



FERN Annual Report 2006



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Foreword

The report you have in your hands is designed to give you an insight into FERN, an idea of our aims and achievements over the past twelve months. Thank you for showing an interest in our work. But let us also return the compliment. We are keen to hear your views, as a stakeholder in FERN, and listen to your opinions. What do you think of FERN? Are we pursuing the right agenda and are we doing it in the right way?

Interviews undertaken last year with twenty-two of our stakeholders indicate we are doing some things right. Among those consulted were representatives of Southern and Northern NGOs, officials of the European Commission and representatives of national governments, the forestry industry and the carbon industry. Some comments were so favourable as to make us blush: "FERN is a highly regarded and much appreciated NGO, praised for its dedicated and competent staff, its flexibility and dynamics, its strategic approach, its low profile and its connections at both grassroots and EU-level."

But as well as favour, we also found food for thought. FERN is a relatively small organisation. While some stakeholders consider this an advantage, some see it as a weakness, suggesting we are too small, too limited, to have a significant impact. Over the last twelve months we have broadened our scope and increased the amount of networking we do in the South, in order to better represent the voice of the South. But some stakeholders hold the view that this change of policy is diluting our focus on Brussels.

Of course campaigning strategies are the sort of thing which can always be debated, with many different views of what FERN is, or ought to be. We welcome your input into these debates.

For many, FERN still remains an enigma: "Their analysis is sharp. But who is behind FERN? How do their positions come about? Who determines them? Who are their financiers? I have never seen their annual report". We do not wish to be a mystery. We wish you all to know how we work, understand our strategies and celebrate our achievements with us. So we will continue to publicise our organisation at every opportunity, discussing our methods, reporting our results and simply telling our story. To that end, here it is, our annual report, for everyone who wants to read it.

Stan Termeer
on behalf of the FERN board

Introduction

The world's forests are under pressure. Logging, mining, agrobusiness, hydropower, cattleranching and the hunger for land are taking their toll on these forests and the livelihood of forest peoples is being eroded.

At FERN we believe that by uniting the efforts of campaigners across the European Union and by including all actors affected by and affecting forestry policy, we can successfully alter attitudes and policies and address the direct and underlying causes of forest loss. These issues are complex and call for a complex response: although many of our core activities are focused on forests, our remit is much wider. EU aid and trade policies, including carbon trading, all have a direct impact on forests, as have financial institutions. In response, FERN has expanded its work beyond forests to focus on the wider EU aid and trade debate, and specifically on export credit agencies and carbon trading.

Our work must also increase the political and economic space in which to advocate a more balanced society, one capable of true respect for human rights and for environmental and social values. We work to understand and advance a community of interacting organisations and their political environment: an ecosystem for change.

In 2006 we have been able to exploit our position as a well respected EU-wide voice on aid, trade and forest issues to effect real change with tangible impacts on the world's forests and forest peoples. We successfully raised awareness on export credit agencies at the EU. Thanks to FERN's work, export credit agencies are now scrutinised for their approach to environmental and social issues.

We have publicised the pitfalls of Europe's carbon-trading scheme and voluntary carbon offset initiatives. FERN played a pivotal role in publicising the way many carbon offset schemes fail to deliver the promised environmental benefits. FERN has become highly sought after by the media for our expertise in this area. We have continued to act as the linchpin for European advocacy around forest issues, spearheading and coordinating a huge range of campaigns. There are more details on this year's success stories below.

Who we are

FERN is a non-governmental organisation (NGO), created in 1995. We work to achieve greater environmental and social justice, focusing on forests and forest peoples' rights in the policies and practices of the European Union.

FERN stands for Forests and the European Union Resource Network

We have seven staff members with our offices in Gloucestershire, UK, and Brussels, Belgium. Between us we offer a broad range of expertise and boast fluency in eight European languages. We regularly make investigative visits to countries involved in our campaigns, attend and facilitate conferences and host training workshops.

A board made up of representatives of civil society organisations in Europe and in the South supervises our work. In 2006 we invited representatives from NGOs in Africa and Central America to join our board, to ensure a greater voice from outside the EU. We are financed by private foundations and government funding.

FERN's main role is as a 'hub' at the centre of diverse NGO networks. We see it as our job to anticipate issues and debates so that our response can be well-informed and timely when issues emerge in the public arena.

We provide our partners with research information, education, training opportunities, meeting and conference facilitation, co-ordination with other groups and advocacy at the EU level.

