

Annual Report 1999

What is Fern?

Forests across the globe are disappearing at an alarming rate. Logging, mining, hydropower and the hunger for land are the main causes of deforestation in the tropics while temperate and northern old-growth forests are being destroyed by the timber and pulp and paper industries. Meanwhile, the livelihoods of forest peoples in the North and in the South are being undermined, and plant and animal species are disappearing.

Many non-governmental organisations (NGOs) campaign to save the world's forests and support the struggles of forest peoples. International co-ordination of these activities is vitally important. International trade, aid and policy agreements can have dramatic and damaging impacts on forests and forest peoples.

The European Union (EU) has become a dominant player with respect to forests. The EU and its Member States together provide half of all development aid in the world. One third of all aid to tropical forests comes from the EU. The economy of the EU is collectively the largest in the world and the EU is also the world's biggest exporter. The EU is one of the biggest importers and consumers of timber, paper and pulp.

Fern keeps track of the EU's involvement in forests and co-ordinates NGO activities at the European level. Fern advocates changes in EU activities to achieve the sustainable management of forests, respect for the rights of forest peoples and greater transparency in EU aid to tropical forest countries.

Fern is not an acronym - the name was chosen for its symbolic value, as ferns are one of the few plant families found in all forest types.

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Fern would like to thank the following organisations for their generous support in 1999:

The Dutch Ministry of Environment (VROM)

The Netherlands Committee for IUCN

Novib

World Wide Fund for Nature

The John D and Catherine T MacArthur Foundation

The UK Department for International Development (DfID)

The C S Mott Foundation/American Lands Alliance

The Environment Directorate General of the European Commission

Foreword

1999 has been a year of change and drama at the European Union. For the first time in its history the Parliament sacked the Commission on charges of corruption and nepotism, and a new Commission was installed. The summer elections also put a new Parliament in place.

Despite the turmoil, the current 15 Member States decided in 1999 to start accession negotiations with another 6 countries. This means the EU is now preparing to welcome 12 new member states. The power of the EU will therefore increase further. The EU is already the largest aid donor in the world and the world's largest trading block. Fern's scrutiny of the impact of the EU in relation to forests is therefore more necessary than ever.

This year Fern increased its work on EU aid and trade policies. A new EU tropical forest policy was under development in 1999, as was a new regulation for aid to tropical forests. On Europe's own forests the debate raged on forest certification with a stand off between the supporters of two certification schemes - the FSC and the PEFC. A new global trade round luckily proved too ambitious for the EU at the WTO meeting in Seattle. At the intergovernmental level a future global regime for forests was discussed. On all these issues and more Fern has played an active and successful role, as outlined in this report.

One of Fern's most important but least visible tasks is networking with NGOs in both North and South. This year Fern continued to co-ordinate the Forest Movement Europe - a network of European NGOs - and to jointly host the Northern Office of the World Rainforest Movement. One of Fern's most commented-on achievements was the publishing of a directory of forest NGOs - a useful tool in the development of a strong, diverse and vocal forest NGO movement.

Finally, this year the Indonesian government updated its assessment of deforestation in Indonesia and announced that the situation was twice as bad as estimated in 1994. The same figures showed that over 70% of logging in Indonesia is illegal. The story is the same in many other nations. Struggles over forest land are emerging from Sweden to Indonesia and from Russia to Brazil, and old growth forests are disappearing from all continents. The choice is stark - either we allow these trends to continue and accept the disappearance of our forests, or we direct our efforts into pressurising decision-makers to protect the precious and

extraordinary forests of the world. Fern is committed to reversing the trend of forest destruction.

Saskia Ozinga

Fern Co-ordinator

January 2000

1. Counting the cost of trade

Trade and finance flows are growing fast, and trade decisions often have dramatic impacts on forests and forest peoples. The European Commission has the power to negotiate trade matters on behalf of its Member States. Fern is the only NGO directly involved in tracking the European Union's forest-related decisions. Fern informs the EU to protect forests from the damaging impacts of trade. This year Fern increased its activities on trade issues.

