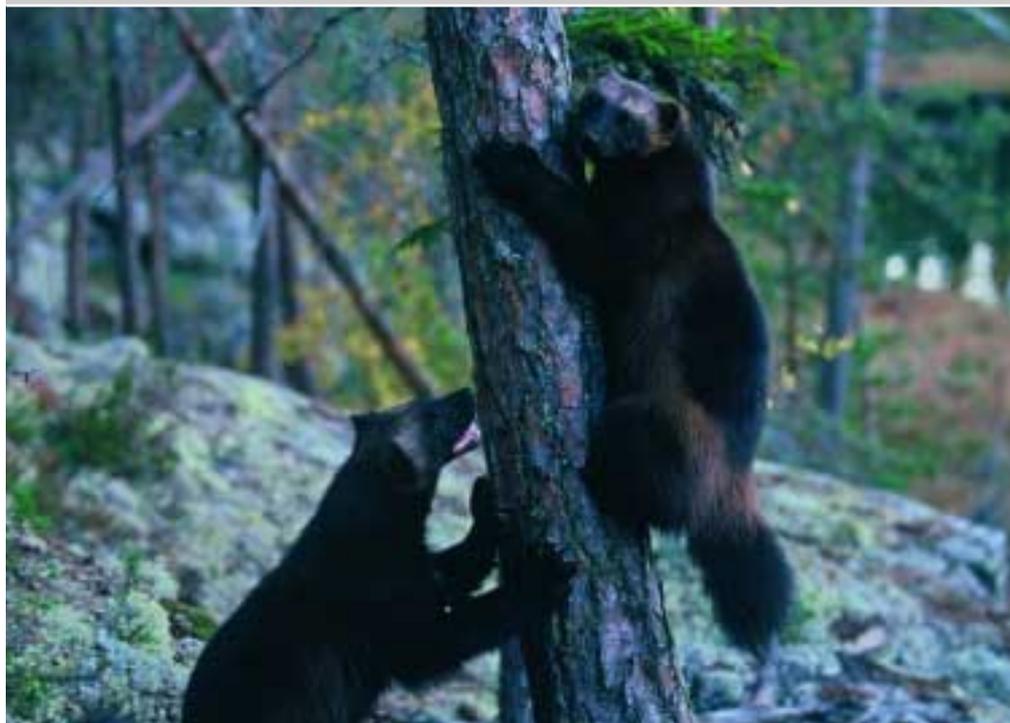


Finnish forestry: Destroying forests, destroying livelihoods



Greenpeace demonstration in Finnish state-owned old-growth forest in northeastern Finland, January 2002. © Greenpeace/Liimatainen



Wolverine, photographed in old growth forest in Kuhmo, Eastern Finland. Hunting and large scale habitat loss have already eliminated Wolverines from much of Southern Scandinavia. © Antti Leinonen

“With the pace of old-growth logging in Finland today it seems clear that many endangered species as well as species typical of old-growth forests will continue to decline. ... It is likely that there are tens of thousands, if not hundreds of thousands, of occurrences of threatened species in these areas.”

Mariko Lindgren,
The Finnish Biodiversity
Research Programme FIBRE,
Academy of Finland/ University
of Helsinki, January 21 2002

Throughout the world, ancient forests¹ are in crisis. Some 80% of the original ancient forest cover is already degraded or destroyed. What remains is under threat – mostly from the logging industry, with illegal and destructive logging posing the single greatest threat to forest survival.² The ongoing destruction of our natural heritage is fuelled by an essentially uncontrolled international trade in forest products; a trade which is marred globally by widespread illegality, corruption and social conflict.

As part of its campaign to save the world's remaining ancient forests Greenpeace is carrying out investigations into forest products from and companies involved in illegal and destructive activities, and is calling on consumers, trading partners and governments to stop their role in driving this unscrupulous industry.

While the threat to the world's ancient tropical forests is well known, this problem is by no means limited to tropical regions. Indeed, the threat to the temperate and boreal forests of North America and Russia and to the last remnants of ancient forest in Europe is just as pressing as it is elsewhere. Even in a wealthy, forest-rich nation like Finland, industrial logging is jeopardising the survival of the country's last ancient – or old-growth – forests. These forests are crucial for maintaining biodiversity and the traditional livelihoods of the indigenous Sami people and other traditional communities. Yet, despite calls from scientists and conservationists for increased levels of protection for these old-growth forests³, the Finnish government continues to log these rare and vulnerable habitats, driven by demand from the country's massive international paper industry. The key companies involved in this, who are buying old-growth forest for paper, are the three Finnish export giants, Stora Enso, UPM-Kymmene and M-Real.

¹ Ancient forests are defined here as the world's remaining forests which are shaped largely by natural events and are little impacted by human activities. Finland's remaining fragments of ancient forest are generally referred to as 'old-growth' forests.

