering without an auction.

2. Forest Plantations Sale and Purchase Agreement

Term: up to 1 year

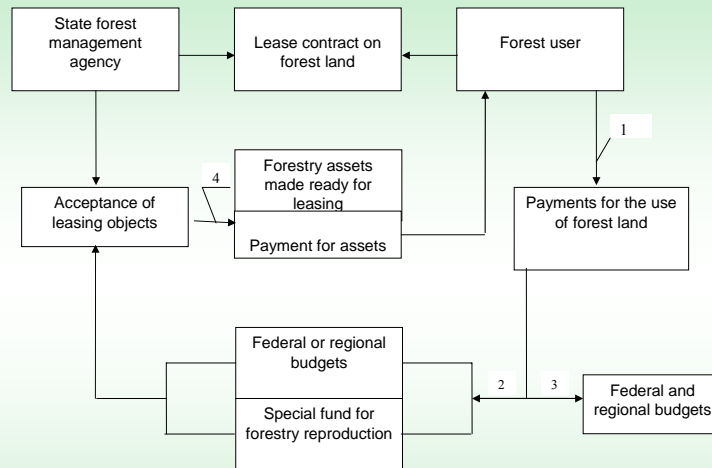
Conditions for sale:

- a) auction,
- b) exclusions in Articles 19 and 30.

### *Regulating forest utilization*

1. Forest area is deemed land area.
2. Forest utilization is managed by granting or withholding the forest areas, including or excluding the removal of forest resources.
3. Notification in the form of a forest declaration replaces permits to access forest resources.
4. A cadastral plan of the forest area must be prepared before the auctions commence.
5. Ownership rights and other property rights in respect of forest areas are subject to state registration.
6. Sublease, transfer of lease, security, the entry of leasing rights in the form of asset rights are governed by the provisions of the relevant civil legislation.

### *New rules in the regulation of forest utilization*



*Economic organisation of forestry activities  
under long-term lease conditions*

1. Staffing the newly-formed Russian Federation regional state institutions for forest management.
2. Managerial training for managers of state commercial forestry organisations and private business enterprises that lease forest areas.
3. Strengthening the supervision and inspection of forest management.
4. The development and application of ecological standards of forest management.
5. Involving community organisations and nature preservation bodies in the forest management process.

*Measures to support the enactment of forest  
legislation*