



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 11/21/2006

**GAIN Report Number:** RS6060

## Russian Federation

### Solid Wood Products

### Forest Code Update

### 2006

**Approved by:**

Kimberly Svec  
American Embassy, Moscow

**Prepared by:**

Kimberly Svec, Marina Muran, and Kim Darby

---

**Report Highlights:**

The new Forest Code cleared the first round of approval in its third final reading on November 8, 2006, after nearly three years of discussions. Backed by President Putin, the bill is expected to clear the second round of approval and be signed into law by the end of December, entering into force on January 1, 2007. The code lacks details, establishes a shift in focus from forest protection to profitability, and decentralizes management without clear funding. Opponents range from environmental groups to large timber companies and regional administrations.

---

Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Moscow [RS1]  
[RS]

## MAIN ASPECTS OF THE NEW FOREST CODE

1. The code establishes a greater degree of decentralization in forest management. Regional governments will be responsible for managing more than 1000 forest units (forest districts and municipal forests) across the country. Still, the federal government is expected to retain most of the forests and the authority to establish laws and regulations. Moreover, all funds from the use and exploitation of forests will initially flow to the federal budget and afterwards be distributed to the regions through subsidies.
2. The Federal Forest Service will be limited to general forest management, including oversight and control of fires, forest health and illegal logging. In addition, it will be responsible for national forest inventory and research activities. Regional governments rather than the federal agency will provide forest concessions.
3. Maximum leasing period will be reduced from 99 to 49 years. On the other hand, minimum leasing period for new concessions will increase from 13 months to 10 years. The forest resources will remain under the federal ownership. Foreigners and other foreign legal entities will not have limitations for leasing forest plots.
4. The code relaxes lease conditions for private timber harvesting companies and provides transparency in contract bidding. Forest users are no longer required to secure a logging permission ticket, but must notify authorities with a forest-use declaration. Contracts on concessions and leasing areas will be based on an auction system rather than tender.
5. Timber companies rather than the Federal Forestry Agency will be required to restore degraded or deforested lands.
6. The ban for timber harvesting in protected forests was lifted, specifically in over-mature and declining forests or for clearing sites for legitimate construction.
7. The list of permissible activities was increased, including geological explorations of mineral resources and construction of infrastructure. Construction of linear objects (electricity, road, or pipeline infrastructure) will be unrestricted.
8. Regional governments will be responsible for appointing personnel for forest inspection and supervision.
9. All firefighting coordination will be fully under regional responsibility.

## PRELIMINARY REACTIONS TO THE NEW FOREST CODE

Supporters predict that the long-awaited bill will improve the investment climate in the sector. They say the new rules, such as contract transparency and the new lease agreements for forest parcels, will attract new investments and foster a higher level of wood processing in Russia. On the other hand, opponents of the bill see it as a threat to the forests.

Some of the main problems envisioned by forest experts and environmental groups can be summarized as follows:

1. The former legal framework is being dismantled without a well-developed replacement. According to the Minister of Natural Resources Yuriy Trutnev, at least 60 new regulations would be needed to insure smooth implementation of the code, which will require at least six more months of discussions.
2. Because the new code is not clear in some conceptual definitions, it leaves room for wide interpretation, and possibly, corruption.
3. Many of the holes in the code relate to forest protection. The new code does not provide a unified strategy in management of protected forests. The system to

enforce illegal logging laws is not clear. Regulations of the technical process of timber logging are insufficient. Finally, the code leaves open the possibility of logging in natural preserves and enables tenants with long-term leases to block public access to forests.

4. Large holdings and companies, such as Titan and Continental Management are concerned that new conditions for lease agreements could considerably increase the rental cost for forest parcels.
5. Finally, the new code no longer requires forest-use projects to be reviewed in public hearings or pass environmental impact assessments.

Regional administrations also have serious concerns about the new bill, according to the Chairman of the Federation Council, Sergey Mironov. A shift in focus from protection to profitability, as well as the increased responsibility from decentralization, puts great pressure on regional administrations. Their concern stems from the uncertainty of federal support for their budgets, especially in regions where forestry sector GDP is insignificant. Discussions are still in progress about the distribution of subsidies that will accompany their new responsibilities.

The Federation Council has postponed the vote on the bill for two weeks, in which opponents can propose amendments. According to Nikolay Ryzhkov, member of the upper parliament, there is a fair possibility that the bill will not be approved and a conciliation board would be created. However, President Putin's administration is urging for an immediate approval of the final document.