Fact splash: Between 1966 and 1988 world softwood production rose by 28% and hardwood production by 54%. The WTO estimates that exports of forest products in 2005 will be between 4% and 6 % higher due to already existing trade liberalisation. Due to a string of acquisitions and mergers the timber and pulp and paper industry have shown a concentration of market power. The interests of top 10 paper companies often span both tropical and temperate forests, creating a truly global industry.

1.1 Improving World Trade Organisation agreements

Alerted by NGOs to the potentially harmful effects on forests of the World Trade Organisation's (WTO) new trade round, Fern initiated a new campaign to influence global trade decisions. The aim of Fern's WTO campaign is to persuade the European Commission to reject trade agreements that could have negative impacts on forests and forest peoples and to increase the transparency of trade negotiations. Fern is also arguing for a systematic consultation process and for sustainability impact assessments to be carried out on all possible trade agreements before they are signed. When the WTO meeting in Seattle unexpectedly and dramatically failed, thanks partly to political pressure from NGOs, Fern increased its demand for WTO reform. EU demands for a new trade round can not be justified. The EU has benefited from the current trade system, but has not met the demands of many developing countries to review and repair the current trade system. The coming year will be a key time to influence decisions with the aim of introducing effective regulation of logging activities and reversing the trend of further unlimited trade liberalisation.

Fern's 1999 campaign successes:

_ Fern's first step was to research and publicise information about how the WTO operates and its impact on forests. Fern realised information was scarce so organised a seminar for forest activists and NGOs titled *Everything you always wanted to know about the WTO*. At the end of the seminar 140 NGOs, including World Rainforest Movement, Friends of the Earth, Greenpeace and World Wide Fund for Nature, signed a joint-NGO statement expressing their concerns.

_ Fern established a European network of forest NGOs working on forest and trade issues. In doing so Fern worked closely with organisations and networks in the US, Japan and the South.

_ Fern produced a briefing on the WTO and its past and potential impacts on forests and forest peoples. Before and during the Seattle trade round, Fern used the briefing to keep forests high on the agenda with parliamentarians, EC officials, NGO networks and Seattle delegates.

_ Fern lobbied the EU in the run up to Seattle by representing its views in letters, statements, press releases, meetings and articles published in several magazines. Fern organised discussion meetings between NGOs and the European Commission and the European Parliament.

_ At the Seattle conference, Fern gathered information at press and NGO briefings, co-ordinated activities with US and Japanese NGOs, spoke at two different press conferences and led a workshop for forest activists.

NEXT YEAR: In close co-operation with NGOs in America, Japan and the South, Fern will continue to work on trade agreements with a focus on their impacts on forests. With the EU emerging as the main force calling for a new trade round, Fern's activities will continue to be vitally important. Meanwhile international interest in bilateral trade agreements is likely to increase in 2000 - marking another area for Fern to monitor and influence.

TRADE CASE STUDY:

Selling forest peoples down the river

An Indonesian company, APRIL is clearcutting rainforests to produce paper that is being sold at the European market by a Finnish company, UPM-Kymmene. In Riau Province, Sumatra, where APRIL has its pulp mill, there have been numerous conflicts between local communities and APRIL over land. Local communities have very weak rights to their customary land and at least three local communities have been seriously affected by APRIL. Numerous clashes have led to violence and the death of one demonstrator. In 1999, Fern hosted a tour of two Indonesian campaigners, who came to Europe to ask consumers not to buy the paper being produced by APRIL, and to inform UK investors in APRIL and UPM-Kymmene about the problems with APRIL in Riau.

1.2 Establishing 'good practice' for multinationals

European Union and US multinational companies working in developing countries have responsibilities to ensure their business activities are in line with national and international environmental and social laws. In 1999 Fern was closely involved in exposing secret agreements made between governments and companies involved in the development of an oil pipeline from Chad to Cameroon, the so called Conventions of Establishment. Fern also became an active participant in discussions aimed at creating a Code of Conduct for multinational companies whose projects may affect forests or forest peoples.