FERN also provides funding to some of its partners in the South. In 2007 transfers to organisations in Ghana, Liberia, Cameroon, Malaysia and Indonesia will finance joint campaigns on illegal logging. Grassroots involvement from forest communities lies at the base of all FERN's work, informing our campaigns, research and initiatives at every level.

During the past year our unusual approach and organic structure have proved to make us a strong, flexible and responsive organisation.

How we work

FERN works to affect change by joining forces with environmental and social NGOs from all over the world. We have created a broad and vigorous system of alliances in various campaign areas.

These include:

- Export credit agencies / trade and investment
- Illegal logging and certification
- Development co-operation
- European forest and biodiversity policies
- Forest peoples rights
- Climate change

Typically we approach a campaign by first researching an issue, then building a broad coalition movement of interested groups and finally working for change jointly, providing mutual support.

At FERN we operate a non-hierarchical structure, respecting the input from all our employees, colleagues, and partners. We see teamwork as central to our ethos.

We work closely with our partners, and are committed to, and motivated by, their concerns – from locally-based struggles for rights to national, regional and international campaigns against destructive practices.

The excellent relationship FERN enjoys with its partners can be seen in every joint NGO position paper, meeting, report or media release co-ordinated by FERN. Throughout 2006, FERN continued to invest a substantial amount of time developing, co-ordinating and participating in these NGO networks that are so crucial to the operation of FERN and to the achievement of change.

What we do

Many factors influence forest loss, ranging from international financial flows, the trade in timber and government policies. These issues are complex and call for a complex response, making our remit both broad and deep.



FERN partners

FERN works with many NGOs across the world. In 2006 FERN worked specifically with the following NGOs:

Both ENDS, Netherlands
 Campagna per la Riforma della Banca Mondiale, Italy
 Centre pour l'environnement et le developpement, Cameroon
 Civic Response, Ghana
 Climate and Development Initiative, Uganda
 The Corner House, UK
 Down to Earth, UK
 Debtwatch, Spain
 Environmental Foundation for Africa, Sierra Leone
 Euronatura, Portugal
 Forest Peoples Programme, UK
 Global Witness, UK
 Initiative to Keep Hasankeyf Alive, Turkey
 Institute for Development of Alternative Living (IDEAL), Malaysia
 NESPON, India
 Pro Regenwald, Germany
 Sahabat Alam Malaysia, Malaysia

Save My Future Foundation (SAMFU), Liberia
 Sustainable Development Institute (SDI), Liberia
 Telapak, Indonesia
 Urgewald, Germany
 World Economy, Ecology and Development (WEED), Germany

And the following national or global NGO networks:

ECA Watch, global
 The Durban Group for Climate Justice, global
 Forest Watch, Ghana
 Friends of the Earth, global
 Greenpeace, global
 JOANGO Hutan, Malaysia
 Taiga Rescue Network, boreal forests
 World Rainforest Movement, global
 Green Actors for West Africa Network, West Africa
 Green Desert Movement, Brazil
 National Forum of Forest Peoples and Forest Workers, India
 World Wild Fund for Nature (WWF), global

Poloniny National Park, Slovakia

Campaign successes in 2006

Climate change and carbon offset schemes

The overall aim of the climate campaign is to ensure that government policies and international agreements address the root causes of climate change and deforestation. Carbon trading cannot be a solution to averting climate change. Averting the climate crisis means, above all else, reducing investment in and use of fossil fuels. Carbon trading is designed to do just the opposite: to allow big fossil fuel users to delay reductions by buying their way out of trouble or by building new dumps ('carbon offsets' such as tree plantations) to park their carbon temporarily. Many of these carbon-offset projects furthermore fail to recognise the rights of local communities, thereby further increasing inequality. FERN's campaign to ensure that real causes of climate change are being tackled led to the following successes in 2006: The Kyoto Protocol's Clean Development Mechanism has yet to approve tree plantation 'offset' projects and an EU law on carbon trading (the EU Linking Directive) excludes carbon offsets using tree planting.

FERN's analysis is increasingly picked up by media and policy makers in Europe and we typically receive several media enquiries per week. More than 35 articles from widely read newspapers and journals citing FERN and FERN's analysis of the flaws of carbon offset projects have further helped expose the bogus nature of carbon credits.