² WRI (1997)

³ Old-growth forests are included within Finland's range of High Conservation Value Forests (HCVFs). High Conservation Value Forests are defined by the Forest Stewardship Council as possessing one or more of a number of critical attributes such as: containing globally, regionally or nationally significant concentrations of biodiversity values; containing rare, threatened or endangered ecosystems; meeting basic needs of global communities. The Forest Stewardship Council (FSC) is currently the only international certification and labeling system that uses globally endorsed ecological performance standards, ensures a traceable chain-of-custody from production to final consumption and brings together a broad range of environmental, social and economic stakeholder interests.

⁴ Greenpeace and Finnish Nature League (2001)

⁵ Greenpeace estimates based on interviews with the State Forest Service from several regions, with anonymous company specialists and other experts. See also the section, Russian Roulette, later in this paper and Greenpeace Report to illegal logging in Russia (Greenpeace 2000)

Both the Finnish paper industry and the country's government claim environmental credentials, maintaining that these forests are well managed. But the industry-owned certification scheme they use has no credibility within the international environmental community.⁴

In addition to their dubious purchasing policies in Finland itself, these three paper companies also continue to source substantial volumes of timber from neighbouring Russia – where much of the logging is carried out in breach of national laws. Recent estimates suggest that up to 75 percent of the Russian timber imported into Finland is produced illegally.⁵

Finland's old-growth forests

The last ancient forests of northern Europe combine Europe's few remaining tracts of 'Taiga' or boreal old-growth forest in Scandinavia with the adjoining forest of European Russia. Together, these forests, although fragmented, have ensured the survival of numerous plant and animal species, including birds such as the Siberian jay and the golden eagle.

In Finland, these old-growth forests – forests that are in or close to their natural state - are located largely in the north and east of the country (see map). Comprising at most 5 percent of the country's 20 million hectares of forest⁶, these forests support hundreds of species including the IUCN red-listed flying squirrel (*Pteromys volans*), the Siberian jay (*Perisoreus infaustus*) and the three-toed woodpecker (*Picoides tridactylus*).⁷ The latter has received much scientific attention as a result of its dramatic decline since the middle of the 1970s.⁸

Old-growth forests in the north of Finland are also fundamental to the livelihoods of many indigenous Sami⁹ and other Finnish people who herd reindeer in these forests; livelihoods which are severely impacted by industrial logging (See Box 1).

Despite published evidence of the fact that Finland's current protected forest areas are insufficient to maintain the biological diversity they support – and the traditional communities who depend on them – the Finnish government has designated only half of this old-growth forest for protection¹⁰. Meanwhile Metsähallitus, the government's own logging outfit – actively logs the rest.



Old-growth forest in Kainuu region, Finland 2002. © Greenpeace

"The effects of forest management are the most significant cause of the endangerment of species in Finland."

Finnish Ministry of Environment, October 2000

"All somewhat natural old-growth forests should be left outside of industrial logging if the aim is to prevent the mass extinction of species."

Ilkka Hanski, Professor of Ecology, University of Helsinki, 1999

Siberian Jay. © Hannu Siitonen



⁶ Finnish Forest Research Institute (2001a)