Fern's achievements:

_ Fern took on the legal analysis of the Conventions of Establishment of the planned pipeline, soon to be considered for approval by the World Bank. Fern's investigations revealed that private contracts signed by the government of Cameroon and the oil companies transgressed national law in both countries.

_ Fern participated in meetings of the European Parliament's Development Committee, specialised working groups, NGO seminars and co-ordination meetings to develop a Code of Conduct for multinationals working in developing countries. The Parliament presented its report in January.

_ Fern is investigating the international prevalence of private contracts superseding national and international commitments, and becoming the basis for environmental and human rights legislation within the host country.

NEXT YEAR: Fern will be making a legal presentation to NGOs and World Bank officials on the prevalence and implications of private contracts superseding national and international laws, and will publicly report the response.

MULTINATIONALS CASE STUDY:

Making an example of the Chad-Cameroon pipeline

For over two years Fern has been working with a network of international and local NGOs to improve the conditions for Shell's Chad-Cameroon oil pipeline project. Fern's briefings on legal aspects of the pipeline contracts provided vital information for NGOs from Europe, the US and Africa concerned about the impact of the project on local people and the environment. Fern obtained support for EC 'urgency resolutions' concerning the pipeline project and briefed Members of the European Parliament, the World Bank and the US Treasury on the issues involved.

When Mr Yoroungar, a Chadian MP, visited Brussels to brief the Commission and the Parliament on the human rights situation in Chad, Fern acted to support him arranging meetings with Mr Philip Lowe, Director General for development, and key European parliamentarians involved in the pipeline decision.

1.3 Setting standards to protect forests and forest peoples

Fern believes forest certification helps consumers of forest products choose ethical and environmental products from sustainable sources. Forest certification can also contribute to an improvement in forest management if the standards applied are significantly higher than established standards. Setting these high-quality standards needs the full participation of industry, environmental NGOs and the social sector. For this reason Fern supports the Forest Stewardship Council (FSC), the international forest certification organisation, and believes FSC offers forest peoples the best standards and the best standard-setting procedure.

However, forest certification is not a panacea for the forest crisis and can only work effectively when an adequate forest legislation system is in place and being enforced. In 1999 Fern argued for better enforcement and for standards to be pushed even further. In Europe, forest owners launched their own certification scheme in July 1999. This Pan European Forest Certification (PEFC) was set up as an alternative to the FSC and led to extensive discussions in Europe comparing the merits of the two schemes.

Fern's 1999 activities include:

_ Fern organised a three-day meeting of the Forest Movement Europe at which both FSC and PEFC were extensively discussed. Fern drafted a joint NGO statement on the PEFC scheme.

_ At a PEFC seminar in Germany, Fern gave a detailed critique of the PEFC scheme to forest owners and explained the problems that NGOs had found with the scheme.

_ Fern kept the NGO movement informed and involved in FSC decisions and was elected onto the FSC board for the coming three years.

_ Fern informed European NGOs and FSC contact people on the position of the EU towards certification, at a seminar in the Netherlands.

_ Fern continued its work to make sure the FSC scheme works in harmony with local land rights struggles and community campaigns against forestry companies by supporting calls from NGOs in North and South.

NEXT YEAR: Fern will try to ensure that FSC becomes more transparent, gives more emphasis to the social side of forestry and maintains high environmental standards. At the EU level Fern will be closely monitoring the PEFC scheme in the hope it will improve considerably and contribute to the improvement of sustainable forest management in Europe.