## UNOFFICIAL TRANSLATION OF THE NEW FOREST CODE

*Note: The below unofficial translation of the full text of the forest code as approved in its final third reading by State Duma is provided for information purposes courtesy of the World Bank in Russia for non-Russian speaking parties.*

QTE.

----

### FOREST CODE OF THE RUSSIAN FEDERATION

Adopted by the State Duma on November 8, 2006

#### CHAPTER 1. GENERAL PROVISIONS

##### Article 1. Key Principles of the Forest Legislation

The following principles shall underlie the forest legislation and other enactments governing forest relations:

- 1) sustainable forest management, biological diversity conservation in forests, and enhancement of their potential;
- 2) maintenance of habitat-forming, water-conservation, protection, sanitation, recreation and other beneficial functions of forests, to ensure that each person could exercise the right for a healthy environment;
- 3) use of forests with due regard to their global environmental significance, as well as taking into account the length of their cultivation and other natural properties;
- 4) multiple-purpose, sound, continuous, non-depleting use of forests to satisfy society's needs for forests and forest resources;
- 5) renewal of forests, improvement of their quality and yield;
- 6) ensured protection of forests;
- 7) participation of citizens and civil society associations in decision-making which may affect forests when they are used, protected and renewed, with procedures for and forms of such participation to be compliant with the legislation of the Russian Federation;

- 8) forest use by methods which are not detrimental to the environment and human health;
- 9) division of forests according to their designation, and establishment of categories of protection forests depending on beneficial functions they perform;
- 10) inadmissibility of forest use by public authorities and local self-governance bodies;
- 11) payment for forest use.

### **Article 2. Forest Legislation**

1. The forest legislation consists of this Code, other federal laws, and laws of the Subjects of the Russian Federation adopted in accordance with the federal laws.
2. Forest relations may be also governed by decrees of the President of the Russian Federation which must not be in conflict with this Code and other federal laws.
3. The Government of the Russian Federation shall issue enactments governing forest relations within the powers defined in this Code, other federal laws and decrees of the President of the Russian Federation.
4. Federal executive authorities shall issue enactments governing forest relations in the cases specified in this Code, other federal laws, decrees of the President of the Russian Federation, and resolutions of the Government of the Russian Federation.
5. Based on and to implement this Code, federal laws, laws of the Subjects of the Russian Federation, decrees of the President of the Russian Federation, and resolutions of the Government of the Russian Federation, the executive authorities of the Subjects of the Russian Federation may issue enactments governing forest relations within of their powers.
6. Based on and to implement this Code, other federal laws, laws of the Subjects of the Russian Federation, decrees of the President of the Russian Federation, and resolutions of the Government of the Russian Federation, local self-governance bodies may issue municipal legal documents regulating forest relations within their powers.

### **Article 3. Relations Governed by the Forest Legislation**

1. The forest legislation shall govern forest relations
2. Property relations arising from turnover of forest parcels and forest stands shall be regulated by the civil legislation as well as by the Land Code of the Russian Federation unless otherwise provided for in this Code or other federal laws.

### **Article 4. Parties to Forest Relations**

1. Parties to forest relations shall be the Russian Federation, Subjects of the Russian Federation, municipal entities, citizens, and legal persons.
2. On behalf of the Russian Federation, Subjects of the Russian Federation, and municipal entities, respectively, the public authorities of the Russian Federation, public authorities of the Subjects of the Russian Federation, and local self-governance bodies shall participate in forest relations within their powers as established in the enactments.

### **Article 5. Notion of Forest**

Forest use, protection and renewal shall be based on the notion of forest as an ecological system or nature resource.

### **Article 6. Lands under Forests**

1. Forests are located on the lands of the forest estate and lands of other categories.
2. Forest use, protection and renewal shall correspond to the designation of the lands under these forests.
3. The boundaries of the forest estate lands and the boundaries of lands of other categories under forests shall be defined as established in the land legislation, forest legislation and town-planning legislation.

### **Article 7. Forest Parcel**

A forest parcel is a parcel of land with the boundaries defined as set forth in Articles 67, 69 and 92 of this Code.

### **Article 8. Ownership Rights for Forest Parcels**

1. Forest parcels within the forest estate lands shall be federally owned.
2. The ownership of forest parcels within lands of other categories shall be defined as established in the land legislation.

