## Article by Donald Hays, Principal Deputy HR: "Saving BiH's Forests Before It's Too Late"

For more than a year now a group of businessmen and academics have been actively engaged in an effort to draft legislation that would help staunch the flow of illegal timber from this country and thereby help rescue BiH's forests from their current scandalous mismanagement. Not surprisingly this effort has been hindered — not helped — by powerful lobbies in the forestry sector. These lobbies are working in their own selfinterest and clearly against — not for — BiH's economic development. Furthermore, they are working against the legitimate environmental interests of this country, which means they are working against the interests and the health of all BiH citizens.

Forests are among this country's greatest natural resources. Their mismanagement has done considerable harm, to drinking water, as a result of soil erosion, and to the wood industry as a whole, as a result of the lack of reforestation.

If you want to sustain a profitable timber industry, you don't neglect your forests. This is easy enough to understand, yet in other parts of the world – Southeast Asia is a notable example – we have seen forestry industries bring about their own catastrophic demise through unrestricted tree-felling and inadequate replanting. In addition to depletion of the basic resource – trees – this leads to soil erosion, flooding, landslides and the reduction of arable acreage.

In BiH the absence of adequate supervision by the relevant authorities has created a significant space for smuggling and illegal logging.

This of course provides short-term profits for a small number of opportunistic business interests. But in the midterm, it will run the industry into the ground.

It goes without saying that those who are destroying BiH's forests through unrestricted logging are blithely evading tax while doing so — so in addition to the environmental damage the illegal loggers are doing, they are defrauding citizens, who depend on that revenue for public services.

The impact goes well beyond the logging industry. The forests are a resource that can, if properly managed, sustain other elements of the economy. Tourism is but one example of an area which can be a major source of employment. Now in the primary stages of development, tourism could make a huge contribution to the prosperity of this country.

But you can't build rural tourism in this country if the forests are strip mined..

You can't build rural tourism in otherwise picturesque valleys vandalised by unsightly and ecologically irresponsible logging roads.

You certainly can't attract tourists to areas where the highways are clogged by unregulated lorries moving unregulated logs at unregulated hours of the day and night.

The Special Auditor's report on Srpske Sume confirmed everyone's worst fears about mismanagement in the forestry sector.

The findings of the report were clear – wrongdoing by individual managers was identified, as were specific practices.

Yet this cautionary examination has gone largely unheeded.

Illegal logging remains the scourge of the wood and timber industry that could if properly regulated bring significant benefits to this country. Unfortunately, sustainable forestry management remains a promise not a practice. So too do the benefits of these assets to the citizens, who own them.

There is no doubt, based on the findings of the auditors, that it is a matter of the utmost priority that the relevant authorities establish an effective mechanism to end illegal logging and create the preconditions for sustainable development in the forestry sector, consistent with international standards.

The forestry associations have launched an initiative to establish a state certification mechanism for sustainable forestry management. OHR supports this initiative. Legislation now being prepared will, among other things, introduce a framework for the state-level standardization, accreditation and certification of forestry products.

Unfortunately, some of those forestry "experts" want to amend the law to make the key certification provision voluntary. This one change would render the law totally ineffective.

If the law were to be passed with this "voluntary provision, no one would adhere to it and the illegal logging now taking place would continue unabated. The Law must be written to ensure the interests of all the people, not just a handful of logging companies.

BiH forestry officials, logging company managers, academics and parliamentarians must recognize that these forests belong to the citizens not just to them. The Law, if properly drafted and once enacted, will have a huge impact on one of this country's core industries, an industry whose mismanagement till now has resulted in the squandering of jobs and foreign exchange earnings.

The law will not work if it is based on voluntary compliance.

It will only work if it establishes an effective, *mandatory* certification system that ensures that every log that leaves BiH comes from a properly managed forest.

This will protect the interests of citizens, the environment, and, in the long run, the forestry companies, even those that currently appear unable to see beyond this year's illegal profits.