CERTIFICATION CASE STUDY:

The Sami ask consumers to buy FSC

Despite its reputation as a liberal, open country Sweden's history towards its own indigenous peoples is a bleak one. The Sami - the reindeer herding people known as Laps - currently face a series of expensive court cases that seriously threaten their existence. The conflict is about access to land. The Sami's customary right to winter grazing on privately owned forest land has been challenged by the forest owners' association. Due to an omission in Swedish law, the chance of the Sami winning the court cases is small, and the million-dollar costs cannot

be met by the Sami communities. Unless the Swedish government steps in, the Sami culture will be lost forever. In 1999 Fern wrote to Swedish Prime Minister Goran Persson asking the Government to intervene in the dispute and to sign ILO 169, an international agreement on indigenous rights. Fern also helped representatives of the Sami community tour Europe to seek support from European consumers. If consumers buy FSC-certified timber the Sami will survive: In FSC forests, the Sami are allowed to graze their reindeer. Fern will continue to support the Sami case over the coming year.

1.4 Developing sustainable forest industries within the EU

Forest management within the EU is of great importance to Fern. This year saw Fern's participation in an eight-month negotiation process with the Enterprise Directorate General (DG III) to improve the EU's approach to sustainable development and responsible resource management in forests.

_ Fern campaigned on the development of the DG's Communication on the Global and Sustainable Competitiveness of the Forest-Based and Related Industries in the European Union. Fern issued a joint-NGO response to the working document and expressed strong criticism of the interim paper.

NEXT YEAR: Fern will continue to monitor the activities of the Enterprise and Agriculture DGs in relation to forests. Of particular concern is the proper implementation of the EC's Biodiversity Strategy on forests. So far this implementation has been ignored by the forestry sector.

Fact splash: In Western Europe the proportion of old-growth forests remaining is estimated at 0.8%, mostly in reserves or regions judged uneconomic for logging. Nonetheless fragments of old growth forests continue to be logged in major timber exporting countries such as Sweden and Finland. The quality of European forests has been in decline since the 1980s with currently one third of trees affected by airborne pollution.

Letter pressure: Fern wrote to the Prime Minister of Thailand requesting peaceful negotiations in settling land rights conflicts in Chiang Mai province.

1.5 Putting forests on the transatlantic map.

One of Fern's greatest opportunities to affect government-level discussions between the US and the EU is to play a part in the Transatlantic Environment Dialogue (TAED). Through the TAED, EU and US NGOs co-ordinate their input into the bilateral trade negotiations between

the EU and US. This year Fern was asked to be the European co-ordinator for the biodiversity working group, one of the five working groups of the TAED.

Fern's activities:

_ Fern jointly drafted the presentation to the EU and US delegations and the press release of the biodiversity working group after the TAED meeting this summer.

_ Fern continued to provide support for the running of the TAED through advice during conference calls and presentation by the TAED at high level EU and US meetings.

NEXT YEAR: Fern will continue to chair the TAED's European working group on forests and biodiversity, and will co-ordinate the European NGO input. Issues to be discussed are trade liberalisation, the precautionary principle and the future of the global forest dialogue.

Letter pressure: Fern wrote to the Minister for Environment of the Czech Republic requesting to stop logging Sumava National Park and address the bark beetle problem.

2. Helping aid be helpful

International aid projects have the potential to help countries build sustainable economies but this should not be at the expense of forests or forest peoples. The EU is an important donor with responsibilities to ensure its funding is used properly. As the EU Member States decrease their bilateral aid in favour of the EU, the aid spent by the Community is likely to increase. Making sure that EC aid policies take into account the needs of the forest environment and forest peoples is one of Fern's most vital activities.

Fact splash: The EU is the world's biggest donor giving nearly 40% of total overseas development aid. One third of all bilateral aid to tropical forest projects comes from the European Union. European countries provide more than half of all development assistance to developing countries with economies in transition.

2.1 Tropical forests on the receiving end of EU aid

Fern monitored EC aid flow to tropical forest countries and worked to change the Commission's aid policy for tropical forests to ensure that aid benefits local communities and contributes to conservation and sustainable management of forests. EC aid came under criticism this year as a series of reports showed a clear need for improvement of EC policies. Fern sees the debate over aid policies as a crucial opportunity to promote responsible and sustainable practices. Working co-operatively with other NGOs and presenting a unified response to aid policies is especially important in this area of Fern's work.