**Article 9. Right for Permanent Use of Forest Parcels (Use for Indefinite Periods), the Right for Limited Use of Other Owners' Forest Parcels (Easement), the Lease Right to Forest Parcels and the Right for Gratuitous Use of Forest Parcels during Established Periods**

The right for permanent use of forest parcels (use for indefinite periods), the right for limited use of other owners' forest parcels (easement), the lease right to forest parcels and the right for gratuitous use of forest parcels during established periods shall be acquired and terminated on the grounds and following procedures laid down in the civil legislation and land legislation unless otherwise provided for in this Code.

**Article 10. Classification of Forests According to Their Designation**

1. Forests on the forest estate lands shall be classified into protection forests, production forests and reserve forests in accordance with their designation.
2. Forests on lands of other categories may be classified as protection forests.
3. Particulars of use, protection and renewal of protection forests, production forests and reserve forests shall be laid down in Articles 102 - 109 of this Code.

**Article 11. Stay of Citizens in Forests**

1. Citizens shall have the right to stay in forests freely and gratis and to harvest and collect, wild fruit, berries, nuts, mushrooms, other edible forest resources (food forest resources), and non-timber forest resources, for their subsistence needs.
2. Citizens shall be obligated to observe rules of fire safety in forests, rules of sanitary safety in forests, reforestation rules, and forest tending rules.
3. Citizens shall be prohibited to harvest and collect mushrooms and wild plants of the species listed in the Red Book of the Russian Federation, Red Books of the Subjects of the Russian Federation as well as mushrooms and wild plants which are referred to as narcotic drugs in Federal Law # 3-FZ of January 8, 1998, *on Narcotic Drugs and Psychotropic Substances*.
4. Citizens' stay may be prohibited or restricted in forests which are located on lands of defense and security, lands of specially protected nature areas, other lands where citizens' access is prohibited or restricted as per federal laws.
5. Citizens' stay in forests may be restricted for the sake of:
  - 1) fire safety and sanitary safety in forests;
  - 2) human safety in the process of operations.
6. Citizens' stay in forests may not be prohibited or restricted on grounds other than those referred to in this Article.
7. Stay of citizens in forests for hunting purposes shall be regulated by the forest legislation and the legislation on wildlife.

**Article 12. Forest Development**

1. Forest development shall be aimed at their multiple, sound, continuous, non-depleting use, and forest industry development.
2. Forests shall be developed in accordance with their designation and beneficial functions.
3. Development of production forests shall be aimed at sustainable, maximum efficient production of high-quality wood, other forest resources, and products of their processing while preserving their beneficial functions.
4. Development of protection forests shall be aimed at preserving their habitat forming, protection, sanitation, recreation and other beneficial functions while using them provided that their use is compatible with the designation of protection forests and their beneficial functions.
5. Forest development based on an integrated approach shall include:
  - 1) forest use arrangement;
  - 2) establishment and operation of infrastructure facilities for forest and forest-processing industries;
  - 3) forest protection and renewal activities;
  - 4) activities to protect and use wildlife and water bodies.

**Article 13. Forest Infrastructure**

1. It shall be permitted to establish forest infrastructure (forest roads, timber terminals, etc.) for purposes of forest use, protection, and renewal.
2. Upon cessation of the need for forest infrastructure facilities, they shall be subject to demolition, with the land under them to be rehabilitated.
3. Forest roads may be constructed for any forest uses.

**Article 14. Forest-Processing Infrastructure**

1. To process wood and other forest resources, forest-processing infrastructure shall be established (facilities for processing of harvested wood, bioenergy facilities, etc.).
2. It shall be prohibited to establish forest-processing infrastructure in protection forests as well as in the other cases specified in this Code and other federal laws.

**Article 15. Forest Zoning**

1. Forest site-specific zones shall be identified in accordance with environmental and climatic conditions, and comprised of forests with relatively homogeneous forest site features (forest site zoning).
2. The forest site zoning shall underlie the establishment of forest districts with relatively similar conditions of forest use, protection and renewal.
3. Forest site-specific zones and forest districts shall be defined on the basis of a scientifically substantiated methodology, by the authorized federal executive body.
4. For each forest district, the authorized federal executive body shall establish cutting ages for forest stands (ages of forest stands established to harvest timber of definite commercial structure), harvesting rules for wood and other forest resources, rules of fire safety in forests and rules of sanitary safety in forests, reforestation rules and forest tending rules.

**Article 16. Cutting of Forest Stands**

1. Cutting of forest stands (trees, shrubs, lianas in forests) is the processes of their sawing, felling and cutting.
2. For purposes of wood harvesting, it shall be permitted, unless otherwise provided for in this Code, to cut:
  - 1) mature and over-mature forest stands;
  - 2) middle-age, premature, mature and over-mature forest stands to remove dead and damaged forest stands and for purposes of forest tending;
  - 3) forest stands of any age within forest parcels designated for construction, reconstruction and operation of facilities referred to in Articles 13, 14 and 21 of this Code.
3. Procedures for cutting of forest stands shall be set forth in wood-harvesting rules, rules of sanitary safety in forests, rules of fire safety in forests, and forest tending rules.