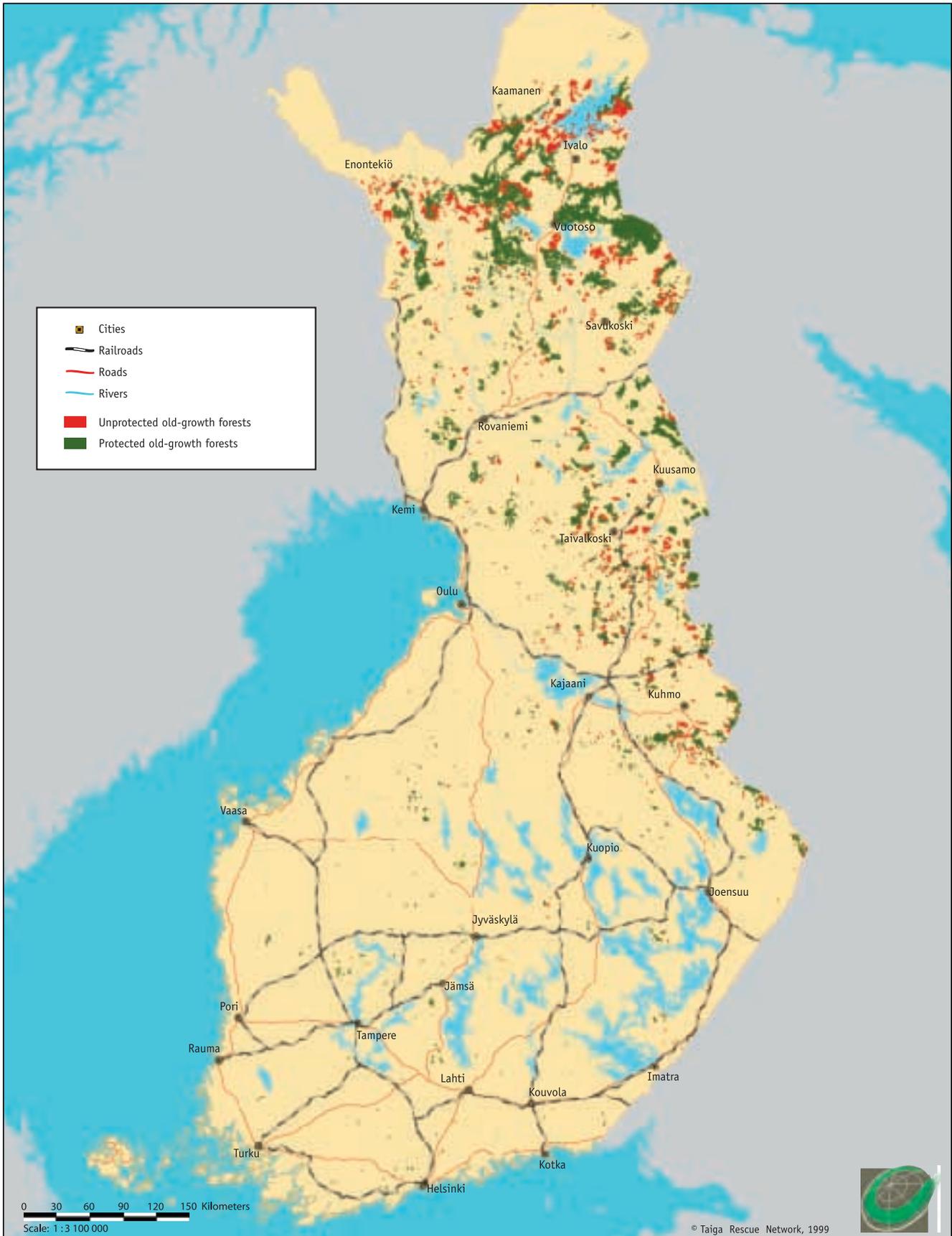
⁷ Over the last four decades the World Conservation Union (IUCN) has been assessing the conservation status of species around the world in order to highlight those which are threatened with extinction. The results of this assessment are published as the IUCN Red List of Threatened Species, which provides taxonomic, conservation status and distribution information on those species which are facing a higher risk of global extinction. See: IUCN (2003).

⁸ Pakkala et al (2002)

⁹ The Scandinavian region's remaining indigenous people, the Sami, live in the northern parts of Sweden, Finland and Norway as well as the Murmansk region of Russia.

¹⁰ A number of expert reports published between 1996 and 2002 reveal that Finland's current protected areas are insufficient to maintain critical habitats, leaving hundreds of species vulnerable. For example, see: Hanski (1999); Finnish Environment Institute (1999) Kainuu Regional Environment Centre (2002).

Map of old growth forests of Finland



The threat of logging: paper industry drives forest destruction

Paper is big business in Finland. In fact, the country is responsible for one quarter of the world's printing and writing paper exports, and for one sixth of its paperboard exports.¹¹

Feeding this massive paper industry is the Finnish forest industry – one of the most intensive in the world. As a result, Finland's forests – including its remaining old-growth fragments¹² - are being destroyed by clearcutting, forest thinning, road construction and ditching of soils. The result is the severe and extensive fragmentation of natural habitat and significant changes in microclimate – with severe implications for hundreds of forest-dependent species.



Old-growth forest destruction in Finland (Kainuu region) 2002. © Greenpeace

“The fragmentation of forest landscapes and decreasing of dead wood caused by forestry is still threatening the survival of the species living in old-growth forests.”

Kainuu Regional Environment Centre, 2002

Box 1 - Reindeer herding, the Sami and the logging industry

Reindeer herding is a central part of the culture of the Sami, the indigenous people of northernmost Europe who live in the northern parts of Norway, Sweden, Finland and in the Kola Peninsula in Russia. In many parts of Northern Finland, the reindeer herding is also the traditional livelihood for numerous Finnish non-Sami families.

Old-growth forests with ground and arboreal lichens are natural pastures for reindeer, those rich in arboreal lichens forming crucial winter pastures when the snow cover is thick and hard.

In Finland the right to herd reindeer and to preserve the Sami culture are protected by law.¹³ Yet in practice this legal protection means very little as Finland's government-owned logging arm, Metsähallitus, continues to systematically log and fragment what remains of the Northern region's (including the Sami area) ancient forest. These are the critical pastures for the reindeer.¹⁴

“In the area of Kemin-Sompio reindeer herding co-operative, heavy forest logging, soil scarification and the ever-spreading access road network by Metsähallitus are destroying reindeer winter grazing forests and causing difficulties in herding at an increasing speed. This is happening contrary to the 2nd section of the Reindeer Herding Act and to the undisputed scientific knowledge.”