Fern's activities:

_ Fern presented the EC with joint-NGO comments - including WWF, Greenpeace, Friends of the Earth - on the Commission's discussion paper on EU and tropical forests. Many of the comments were incorporated into the Commission's final draft.

_ Fern drafted joint-NGO comments on a proposal to continue the Tropical Forest Budget Line – the EC's main funding source for tropical forest projects – which ended in 1999. Many of these comments were incorporated in the final draft.

_ Fern wrote a report, published by the Netherlands Committee for IUCN, on European Community aid to tropical forests and guidelines for Parliamentarians in the new Parliament to ensure its continued support for tropical forests and forest peoples' rights.

Helping a little money go a long way

One of the problems with EC aid is that with the current structure it is impossible to fund any projects smaller than 200,000 Euro. This year Fern worked with the European Commission and the Parliament to create a Small Grants Fund. At the last meeting of 1999 the relevant Committee approved the proposal for the Fund.

NEXT YEAR: Fern will campaign for the improvement of the environmental and social performance of European Community aid. Fern will assess the possibility of carrying out a study on the good and bad effects of specific aid projects to provide feedback and help lessons to be learned.

AID CASE STUDY

Russians reach for forest aid

In June, Fern gave a presentation about its work to the Russian Indigenous People's Network and explained the structure of the EC. Fern described the EC's policies on indigenous peoples and the potential for access to funds. Fern also provided contacts and examples of how to ensure that the Korean indigenous people are not excluded from benefiting from their forests.

EC aid for Amazon Indians

Fern researched, published and distributed a guide informing Amazon Indians how to make successful funding applications to the EC. Many indigenous peoples' organisations need international funds to run local projects and establish organised campaigning activities. The briefing sheet offered practical information on the possibilities for EC funding.

Letter pressure: Fern wrote to the Dutch Minister of Development asking her to continue supporting specific projects in the Central African region. The letter was co-signed by 26 organisations, many from African countries.

Fact splash: At the beginning of the 19th Century the ratio of real income per head between the world's richest and poorest countries was 3 to 1. By 1900 it was 10 to 1. By 2000, it had risen to 60 to 1.

3. Focusing global powers on local communities

Following the Rio Earth Summit in 1992, the International Forum on Forests (IFF) has been the central chamber of debate with major global players meeting to discuss and agree the future of forests around the world. The views of those who live in forests and value their biodiversity often remind governments and institutions of issues they would prefer to ignore. Fern's role is to help make sure that the voices of forest peoples are heard.

3.1 Holding governments accountable

At the third and penultimate session of the IFF in Geneva, Fern worked with a group of NGOs and Indigenous Peoples' Organisations (IPOs) to develop joint statements that were presented to the plenary. Fern discussed forest issues with a wide range of participants at the Forum. At a side meeting of NGOs, EU presidency representatives and the European Commission views were exchanged on the substantive issues under discussion at IFF3. International forest protection agreements emerged as a hot issue - these are vital solutions to the forest crisis, but are useless if they are not properly implemented. Concern about the implementation of the IPF Proposals for Action led to Fern's initiation of a monitoring project that will focus discussion at the final IFF meeting in 2000.

Fern's activities:

_ Fern presented a memorandum to the EU delegation recording the views put forward by NGOs during the discussion.

_ Along with Fern, a group of environmental NGOs and IPOs initiated a monitoring process of the Intergovernmental Panel on Forests (IPF) Proposals for Action. Fern is playing a full part in the review, and will be collating and reporting the group's findings at IFF4.

_ Successful activities by Fern and other NGOs caused a weakening of support for an international forest convention - seen by NGOs as inherently flawed and offering limited opportunities to address the forest crisis in a meaningful way.