To address threats from an increased demand for biofuel, FERN helped initiate a global NGO coalition in 2006, exposing links between destructive oil palm and sugarcane plantation expansion, transport policies and biofuel targets. A joint position on biofuel is currently being developed.

Osman Baydemir (centre) speaks to MEPs at a seminar in the European Parliament on the Ilisu Dam, May 2006

FERN calls on ECAs to stay out of the Ilisu Dam on Kurdish RojTV, October 2006

Export credit agencies and Turkey's Ilisu Dam project

FERN co-ordinates a campaign to reform export credit agencies, the government agencies which give financial backing to private sector investments abroad. 2006 saw an important success in our campaign over the proposed Ilisu Dam in Turkey. All of the



three ECAs that conditionally approved export credit applications for the dam are under immense public and parliamentary scrutiny to deliver on their promises regarding the environment and human rights. Several European export credit agencies have become more accountable and transparent and the European Commission has started to take an active interest in reform of these agencies and has been advocating the campaign's position within the OECD.

FERN organised and hosted visits from people affected by the controversial Ilisu Dam, together with local campaigners, to Brussels and other European capitals, as well as organising an expert workshop in the European Parliament. FERN members took part in meetings in Turkey as well as conducting research and producing topical briefing notes. FERN firmly believes that it has made a significant impact on the political approach to this project through its campaigning. FERN has provided evidence to the EU of the potential impact of this dam on the local populations and highlighted the need to implement changes to the project as part of the accession process of Turkey to the EU. Using the monthly newsletter *EU Forest Watch*, FERN disseminated important information on export credit agencies to EU policy makers. FERN also gave presentations to the OECD, the EU and UNEP on EU legislation and transparency, all the time ensuring the strict application of the financial sector to legislation that contributes to the aim of sustainable development.

Influencing EU policy on illegal logging

Commission/FERN conference on ECAs and sustainable development, Brussels, June 2006.

European ECA Campaign strategy meeting in Nazzano, Italy, June 2006.

FERN's work to control illegal logging has contributed to the EU adopting a law to control illegal timber imports from partner countries. FERN's work with organisations in Ghana, Cameroon, Indonesia, Malaysia and Liberia has created a movement for reform addressing the root causes of illegal logging, using the new EU law as a leverage point. Existing and newly formed NGO coalitions in these countries have produced reports in 2006, published and financed by FERN, highlighting *their* demands for a partnership agreement with the EU to control illegal logging.

Most importantly, FERN has argued for putting forest governance rather than forest law enforcement at the heart of the EU illegal logging debate. We have campaigned for the inclusion of social criteria to be included as a primary consideration when policies are



drawn up for the procurement of timber by the EU and member states.

The Dutch, Belgian and Danish governments have now adopted timber procurement policies that include social criteria. The UK government has taken the first steps to doing the same.

In all its illegal logging and timber procurement work, FERN worked closely with its partners in Cameroon, Ghana, Liberia, Malaysia and Indonesia towards ensuring that their demands for forest protection and social issues were taken on board as part of the EU FLEGT (Forest Law Enforcement Governance and Trade) process. Reports on the impact of illegal logging on local people in Ghana, Congo and Malaysia were published in English and/or French. Additional reports are in the pipeline.

Environmental awareness in EC development policy

The EU now demands that every Country Strategy Paper, a key document in EC development co-operation, includes an environmental country analysis, an environmental impact assessment and a risk assessment for the co-operation strategy. Indigenous rights are mainstreamed across EC policies and the EC has opened a small grants fund for Southern NGOs, specifically on forests and the environment.

FERN co-ordinated a Brussels based environmental NGO coalition, which successfully campaigned for the public availability of environmental documents of importance to define EC co-operation strategies, improving EC's transparency and accountability in defining policy objectives for EC aid.

Improving the credibility of certification

FERN has played a central role in the campaign to improve the way forest certification schemes operate. In 2006 FERN took part in a review of the Forest Stewardship Council's (FSC) policies towards large plantations. Four controversial certificates are being scrutinized and the FSC is implementing recommendations to improve their certification process.

*FERN Advocacy
Training, Liberia,
October 2006.*

*Training in Burkina
Faso, January 2006*



Building for future successes

FERN in the public eye and on the web

FERN analysis and research is regularly referred to in articles in the written press, radio and television, such as the BBC's Five Live report 'Trading Trees', The Guardian, Financial Times and carbon analyst Point Carbon's Market News. FERN also works, with other organisations, to produce high profile briefings and reports. FERN staff is regularly invited to attend or provide keynote speeches at conferences or workshops, such as at the OECD Round Table meeting on illegal logging, the Annual Assembly of the European Pulp and Paper Industry and the Council Working Group on Export Credits. FERN contributed significantly to media coverage on the drawbacks of carbon-offset projects particularly in Uganda and India.