Reindeer herders of Kemin-Sompio in northeastern Finland in a letter to the Finnish Ministry of Forestry, October 10, 2001.



Reindeers in old-growth forest in Lapland Finland © Greenpeace/Liimatainen

From the 1990s onwards, many reindeer herders started to demand moratoria on logging in the late winter grazing forests. However, these demands and related lawsuits have usually been without success¹⁵ and steady erosion of these essential forest resources continues.

“Living forests form a central part of Sami culture. Old-growth forests are of crucial importance for reindeer herding and should not be logged for pulp mills under any circumstances.”

Pekka Aikio, President of the Finnish Sami Parliament, 2002

11 Finnish Forest Industries Federation website (17.03.03 a, b)

12 Despite its tens of millions of hectares of productive forest (i.e.: forest capable of yielding at least 1 cubic meter per hectare each year) logging still takes place in Finland's increasingly threatened old-growth forest.

13 The Reindeer Herding Act and Constitution Act

14 It is well documented that the distinct and diverse old-growth lichen flora on which the reindeer graze is significantly reduced in areas where there is logging. This is related to their dependence on several characteristics of old-growth forest including the absence of edge effects. See: Kuusinen, Siitonen (1998); Kivistö, Kuusinen (2000); Sipilä et al (2000).

15 See: Greenpeace and Finnish Nature League (2001) and references therein.



Finland is the only European country where the IUCN red-listed flying squirrel (*Pteromys volans*) is found.
Benjam Pontinen © Naturepl.com

“The Commission [has] decided to refer Finland to the [European] Court of Justice over shortcomings in its national rules concerning projects that may impact on sites protected for nature conservation. In addition, the Commission has requested that Finland improve its legislation and practice with regard to safeguards for the breeding and resting places of the Flying Squirrel. This animal is classified as “vulnerable” and in the EU is found only in Finland.”

EU Commission press release, 7th April 2003.

Key players in the scandal: the government, the paper dealers and the European markets.

The key figures driving the destruction of Finland’s endangered old-growth forests are the Finnish government (via Metsähallitus), the international paper manufacturers which buy from Metsähallitus, and the customers of these paper producers. Between them, on a global level, these various players have been directly or indirectly involved in clearcutting in ancient forests, importing illegally felled timber from Russia¹⁶, promoting social conflict and driving environmental destruction in Indonesia (See footnote 28).

Metsähallitus: Logging old-growth forest

“In spite of protection programmes and Landscape Ecological Planning, the total amount of old-growth forest species habitat will decrease in the future and reach a point below the estimated critical thresholds...”

The Näijänkä LEP, Metsähallitus, Feb 7th 2000

While much of Finland's productive forest (around 62 percent) is in the hands of private landowners, the vast majority of its valuable old-growth is owned by the state and logged by the state-owned logger Metsähallitus which is active in the north and east of the country. It is also logging in other High Conservation Value Forests ¹⁷ elsewhere in the country.¹⁸

Metsähallitus’ logging practices include clearcutting, logging in habitats of threatened and vulnerable species and logging in areas of special scenic or cultural value – including in areas which are critical for reindeer herding. In the forestry centres of Kainuu and Northern Ostrobothnia, Metsähallitus has even clearcut areas that had previously been defined by Metsähallitus itself as ecologically old-growth forests – forests that offered refuge for a number of IUCN red-listed species.¹⁹

¹⁶ See the section, Russian Roulette, later in this paper.

¹⁷ See footnote 3.

¹⁸ See Greenpeace and Finnish Nature League (2001) and references therein.

¹⁹ Greenpeace and Finnish Nature League (2001); The Finnish Nature League reports (1997-2003)

²⁰ In 2001 Metsähallitus produced 4,629,000 cubic meters of wood, representing 8.7 percent of Finland’s roundwood loggings that year. Finnish Forest Research Institute (2002)

Finnish paper giants: Buying destruction

Producing around 4.5 million cubic meters of softwood annually, Metsähallitus is responsible for almost 10 percent of the commercial roundwood production from Finland's forests.²⁰ Greenpeace has estimated that up to around one third of Metsähallitus' wood – mostly spruce (*Picea spp*) and pine (*Pinus spp*) – comes from old-growth forests, most of which is then bought by a handful of large international paper companies.

Recent Greenpeace investigations have revealed a number of companies buying old-growth timber from Metsähallitus. These companies include the Finnish sawmills Pölkky, Honkarakenne, Kontiotuote, Kuhmo and Vapo Timber, but the great majority goes to Finland's three international paper manufacturers, Stora Enso, UPM-Kymmene and M-Real, via the companies' respective mills in Oulu, Kemijärvi, Veitsiluoto, Kajaani and Kemi.

These mills use timber to produce pulp, magazine grade and fine paper, cardboard and lumber. Their products end up as copy paper, packaging, and in a range of publications from magazines and newspapers to advertising flyers.