NEXT YEAR: Fern will present its report on the implementation of the IPF Proposals for Action to IFF 4 and the eighth session of the Commission for Sustainable

Development (CSD). Fern will continue to advocate a solution that will lead to proper implementation of commitments made by governments.

<p><u>Letter pressure</u>: Fern wrote to the President of Brazil complimenting him on the decision to demarcate an indigenous area in Roraima State.</p>
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3.2 Preparing to push for action on forests

With the final session of the IFF due to take place in February 2000, 1999 was a crucial year for Fern to influence discussion on the future of the global forest policy debate. This presented a window of opportunity for those committed to achieving change to work together to push for action on forests.

Fern's actions:

_ Fern initiated discussions with governments and NGOs on providing input to the International Forest Advisory Group's debate on 'Functions of the future forest policy dialogue beyond the year 2000'.

_ Fern met NGO and IPO representatives from Africa, Asia, CIS, Latin America, Oceania, Europe and North America to discuss the strengths and weaknesses of the current Institutions, Arrangements and Mechanisms for Global Action on Forests, and identified areas for debate.

NEXT YEAR: Fern will work with NGO partners, the European Commission and Member States to achieve the desired outcome of the global policy deliberations. Any outcome should lead to proper implementation of all commitments made and regulation of trade in forest products.

Fact splash: Historical patterns of development that have led to skewed land distribution underlie many of the problems forestry faces today. Thus any solution to tropical deforestation should address this issue. In Brazil, for example, 0.8% of landowners possess 43% of the land, while the 53% of landowners classed as small farmers own between them 2.7%.

3.3. Addressing the roots of the forest crisis

Fern played a key role in the 'Underlying Causes of Forest Loss' initiative led by international NGOs and established as a response to the IFF's failure to address the root causes of the forest crisis. The initiative pulled together information from 50 global case studies in seven regions and was presented at an IFF meeting in Costa Rica.

Fern's actions:

_ Fern jointly facilitated the initiative in Europe, identifying underlying causes for forest loss and describing the impact of these in ten case studies. The cases included road building in the

UK, economic and political transition in Estonia, land tenure transformations in Hungary, the erosion of communal forest management in Portugal, the lack of power at the local level in Sweden and the corporatist culture in Austria.

_ Fern edited the draft global report and summarised all 50 case studies for presentation at the IFF intersessional.

_ As part of the Steering Committee Fern co-organised the IFF intersessional in Costa Rica on Underlying Causes of forest loss. Fern also presented the results of this project at a briefing during the WTO meeting in Seattle.

As a result of Fern's European report, the Secretariat General of UNEP (the lead agency within the IFF process on underlying causes), opened up the debate for non tropical forests and looked at the wider impacts of aid and trade on forests around the world.

NEXT YEAR: The Underlying Causes project is refocusing itself on trade and consumption issues, both of which are being actively pursued by Fern. Fern also intends to publish all European case studies.

4. Finding long-term solutions and building networks

Fern's co-operative work with NGOs and forest peoples builds strong and effective campaigning networks and accelerates positive results. Fern believes that the deep, underlying problems faced by forests and forest peoples are not adequately addressed in the trade, aid and policy debates of international governments and institutions. Fern works with NGOs to find and promote positive solutions that address the root causes of the forest crisis.

<p><u>Letter pressure:</u> Fern wrote to the President of the Olympic Committee asking him to support Slovan NGOs in their campaign against the candidacy of Slovakia for the winter games, as these games would lead to the destruction of important mountain and forest areas.</p>
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4.2 Forest Movement Europe

Fern organised the three-day annual gathering of European forest NGOs in Benediktbeuren, Germany, hosted by Pro Regenwald, a German NGO. Day One focused on African forest issues with ten African NGOs present to inform European NGOs how to focus their activities in Africa. On the second day the Africans continued their meeting, while other NGOs discussed the World Bank's forest policy, palm oil plantations in Indonesia, logging in Sarawak, forestry in Cambodia and the Intergovernmental Forum on Forests. Day Three discussions focused on forest certification and led to several joint statements and action plans for the year ahead.