**Article 17. Selective Cutting and Clear-Cutting of Forest Stands**

1. Cutting of forest stands shall be practiced as selective cutting or clear-cutting.
2. Selective cutting of forest stands is partial removal of trees and shrubs from respective lands or parcels of land.
3. Clear-cutting denotes removal of forest stands from respective lands or parcels of land, with individual trees and shrubs (groups of trees and shrubs) left to grow to ensure regeneration of the forests.
4. In protection forests, clear-cutting of forest stands shall be practiced only if selective cutting of forest stands fails to ensure a replacement of the forest stands which are losing their habitat-forming, water-conservation, sanitation, recreation and other beneficial functions with forest stands which would secure the maintenance of the designation of protection forests and their beneficial functions.
5. Within forest parcels made available for wood harvesting, clear-cutting shall be allowed only contingent on subsequent forest renewal within the aforesaid forest parcels.
6. Clear-cutting shall be prohibited in the cases specified in this Code and other federal laws.

**Article 18. Tapping in Forest Stands**

1. Tapping in forest stands is a process of making cuts on stems of conifer trees, trees of selected deciduous species and a process of collecting resin and tree saps.

2. Tapping shall be allowed only in forest stands within forest parcels made available for harvesting the forest resources referred to in part 1 of this Article.
3. Procedures for tapping in forest stands shall be laid down in resin harvesting rules, rules for harvesting food forest products and rules for collecting medicinal plants.

**Article 19. Forest Protection and Renewal Activities**

1. Forest protection and renewal activities shall be undertaken by the public authorities or local self governance bodies, acting within their powers as defined in Articles 81 – 84 of this Code, or by persons who use the forests in accordance with this Code.
2. Unless the implementation of activities to protect and ensure the renewal of publicly-owned or municipally-owned forests is imposed on the persons who use the forests, the public authorities or local self-governance bodies shall place procurement orders for forest protection and renewal operations through bidding processes based on procedures established in Federal Law # 94-FZ of July 21, 2005, *on Placement of Procurement Orders for Goods, Works, and Services for Public and Municipal Needs* (further on - 'the Federal Law on Placement Procurement Orders for Goods, Works, and Services for Public and Municipal Needs').
3. A procurement order for forest protection and renewal operations shall be placed concurrently with selling the forest stands for wood harvesting. For these purposes, a contract shall be concluded and contain elements of a public and municipal procurement contract for conducting the forest protection and renewal operations and those of a sale-purchase contract for the forest stands.
4. Unless a procurement contract referred to in part 3 of this Article is concluded, a procurement order for forest protection and renewal operations shall be placed without selling the forest stands for wood harvesting.
5. Particulars of procurement order placement for forest protection and renewal operations and conclusion of contracts referred to in parts 2 and 3 of this Article shall be established by the Government of the Russian Federation.

**Article 20. Property Right to Wood and Other Extracted Forest Resources**

1. Citizens and legal persons using forests following the procedures set forth in Article 25 of this Code shall acquire the property right to the wood and other extracted forest resources in accordance with the civil legislation.
2. The property right to wood shall belong to the Russian Federation, if the wood comes from forests on the forest estate lands used in accordance with Articles 43 - 46 of this Code.

**Article 21. Construction, Reconstruction and Operation of Facilities which are not Related to Forest Infrastructure Development**

1. On the forest estate lands, it shall be permitted to construct, reconstruct and operate facilities which are not related to forest infrastructure development, for the following purposes:
  - 1) works related to geological exploration of mineral resources;
  - 2) development of mineral resource deposits;
  - 3) use of water reservoirs and other man-made water bodies as well as water engineering facilities and special-purpose ports;
  - 4) use of power transmission lines, communication lines and other linear utilities;
  - 5) processing of wood and other forest resources;
  - 6) recreational activities;
  - 7) religious activities.
2. On lands of other categories where forests are located, it shall be permitted to construct, reconstruct and operate facilities which are not related to forest infrastructure development, in the cases specified in other federal laws in accordance with the designation of these lands.
3. Facilities related to the activities referred to in paragraphs 1 and 2 of part 1 of this Article shall be subject to lay-up or dismantling upon expiration of the periods for respective operations according to the legislation on mineral resources.
4. Water engineering facilities shall be subject to lay-up or dismantling in accordance with the water legislation.