Naturally, grassroots activity also takes place through electronic communications and during 2006, FERN developed in association with FERN partners in Cameroon, Ghana, Indonesia, Liberia, Malaysia and Europe, an illegal logging website, with the aim of enabling formal and informal discussions on forest governance in these countries. You can find this website at: www.loggingoff.info

During 2006, FERN received 116 new subscriptions to its newly redesigned newsletter, EU Forest Watch, bringing the total number of subscribers to 1,200.

The FERN website had an average of 16,466 visits per month, compared with 9,863 in 2004 and 11,671 in 2005. Our specific "Sinkswatch" website has catered for the huge interest in the campaign over carbon offset schemes.

Promoting public access to environmental information, public participation in environmental decision-making and access to justice through the Aarhus Convention and transposing legislation are key elements of FERN's activities. In 2006 FERN produced a practical guide for campaigners on how to use the Aarhus Convention (currently in print).

Support for accession countries and new Member States

FERN has put emphasis into reaching out to civil society organisations in accession countries. Over the past two years, FERN has developed a close working relationship with a network of local NGOs in Southeast Anatolia, Turkey, putting them in constant and close contact with NGOs participating in the European ECA Reform Campaign co-ordinated by FERN.

FERN has continued to build and strengthen contacts with NGOs in the new EU Member States. A database of NGOs interested in EU policies related to forests was created and keeps these NGOs informed of new developments. In turn, NGOs in the new Member States inform FERN of new developments in their country and about problems with the implementation of EU legislation. In March and October 2006, during two workshops with Eastern European NGOs and Commission officials, joint actions were developed between FERN and the NGOs and between the Commission and the NGOs. During these workshops topics such as the EU Habitats Directive, EU Forest Focus Regulation and the

Rural Development Regulation were discussed. In this context FERN published a Guide for European NGOs 'Funding Europe's Forests' on how to make use of EU legislation for forest protection in December 2005 and issued briefing notes on the state of the forest in different new EU Member States and the problems they face in the forests entering the EU.

FERN lent its support to NGOs in the other new Member States and accession countries through briefing notes, meetings, and the publishing of the FERN-TRN booklet: *The EU's impact on forests – A quick guide to the basics of lobbying*, in order to help NGOs in these countries develop their knowledge of the EU. This included informing NGOs on the misuse of EU subsidies and a briefing note on how the EU fails to meet EU targets on biodiversity.

Influencing EU policy

As one of the major economic and political bodies, the EU plays a crucial role on the world stage. FERN is committed to supporting the work and input of its global partners by ensuring it wields its influence wherever possible within this key institution.

One overarching concern of FERN is ensuring that the EC aid programme integrates environmental considerations in line with EC development policy. Specifically, FERN's EC Forest Platform worked for the integration of natural resources issues and the recognition of the rights of local communities and indigenous peoples into the EC aid country co-operation strategies and the thematic programmes for EC external relations. FERN is constantly highlighting gender and poverty issues with regard to forests and forestry in FERN's development campaign activities. For example, the gender link has been emphasised in our documents regarding EC aid and a joint campaign with gender focused NGOs regarding mainstreaming and transparency in the EC development policy started during the second half of 2006.

“Offset credits are an imaginary commodity created by deducting what you hope happens from what you guess would have happened.”

Dan Welsh

EU policy on development co-operation and rural development and sustainable forest use

FERN was extremely active in 2006 on several fronts with regard to rural development and sustainable forest use. For example, it was part of the Steering Committee for the IUCN *Conference on Biodiversity and European Development Co-operation*, in Paris, September 2006, where the parameters for the inclusion of nature and biodiversity conservation issues in EC development co-operation were outlined. FERN also participated in the consultations on the *Thematic programme for the environment and natural resources* and on the *Development Co-operation Instrument (DCI)*, and published three briefing notes exposing key challenges for biodiversity conservation in EC aid policies and programmes.