Stora Enso

"All primary fibre has to fulfil strict environmental criteria as to harvesting."

Jukka Harmala, CEO Stora Enso, Feb 2001

Formed in 1998 through the merger of the Swedish company Stora, and the Finnish company Enso, the Nordic-based Stora Enso is now the world's second largest paper company with an annual paper and board capacity of more than 15 million tonnes.²¹ Sourcing fibre from around the world – from Europe, North America²², South America and Indonesia – Stora Enso's main markets are in Europe and North America. Its products include cartonboard, sawn timber, newsprint and magazine and fine papers; its main customers are large and small publishers, printing houses and merchants, as well as the packaging, joinery and construction industries worldwide.

But while Stora Enso's public rhetoric proclaims environmental credentials, in Finland, Stora Enso is Metsähallitus' largest customer, purchasing more than 40 percent of their total harvest each year.²³ Old-growth timber from Kainuu and Northern Ostrobothnia has been traced by Greenpeace to Stora Enso's own mills in the north of the country.

In total, three of Stora Enso's Finnish mills – two paper mills, Oulu and Veitsiluoto and one pulp mill, Kemijärvi – are, following Greenpeace investigations, known to buy from old-growth in the north of Finland. Together these mills produce magazine and fine papers which go mainly to Europe and the North American market. Office papers including Stora Enso's own copy paper brand "Berga" go to major retailers across Europe. Meanwhile, many major envelope producers in Europe are customers of Veitsiluoto's speciality paper.

With an annual global capacity of 15 million tonnes of paper and board²⁴ only a small proportion of the company's total fibre is believed to come from old-growth forests in Sweden, Finland, Russia and Canada. While representing only a small fraction of the company's source material – and therefore easy to source from elsewhere – this volume of timber represents the major threat towards old-growth forest in the Nordic region.

Stora Enso's key customers for its Finnish products include all major European publishing houses and many of the large companies which serve smaller publishers and printers. Also, divisions of renowned companies such as Canon and OCE are regular buyers for their own brands of copy paper. For example, the European company Buhrmann purchases amongst others from Stora Enso to produce its own brand of copy paper called "Motif"²⁵.



Pine fibre wood destined for StoraEnso Oulu pulp and paper mill. Photographed 19 February 2003 © Liimatainen/Greenpeace

²¹ Paperloop Corporate Intelligence (2003). According to Stora Enso, International Paper is still slightly larger than Stora Enso.

²² Stora Enso US also procures some spruce fibre from ancient forests in Ontario.

²³ Stora Enso (2002); Calculations by Greenpeace, based on figures from www.storaenso.com and www.metsa.fi; see also Stora Enso (1999)

²⁴ Stora Enso (2002)

²⁵ Greenpeace investigations

UPM Kymmene

Incorporated in 1996, UPM-Kymmene is now the world's third largest paper company and its largest manufacturer of magazine paper.²⁶ The company has also recently acquired the German Haindl, Europe's fourth largest producer of publication (magazine and newsprint) paper. With production facilities in 17 countries in Europe, Asia and North America, UPM-Kymmene's products include converted fibre products, timber and paper products (newsprint, magazine, fine, speciality and converted papers accounting for 80% of its sales by value). Producing 11.8 million tonnes of paper products annually the company's main paper markets are in Europe and North America. The company has a dominant position in both European and global markets for magazine grade papers (supercalendered and lightweight coated) and is the world's leading manufacturer of label papers.²⁷

In Finland one UPM-Kymmene mill, Kajaani, is, following Greenpeace investigations, known to buy from old-growth in the north of Finland, while a second – part owned by both UPM-Kymmene and M-Real – the Kemiart linerboard mill is also known to source from old-growth. Together these mills produce newsprint, bookprint and magazine paper destined mainly for European markets and linerboard which goes into corrugated cardboard packaging used by many leading companies in the electronics and beverage industries.²⁸

Outside of Europe, UPM-Kymmene has a long-standing relationship with notorious Indonesian paper producer APRIL (Asia Pacific Resources International Holdings Ltd) dating back to 1997. APRIL now holds a US \$121 million loan from UPM-Kymmene, while in China, UPM-Kymmene has now taken over APRIL's former Changshu paper mill, which continues to be supplied by APRIL's pulp. APRIL continues to clear areas of primary rainforest in Indonesia, including in the Tesso Nilo region of Sumatra – recognised as one of the most biodiverse hotspots on earth.²⁹ There, and elsewhere, they are logging the natural habitat of numerous endangered species – including the Sumatran elephant (*Elephans maximus*), Sumatran tiger (*Panthera tigris*) and the globally endangered tapir (*Tapirus indicus*). As a consequence of its contract with APRIL, UPM-Kymmene knowingly fuels the destruction of Indonesia's rainforests.³⁰