4.3 World Rainforest Movement

Countering top down development and supporting local struggles from its secretariat in Montevideo, Uruguay, the World Rainforest Movement continues to be one of the most influential and effective campaigning networks on international forest policy and the only network on forest issues that is based in the South.

With the Forest Peoples Programme, Fern jointly functions as the Northern secretariat of the WRM providing campaigning support to the Movement's affiliates and keeping companies and governments based in the North well informed.

In 1999 Fern organised the annual steering committee meeting of the World Rainforest Movement in Enkhuizen, the Netherlands. Steering Committee members from all regions of the world attended to discuss the World Rainforest Movement's future direction, and other issues such as the World Trade Organisation, carbon sinks, land rights and parks.

Solutions case study

Opening doors in Brussels

Fern supported NGOs and Indigenous Peoples Organisations from Guyana, Peru, Surinam, Brazil and Colombia on their visit to Brussels. By arranging meetings with Commission Officials, MEPs and other NGOs Fern could contribute to making their visit to Brussels successful. In many cases Fern also advised on funding possibilities.

5. Publications

NGO Directory

Fern published a directory of forest NGOs. The directory primarily covers the members or affiliates of three networks, the Forest Movement Europe (FME), Taiga Rescue Network (TRN) and the affiliates of the World Rainforest Movement (WRM). Each of these networks operates differently and an introduction to their rationale and approach is provided at the beginning of each section.

Report on EC aid to tropical forest countries

Fern wrote a report on EC aid to tropical forest countries, published and presented by the Netherlands Committee for IUCN. The report contained an analysis of EC policies and practices, and provided insights for MEPs on how to improve the performance of EC aid to tropical forest countries.

Europe and the World's forests

Together with the Forest Peoples Programme Fern produced a report on the underlying causes of forest loss in Europe and the impact of Europe's aid and trade policies on forests elsewhere. The report summarised and analysed ten case studies, focusing on underlying causes of forest loss in Sweden, Austria, Estonia, Portugal, the UK, Romania and Hungary.

Briefing Sheets

Fern published four briefing sheets this year: Funding Possibilities for Indigenous Organisations in Latin America; the EU's Phare Programme (the main support programme for Eastern European countries); the WTO and forests (short and long version).

EU Forest Watch

Fern published ten issues of its newsletter *EU Forest Watch*. Most issues of *EU Forest Watch* were accompanied by relevant Parliamentary questions and answers and in some cases by joint NGO statements or background briefings. For a monthly update on EU aid and trade policies in relation to forests, Forest Watch is indispensable. Next year *EU Forest Watch* will change considerably in layout and content, based on the findings of a questionnaire sent out with the December issue.

Letter pressure: Fern expressed its concern about illegal gold mining and the development of a cyanide vat leach-processing mill in the Southern Kuril Island of Kunashir, Russia. The local administration and local people are opposing the development that will mainly bring benefits to a few people within the Sakhalin administration.

6. Financial Report

7. Who is Fern?

7.1. Fern's people

Most of Fern's 1999 achievements were the result of the part time work of four people:

_ Saskia Ozinga, co-ordinator and joint founder.

Chantal Marijnissen, policy advisor on aid and trade issues.

_ Sofia Ryder, policy adviser on international forest policy and forestry issues.

_ Susan Leubuscher, policy adviser on legal and environmental issues.

Fern wishes to express many thanks to Anne Janssen who worked at the Fern office in the UK during the hectic autumn months and Time Rice and Stuart Wilson who both carried out consultancy work for Fern.

7.2. Fern's Board

Fern's board consists of a representation of European NGOs from different member states:

Gemma Boetekees, Friends of the Earth Netherlands/Stichting goed Hout

Francesco Martone, Reform the World Bank Campaign/Greenpeace Italy

Jutta Kill, Urgewald Germany

Sian Pettman, co-founder Fern

Next year Fern will expand its board with two more members.

Fern's Annual Report 1999

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