In the past there has been significant misuse of funds for forest measures under the Rural Development Regulation that allows for the financing of European forests. There is a need to ensure that this will change and more emphasis will be put on the environmental value of forests. FERN has worked hard at educating the Commission, Parliamentarians and

NGOs on this issue, through briefing notes, a report on the misuse of EU funds, face-to-face meetings and its newsletter *EU Forest Watch*.

FERN co-ordinated NGO networks in Europe and in the South to prepare material to support an effective economic, social and environmental EC development policy. The new revised *EU development policy* recognises the importance of environmental mainstreaming into all EU co-operation programmes and projects.

In its submissions and other communications with the EU, FERN has highlighted concerns about the need to promote independent, third-party certification of forest products entering the EU market, so as to ensure the highest standards of nature and biodiversity conservation in timber trade.

Documentation has been provided to the UK Central Point of Expertise (CPET) process and FERN participated in the Forest Stewardship Council (FSC) plantations policy review working group to improve its standard. FERN also facilitated and hosted visits of NGOs from Australia and Malaysia to present their concerns to the relevant people in the Commission and Parliament as well as in individual Member States.

“It is particularly important to empower poor people, local communities and indigenous peoples to have control over natural resources and environmental assets.”

Conclusion of IUCN conference on biodiversity and European development co-operation, Paris, September 2006



What FERN offers to fellow NGOs

FERN offers its partner NGOs support to present their concerns at EU level and, where required, training, communication and information across a range of campaign issues. With its solid base of research, networking, debates and advocacy, FERN offers a comprehensive network of support.

FERN as facilitator and coordinator

FERN's approach is to build coalitions between NGOs in EU Member States and beyond. The organisation is highly respected for its work facilitating several NGO networks. Every year FERN brings together around sixty-five representatives for the Forest Movement Europe network meeting (FME). In 2006 we met in Slovakia to share our views, information and discuss ways to move forward.

FERN also hosts four different formal and informal networks (on export credit agencies, illegal logging, forest certification and EC aid) and facilitates the Durban Group on Climate Justice. FERN's strong contacts with social movements and environmental organisations in the South have always been a crucial aspect of the strong networking facility it enjoys within Northern non-governmental organisations.

Fellow NGOs regularly seek FERN's advice on how to approach campaigning at EU level. During 2006 FERN (co-) organised NGO educational and strategy meetings including a strategy meeting of the European ECA Reform Campaign, (Italy, June); an educational and strategy meeting for European forest campaigners (Brussels, March and October) a meeting for forest campaigners on illegal logging (Munich, December); meetings on FSC certification and the FSC plantations policy review (Bonn, August); meetings on the EU Biofuels Directive (Bonn, October).

Advocacy

Further support was provided through a training project in advocacy. Over 20 NGOs across West Africa attended two advocacy workshops, one in Liberia in October and one in Togo in November, aimed at enabling NGOs to effectively inform national and international policies and projects. A toolkit to be used in future training and as a self-standing guide was produced in English and French and plans were laid for the strengthening of a network of West African environmental NGOs, GAWA (Green Actors of West Africa).

Capacity building in new Member States

FERN worked with NGOs in new Member States to build their capacities to effectively use EU legislation to protect forest biodiversity in their countries. This was done through the organisation of workshops and trainings, and included an NGO training on 'How best to use the EU to protect Europe's forests' (Brussels, March), a workshop on the Rural

Development Regulation (Brussels, October), the co-ordination of the annual meeting of the Forest Movement Europe – hosted by WOLF, a Slovakian NGO focusing on forest protection (Slovakia, April) and an updated website on EU Forests including an online database of European NGOs working on forest.

In addition, a guide for forest campaigners on ‘How to use the Rural Development Regulation at national level’ (produced and printed towards the end of 2005) was distributed throughout 2006 as were several briefing notes and the FERN-TRN booklet called *The EU’s impact on forests – A quick guide to the basics of EU lobbying*.

Public access to environmental information in the EU

A new EU Directive on Public Access to Information provides NGOs with opportunities to scrutinise the activities of the EU. FERN has worked closely with other NGOs to assess and document the potential and limitations of this new Directive as well as informing Members of the European Parliament and national Parliaments about experience NGOs have gained from applying the new transparency legislation. In addition, FERN produced a practical guide for campaigners on how to use the new legislation to better access information in and from the EC.