UPM-Kymmene's key customers include most major European publishing houses, with paper from its Kajaani mill being used in some well-known comics (such as those depicting Walt Disney characters) and books.³¹

M-Real

Part of the Finnish Metsäliitto Group³³, M-Real is Europe's third largest producer of paper and paper board. Indeed, with the acquisition of the Swedish company Modo and Germany's Zanders Feinpapiere, has recently become Europe's largest producer of fine papers.³⁴

Sourcing much of its fibre from Finland and Russia, M-Real's main export markets are the UK and Germany. In Finland, wood procurement for the company is handled by Metsäliitto. Recent Greenpeace investigations have revealed that in Finland the company's Kemiart linerboard mill - part owned with UPM-Kymmene - is sourcing from old-growth forests in Finland. This mill produces high quality top-liner, used in the production of corrugated cardboard for packaging used by a number of well-known brands. M-Real claims to have customers for this board in the global top ten list of electronics manufacturers. Amongst those referenced to are companies such as Nokia, Hewlett-Packard, Panasonic, Pepsi-Cola, Pampers (Procter & Gamble), Heineken and Budweiser.³⁵



Intact Old-growth forest in Finland (Kainuu region) 2002. © Greenpeace

“At M-Real, environmental issues are an integral part of business activities, as only a company that handles these issues responsibly and sustainably can succeed in the long term.”

United Paper, March 2003³²

²⁶ UPM-Kymmene has 20 percent of the global market for magazine paper. See: UPM-Kymmene (2002).

²⁷ Paperloop Corporate Intelligence (2003)

²⁸ UPM-Kymmene (2001); M-Real (2003)

²⁹ Friends of the Earth (2001), http://www.foe.co.uk/resource/briefings/april_fols.pdf

³⁰ Friends of the Earth estimate that APRIL has been responsible for the destruction of 220,000 hectares of Indonesia's rainforest. See: Friends of the Earth (2002)

³¹ Metsä.fi -personnel magazine, Issue 2/2002, page 13, 12 April, 2002

³² United Paper is the Canadian sales and marketing agency representing M-Real.

³³ The Metsäliitto Group comprises 125,000 Finnish forest owners.

³⁴ Stora Enso (2001); United Paper (2003)

³⁵ M-Real (2001); UPM-Kymmene (2001); M-Real (2003)

Pulp Fiction

Greenpeace has been in negotiations with the Finnish government (Metsähallitus), the three paper giants, and some of their key buyers – including the German Association of Publishers (VDZ) - since 2002³⁶.

Yet whilst a whole body of scientific evidence clearly points to the need for greater protection of both Finland's old-growth forest in the north and east of the country, and of other HCVMs in the South, Metsähallitus and the Finnish Government simply deny that there is a problem. This is despite contrary evidence from the Finnish Environment Institute, the University of Helsinki, the Finnish Ministry of Environment and even Metsähallitus itself (See Box 2).

While the scientific and other expert evidence points firmly towards a need for further forest protection – and an immediate stop to all logging in state-owned old-growth forest – Metsähallitus and the rest of the forest products industry continue to engage in negotiations through a 'talk and log' process. They justify their actions using corporate greenwash and making misleading claims (See footnote 41).

"We have gotten to know the 'negotiations' of Metsähallitus during the years. There are plenty of noble principles and fancy words, but in practice we have been the ones to give in all the time. If we at some site have, with great effort, managed to postpone a logging by some years, the same amount of timber has been taken from elsewhere. Quite recently there has been a logging that we were not even given prior notice of. This is called with fancy terms 'negotiation' and 'participatory planning'.

Sami herders' letter to the Inarilainen newspaper, March 2001

Box 2 - Expert opinion on Finland's forests and their protection

"The effects of forest management are the most significant cause of the endangerment of species in Finland."

*Finnish Ministry of Environment,
October 2000*



*Young tengmal owl in Hameenvaara old growth forests
Municipality of Taivalkoski © Greenpeace / Hölttä*

Expert opinion on the current conservation status of Finland's forests reveals that:

- **Finnish Environment Institute (2000):** Neither the number nor the total area of protected forest areas in Finland is ecologically sufficient to conserve its biodiversity in the future
- **Professor Ilkka Hanski, University of Helsinki (1999):** Unless all near natural, old-growth forests are protected from industrial logging, then mass extinction of species is likely*
- **Metsähallitus (1999-2000):** Planned activities of Metsähallitus in the north and east of Finland will result in the continued fragmentation of old-growth forests and the loss of biodiversity
- **Finnish Environment Institute (1999):** Present reserve network needs to be enlarged and that the old-growth forests in northern and eastern Finland should be protected
- **Kainuu Regional Environment Centre (2002):** The fragmentation of forest landscapes and decreasing of dead wood caused by forestry is still threatening the survival of species living in old-growth forests.