*FERN Advocacy
Workshop, Liberia,
October 2006*



FERN's success story 2006 – in summary

Export credit agencies / trade and investment

- Export credit agencies are now routinely discussed by EU Institutions. In June 2006 the European Commission hosted its first conference on export credits and sustainable development. The conference was co-organised by FERN and over-booked.
- EU-based export credit agencies fall under new binding legislation on access to environmental information. This has led to a successful EU wide campaign, co-ordinated by FERN, to get access to previously 'secret' information held by ECAs.
- A book to map investment flows and the roles of different actors was commissioned by FERN. It is expected that this book by Kavaljit Singh (*Why Investment Matters. The political economy of international investments*) will improve the efficiency of many different campaigns, including those focusing on ECAs, Multilateral Development Banks, private banks, the World Trade Organisation and other financial institutions.

Illegal logging and certification

At least 50% of tropical timber imports into the EU are illegally sourced.

- Creation of a movement to address the root causes of illegal logging with partners in Liberia, Ghana, Cameroon, Malaysia and Indonesia. NGO coalitions in these countries have produced well-received reports highlighting *their* demands for a partnership agreement with the EU to control illegal logging.
- General acceptance that partnership agreements between the EU and a timber producing country cannot be accepted without a proper consultation process with civil society groups.
- FERN has led an NGO coalition pressing for improvements within the Forest Stewardship Council, including within the area of the certification bodies' performance and the adoption of a new FSC plantation policy.

Development co-operation

- The EU now demands that every Country Strategy Paper includes an environmental country analysis, an environmental impact assessment and a risk assessment for the co-operation strategy. Indigenous rights are mainstreamed across EU policies and the EC has opened a small grants fund for Southern NGOs, specifically on forests and the environment.
- FERN co-ordinated a Brussels based environmental NGO coalition, which successfully campaigned for the public availability of environmental documents of importance to define EC co-operation strategies, improving EC's transparency and accountability in defining policy objectives for EC aid.

Climate change

- FERN helped create a global NGO coalition campaigning to highlight the social and environmental impacts of oil palm and sugar-cane plantations for agrofuel production, transport issues and GMOs. A joint position on bio-energy, and specifically biofuels, is currently being developed and will be published by the end of 2007.
- FERN has ensured that the EU remains convinced of the need to exclude carbon 'offset' projects that involve tree planting from the EU's Emission Trading Scheme (ETS).
- FERN's critical analysis of the flaws of carbon offset schemes are increasingly shared by decision-makers and opinion-formers. The large majority of independent articles available online concerning carbon offsetting in the last two years have mentioned the shortcomings and flaws of such schemes over the possible benefits often claimed.

European forest and biodiversity

- Creation of a coalition of European NGOs to redirect EU funds towards sustainable forest management and away from 'business as usual' practices. The coalition has been effective in changing the national rural development plans in Hungary and has lodged complaints about plans in Finland, Romania and Bulgaria.
- Central and Eastern European NGOs are increasingly aware of EU legislation to protect their forests with guidance and support from FERN.

“In general, funding may be rated as highly diversified: EU, government agencies, private foundations and other NGOs. It may be observed that even the sources for core funding are diversified. This clearly is a guarantee of independence of the organisation.”

*2004 DG
Environment Audit*

FERN financial information

Currency Euro's

2006

Income

General projects receipts	354,458
Core funding	222,672
Agents money received	122,310
Contribution to studies	22,965
Reimbursements	5,910
Income from other sources	1,570
Bank interest received	6,497

736,380

Expenditure

2006 expenditure
per campaign



- Core activities
- European forests and biodiversity
- Development co-operation
- Export credit agencies
- Climate change Illegal logging and certification

Salaries	285,159
Travel / meetings	79,917
Consultants	50,124
Printing and publications	43,345
Post / telephone / fax	19,792
Office supply	2,150
Offices rent and charges	22,605
Computers, maintenance & website hosting	20,279
Documents, incl rent of photocopier	7,311
Agent moneys paid	158,998
Financial audit-accountancy	9,489
Office and staff insurance	1,989
Tax and legal documents	1,309
Miscellaneous	1,908
Bank charges, interest paid, exchange loss	3,474

707,849

Balance carried forward

28,531

Logs from the former OTC concession with guard at Buchanan Harbour, Liberia, October 2006



Spreading the word

FERN publications in 2006

FERN reports in 2006 (by date)

Provoking change – A toolkit for African NGOs, *December 2006*

This Advocacy Toolkit is for local and national NGOs, but specifically for those based in West Africa, as the case studies and background information are focused on this region. This toolkit was produced at the request of a network of environmental NGOs in West Africa: the Green Actors of West Africa (GAWA).

Document in English and French

Liberia's forestry law in an international context – Reasons for concern, *November 2006*

An FPP-FERN analysis, supported by FERN, of the Liberian Forestry Law within the context of international human rights and environmental law. The report recommends retaining the current moratorium on timber exportation until issues such as land tenure and community rights have been clearly defined and safeguards are in place to ensure that income from logging will benefit the people of Liberia.

EU subsidies for forestry practices in the 1990s – How EU taxpayers money gets lost in subsidising the forestry sector, *October 2006*

This FERN-TRN report examines the allocation of public funding to forestry programmes within Europe. Europe's forests receive huge subsidies. In 13 countries assessed, over 8.6 billion EUR of public funds were spent on forestry programmes during the period 1990-1999.

Carbon Trading: A Critical Conversation on Climate Change, Privatisation and Power, *October 2006*

This book produced by the Dag Hammarskjöld Foundation and written by the Durban Group exposes the flaws of carbon trading. In detailed case studies from nine Third World countries, the book shows how carbon offset projects such as those promoted under the Kyoto Protocol's Clean Development Mechanism (CDM) have had a detrimental impact on local communities. At the same time, they prolong industrialised countries' excessive pollution of the atmosphere.

The EU's impact on forests – A quick guide to the basics of EU lobbying, *September 2006*

This booklet is a summary of FERN and TRN's publication: 'The EU's impact on forests: A practical guide to campaigning'. It provides an overview of the key points you need to know when starting a campaign at EU level.

Series of reports looking at forest governance from an NGO perspective

This series provides constructive input to the development of voluntary partnership agreements to control illegal wood.

Forest governance in Malaysia, recommendations for a VPA, *September 2006*

Available in English

Forest Governance in DRC, recommendations for a VPA, *June 2006*

Available in English and French

Forest Governance in Ghana, recommendations for a VPA, *June 2006*

Available in English

The Privatisation of Law, *April 2006*

Investment contracts governing infrastructure projects between States and multinational enterprises (MNEs), particularly for the extractive industries in developing countries, are bringing about profound changes in the international legal order through their conflation of public and private needs. This report explains in detail how.

FERN and WWF submission to CPET, *February 2006*

FERN and WWF presented their findings on the UK Government's assessment of forest certification schemes, carried out by CPET. The report includes recommendations for improving the CPET criteria.

FERN submission to UK Parliamentary Environmental Audit Committee, *January 2006*

FERN's submission on sustainable timber and government procurement to the UK's parliamentary select committee

FERN briefing notes in 2006 (by topic)

Illegal logging

The Voluntary Partnership Agreement in Cameroon: Making the Point, December 2006

Briefing note number 7 of the EC Forest Platform Cameroon analysing civil society involvement in the discussion around the EU-Cameroon Voluntary Partnership Agreement on Forest Law Enforcement, Governance and Trade (FLEGT). Authors: Edith Abilogo & Symphorien Azantsa
Document in French

Apakah FLEGT SP itu? November 2006

FERN's EC Forest Platform Briefing Note by CAPP, YKR, Telapak and PSHK-ODA on the implementation of the FLEGT Support Project in Jambi, Indonesia.
Document in Bahasa Indonesian.

On Shaky Ground: The involvement of civil society in the preparatory stage of the FLEGT support project, October 2006

Telapak and FERN briefing note on the implementation of the FLEGT support project in Indonesia. This EC-funded project aims to tackle illegal logging and promote the role of forests in the sustainable development of Indonesia.

Export credit agencies (ECAs)

The Ilisu Dam Project: Europe's money would move Turkey away from the *acquis communautaire*, September 2006

Briefing note on three European export credit agencies considering to finance one of the world's most controversial infrastructure projects. The project utterly fails to meet EU social and environmental standards – thereby moving accession candidate Turkey away from the EU *acquis*.

ECAs and the Licence to Finance: Consultation, Participation and the OECD's Recommendation on Common Approaches, September 2006

This paper by Nick Hildyard of the Corner House gives recommendations on how to address deficiencies in current ECA policy with regard to consultation and participation and argues that affected communities and indigenous peoples must be recognized as rights holders in the decision-making process.