* See: Hanski (1999)

³⁶ Following Greenpeace's successful campaign work in British Columbia's Great Bear Rainforest (Canada), the VDZ have already agreed purchasing policies which state "to safeguard that old-growth forests not be used for the production of paper products" (VDZ, 2001)

Corporate Greenwash: industry-owned 'certification'

In their discussions with Greenpeace and in their public literature, Metsähallitus and the paper giants make much of the fact that Finnish forests have been certified by the industry driven forest certification scheme FFCS (Finnish Forest Certification System) claiming environmental credibility as a result. Part of the highly controversial Pan European Forest Certification scheme (PEFC), the FFCS is controlled purely by industry stakeholders and has no support from any major Finnish NGO. Indeed an analysis of this scheme not only demonstrates its inability to protect forest biodiversity, but also reveals that even the weak standards of this scheme are regularly violated.³⁷

Since May 2000, the forests in the Sami region have been certified under the FFCS. However, according to reindeer herders, this certification has not improved Metsähallitus' forest management or planning practices. In addition, the logging company still often refuses to cancel scheduled logging activities, even if the herders take the issue to the courts or the UN Human Rights Commission.³⁸

Misleading claims

Some 3000 cyber-activists³⁹ contacted Stora Enso recently, during the course of its negotiations with Greenpeace, requesting Stora Enso to stop buying from old-growth forest in the ecologically significant region of Malahvia.⁴⁰ On 14 February, Stora Enso contacted each of these members of the public individually, to assure them that "Metsähallitus does not supply wood to Stora Enso from Malahvia. Moreover, Metsähallitus recently confirmed that no logging is currently taking place in the area."

Less than one week after this claim, Greenpeace investigations in Malahvia not only identified and exposed piles of logs destined for Stora Enso's mill in Oulu, but observed and documented Metsähallitus trucks loading the wood.

Stora Enso subsequently admitted that they were receiving wood from the area based on an old contract, adding that they had no existing policy not to buy from Malahvia⁴¹.

Metsähallitus truck loading the wood inside of Malahvia-area on Saturday 22 February, 2003 © Greenpeace/Liimatainen



Log pile of ancient forest timber, (Kuurnanvaara Municipality of Suomussalmi) marked for Stora Enso, March 2003. © Greenpeace / Liimatainen

³⁷ A survey of 55 FFCS-certified forestry operations found more than 30 examples of logging or plans for logging in old-growth forest and several more in HCVF – including areas that are critical to developing an effective forest protection network in southern Finland. Almost all operations were found to be ignoring the presence of threatened species; some also posed a serious threat to the economic and cultural survival of the Sami. See: Greenpeace, Finnish Nature League (2001)

³⁸ For example, in 1993, the Muotkatunturi cooperative appealed to the district court about planned logging in the Pyhäjärvi-Kirkko-outa region, and finally took the case to the UN Commission on Human Rights. According to the decision by the Commission, the planned logging did not at that time endanger reindeer herding, but concluded that if the logging continued, or if the damage sustained was greater than was estimated, the case could be investigated again. Thus, when these logging plans were expanded to include Kippalvaara in 2001, the cooperative again went to the Commission on Human Rights, which subsequently asked the Finnish State to abstain from logging in the region affecting the Angeli reindeer herders. Yet Metsähallitus included this area in its plans, and in spring 2002, logged a forest stand in this area. The new decision by the Commission on Human Rights is still pending.

³⁹ Members of the public who become active through opportunities on the web. See, for example, www.greenpeace.org

⁴⁰ The old-growth forests in Malahvia support a number of species classified as nationally endangered or requiring special protection measures and which are known in only a few localities in Finland. Environmental authorities describe it as "a forest site of major importance even on a national scale". Kainuu Regional Environment Centre (2002).

⁴¹ Meeting with Stora Enso representatives, 14, March 2003 at Stora Enso headquarters, Helsinki, Finland

Russian Roulette: Importing illegal Russian timber?

As one of the major users of timber produced in Russia, Finland purchases more than 11 million cubic metres of timber each year – around 10 percent of the total volume logged in Russia's forests.⁴³ Yet despite the claims of the Federation of European Paper Producers – of which the Finnish paper companies are collective members– - Finland imports considerable volumes of timber which have been produced in violation of Articles of the Russian Forest Code.⁴⁴

Through Greenpeace investigations it is estimated that up to 75 percent of the Russian timber entering Finland is produced in violation of one or more of the following Articles of the Russian Forest Code:

- Logging without forest management plans (“lesoustrojstvo” in Russian) Article 74 of the Code states that logging “without management plan is forbidden”. Recent estimates suggest that more than 33 percent of timber purchased by Finnish companies has been logged in violation of this Article.⁴⁵
- Logging without approval of environmental impact assessment Articles 11, 12 and 30 of the Code requires that companies exploiting natural resources including forests get prior approval from the state of an environmental impact assessment, conducted by a group of independent experts according to strict formal procedures: This also applies to district state forest management units (“leschoz” in Russian). Recent estimates suggest that no less than 66 percent of timber purchased by Finnish companies has been logged in violation of these Articles.⁴⁶
- Intermediate logging of district state forest management units Article 91 requires that the district state forest management units are ONLY authorised to carry out intermediate logging (forest thinning) if there is no other logging available. This is determined by putting the cutting area up for auction or informing interested forest users in some other way. Recent estimates suggest that more than 20 percent of the timber purchased by Finnish companies is logged cut in violation of this Article in some way.⁴⁷

A large portion of the Russian timber entering Finland goes to the three paper giants Stora Enso, UPM-Kymmene and M-Real. To date, neither the Finnish industry as a whole, nor any of its component companies, have taken any concrete steps to remedy the import of illegal timber from Russia.



Greenpeace protests the import of paper products manufactured with fibre from Finnish ancient forest destruction (German port of Luebeck) 25 April 2003
© Greenpeace/Fred Dott

[The Federation] strongly commits itself to only purchase and use wood coming from legal logging, and firmly condemn corruption and criminal activities related to illegal logging which tarnish forestry and forest-based activities.

Federation of European Paper Producers⁴², August 2002

⁴² This includes the Federation of Forest Industry in Finland.

⁴³ Russian Customs Committee (Annual Report 2001)

⁴⁴ See footnote 5.

⁴⁵ Greenpeace Russia estimate based on interviews with the state forest service from Karelia, Vologda, Leningrad, Novgorod and Komi. These reveal that around one third of state agencies provide the logging permissions without valid management plans – usually on the basis of expired management plans.

⁴⁶ Greenpeace Russia estimate based on participation in state ecological expertise of forest management plans and interviews with other known experts.

⁴⁷ Greenpeace Russia estimates based on information from company specialists from Karelia and Leningrad regions together with information announced in the State Parliament at public hearings.

The export market: fuelling destruction

Finland exports more than 90 % of its annual paper and board production, with the big Finnish paper companies – Stora Enso, UPM-Kymmene and M-Real – responsible for the majority of this.⁴⁸ Together, these three companies supply to the majority of Europe's large paper users, their customers including publishers, printing houses, packaging producers and paper retailers. Recent figures show that the largest importers of Finnish pulp and paper products are Germany (20.5%) and the UK (14.7%), followed by Asia (7.6%), North America (7.3%), France (6.9%), Spain (5.9%), Belgium-Luxembourg (4.9%), Netherlands (4.0%), Italy (3.6%) and Sweden (2.9%).⁴⁹

The main customers of Finnish old-growth destruction include major players of the European paper industry such as the publishing houses Bertelsmann (Mohndruck/Gruner & Jahr) and Axel Springer in Germany, R.R. Donnelly in Poland, VUM Media in Belgium, IPC and EMAP in the UK, Ringier in Switzerland, Mondadori Printing in Italy, but also major stationary product suppliers, like the German Herlitz and AWA Couvert, the Swedish Bong Group, the copy paper suppliers OCÉ (NL) and Canon (Japan) and leading packaging producers like SCA (Sweden), Roba (Germany) and Duropack (Austria).

Any company buying from these Finnish paper giants should be aware that it may be contributing to the destruction of Europe's remaining old-growth forests and to the decimation of the biological and cultural diversity these forests support.

Greenpeace call for action

Greenpeace is calling on customers of Stora Enso, UPM-Kymmene and M-Real to insist that these paper producers:

- Immediately terminate contracts for old-growth timber with Metsähallitus
- Immediately stop buying timber derived from companies involved in illegal logging in Russia
- Phase out all timber derived from intact ancient forests and other HCVEs unless strict conservation safeguards are in place.

In order to verify achievement of the above steps, these paper producers must establish independent systems allowing them to trace timber products back to specific forest management units.

If action is not immediately taken to address these issues then contracts with these paper producers should be suspended by their customers.

Meanwhile Greenpeace is calling on the Finnish and EU governments to:

- Immediately implement a logging moratorium in the remaining old-growth forests in Finland, according to the Taiga Rescue Network maps, until an effective protection plan has been completed.
- Fund and implement Finland's National Biodiversity Action Programme
- Increase forest protection in Finland's old-growth and other HCVEs in the north, east and south of the country. This should include the protection of all state-owned natural and semi-natural old-growth forests as identified by the Taiga Rescue Network⁵⁰



Greenpeace protests ancient forest destruction (Northern Finland) October 2001 © Greenpeace/Dave Sims



Old growth forest destruction, Finland, October 2001. © Greenpeace/Weiner

⁴⁸ Finnish Forest Industries Federation website (17.03.03 c).

⁴⁹ These figures from 2000 are in terms of value. Finnish Forest Research Institute (2001b); Finnish Forest Industries Federation (2001).

⁵⁰ See map 1. TRN et al (1999).

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