European forests and biodiversity

Rural Development Regulation fails to meet EU targets, November 2006

The environmental quality and health of European forests is declining, and an increasing number of forest-dependent species are now endangered as a result of poor forestry practices. However, the new Rural Development Regulation for 2007-2013, which could be used to help prevent this biodiversity loss, looks set to miss the mark, as shown by research in this FERN-TRN briefing note.

How EU taxpayers money gets lost in subsidising the forestry sector, October 2006

Europe's forests receive huge subsidies. In 13 countries assessed, over 8.6 billion EUR of public funds were spent on forestry programmes during the period 1990-1999. This briefing examines the allocation of public funding to forestry programmes within Europe. This briefing note is a summary of the FERN-TRN report: *EU subsidies for forestry practices during the 1990s*

Forests of the Czech Republic, August 2006

This briefing note, on forests of the Czech Republic, is part of the series of briefing notes about the forest situation in the new Member States. Authors: Michal Rezek – *FSC Working Group Czech Republic*, Zuzana Stroufova – *Hnutí DUHA (Friends of the Earth Czech Republic)*, Jaromir Blaha – *Hnutí DUHA (Friends of the Earth Czech Republic)*.

Forests of Estonia, May 2006

This briefing note, on forests of Estonia, is part of the series of briefing notes about the forest situation in the new Member States. Author: Jaan Parn, Estonian Green Movement.

EC development aid

Court of Auditor's Report: The environmental aspects of the Commission's development co-operation, September 2006

This briefing note summarises the European Court of Auditors' findings on the lack of environmental protection into projects dealing with co-operation between the European Community and developing countries. The findings of this latest report are not new and detail the limited success of attempts to tackle the problem. The report concludes with a recommendation that the Commission should establish a comprehensive environmental strategy for its development aid.

Document in English and French

Integrating environmental issues in the next round of co-operation agreements between the EU and ACP countries, July 2006

FERN and ICCO briefing note to facilitate lobbying by civil society organisations wanting to advocate the integration of environmental issues into the next round of co-operation agreements between the European Union and African, Caribbean and Pacific countries.

Document in English and French

Towards a new EU-Cameroon co-operation policy, June 2006

Briefing note number 6 of the EC Forest Platform Cameroon analysing the changes and challenges of the new EU-Cameroon co-operation agreement. Author:

Bertrand B. Ndong

Document in French

Information on the Programming of EC Aid for ACP countries: Will the EU deliver on its promises? March 2006

Briefing note prepared by the Concord Cotonou Working Group, which includes FERN, to facilitate the lobbying and participation of civil society organisations in the European Union and African, Caribbean and Pacific countries in the forthcoming processes of EC Aid Programming.

The Congo Basin Forest Partnership (CBFP), February 2006

Briefing note number 5 of the EC Forest Platform Cameroon outlining the objectives of the CBFP and the possibilities for civil society in the region. Author: Marie Madeleine Bassalang.

Document in French

Climate change

10 Things you should know about tree offsets, July 2006

Fact sheet outlining the 10 main shortcomings of carbon offset credits from tree planting projects. The fact sheet was published in the July 2006 Special New Internationalist magazine issue on carbon offset schemes.

Other in 2006

Online database on the FERN website with European NGOs working on forest issues: Who is Who in the Forest Movement online directory, August 2006

Staff and board

Staff

Iola Leal Riesco – Development co-operation, EC forest platform and illegal logging

tel: +32 2 733 3653, iola@fern.org

Joëlle Dubois – Finance officer

tel: +32 2 735 2500, joelle@fern.org

Judith Neyer – Trade and investment and export credit agencies

tel: +32 2 742 2436, judith@fern.org

Jutta Kill – Climate change, SinksWatch

tel: +44 1608 651864, jutta@fern.org

Leontien Krul – Forest policy and biodiversity issues

tel: +32 2 733 0814, leontien@fern.org

Sara Manning – General information and UK administration

tel: +44 1608 652895, sara@fern.org

Saskia Ozinga – Trade and investment and illegal logging

tel: +44 1608 652895, saskia@fern.org

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Leontien Krul (FERN), Brazil Adventure International,

FERN office Brussels

4 Avenue de l'Yser, B-1040 Brussels, Belgium

Tel: 00 32 2 7352500 Fax: 00 32 2 7368054

FERN office UK

1c Fosseyway Business Centre, Stratford Road, Moreton-in-Marsh, GL56 9NQ, United Kingdom

Tel: 00 44 1608-652895 Fax: 00 44 1608 652878



Email: info@fern.org

Web: www.fern.org