5. For purposes specified in paragraphs 1 - 4 of part 1 of this Article, it shall be permitted to remove trees, shrubs, and lianas including those which grow in protection zones and sanitary protection zones designated to secure human safety and create necessary conditions for the operation of respective facilities.

6. Upon use of lands for construction, reconstruction and (or) operation of facilities which are not related to forest infrastructure establishment, these lands must be rehabilitated.

#### **Article 22. Investment Activity in the Area of Forest Development**

1. Investment activities in the area of forest development shall be governed by Federal Law # 39-FZ of February 25, 1999 *on Investment Activities in the Russian Federation Implemented in the Form of Capital Investment*.

2. In the area of forest development, capital investments shall be channeled into facilities/sites of constructed and (or) modernized forest infrastructure and forest-processing infrastructure.

3. A list of priority investment projects in the area of forest development shall be prepared and approved following procedures established by the Government of the Russian Federation.

#### **Article 23. Forest Districts and Forest Parks**

1. In forest use, protection and renewal, the basic territorial administration/management units shall be forest districts and forest parks.

2. The forest estate lands shall consist of forest districts and forest parks.

3. Forest districts and forest parks shall be also located on:

- 1) lands of defense and security where forests are located;
- 2) lands of settlements where urban forests are located;
- 3) lands of specially protected nature areas where forests are located.

4. In forest districts and forest parks, the compliance with forest management regulations shall be ensured by forest rangers who shall act following procedures established by the public authorities or local self-governance bodies, acting within their powers as defined in Articles 81 – 84 of this Code.

5. The number of forest districts and forest parks, and their boundaries shall be established by the authorized federal executive body.

### **CHAPTER 2. FOREST USE**

#### **Article 24. General Provisions on Forest Use**

1. Forest use shall be effected with or without allocation of forest parcels, and with or without extraction of forest resources.

2. Failures of citizens and legal persons effecting a use of forests to comply with forest management regulations and forest development plans shall provide a ground for dissolving their lease agreements for the forest parcels or sale-purchase contracts for forest stands prior to their expiration as well as for forced termination of their rights for permanent use of the forest parcels (use for indefinite periods) or the rights for gratuitous use of the forest parcels during established periods.

#### **Article 25. Forest Uses**

1. The following forest uses shall be permitted:

- 1) wood harvesting;
- 2) resin harvesting;
- 3) harvesting and collection of non-timber forest resources;
- 4) harvesting of food forest resources and collection of medicinal plants;
- 5) game management and hunting;
- 6) agriculture;
- 7) research activities, education/training activities;
- 8) recreational activities;
- 9) establishment and use of forest plantations;
- 10) cultivation of forest fruit, berry, ornamental plants, medicinal plants;
- 11) works related to geological exploration of mineral resources, and development of mineral resource deposits;



- 12) construction and operation of water reservoirs and other man-made water bodies as well as water engineering facilities and special-purpose ports;
  - 13) construction, reconstruction, and operation of power transmission lines, communication lines, roads, pipelines and other linear utilities;
  - 14) processing of wood and other forest resources;
  - 15) religious activities;
  - 16) other uses as defined in part 2 of Article 6 of this Code.
2. Forests may be used for one or several of the purposes enumerated in part 1 of this Article unless otherwise established in this Code and other federal laws.
3. If practiced as an entrepreneurial activity, forest use shall be effected on the forest estate lands by persons registered in the Russian Federation in accordance with Federal Law # 129-FZ of August 8, 2001, *on State Registration of Legal Persons and Individual Entrepreneurs*".

**Article 26. Forest Declaration**

1. A forest declaration shall be a statement of forest use compliance with the forest development plan.
2. The Forest Declaration shall be annually submitted by persons who have forest parcels made available to them for permanent use (use for indefinite periods) or under a lease, to the public authorities or local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code.
3. The forest declaration format and procedures for its filling and submission shall be approved by the authorised federal executive body.

**Article 27. Forest Use Restriction**

1. Forest use may be restricted only in the cases and following the procedures specified in this Code and other federal laws.
2. The following restrictions may be imposed on the use of forests:
  - 1) bans against one or more forest uses specified in part 1 of Article 25 in this Code;
  - 2) cutting bans;
  - 3) other restrictions of forest use as established in this Code and other federal laws.

**Article 28. Forest Use Suspension**

1. Forest use may be suspended only in the cases specified in federal laws.
2. In the cases specified in the Administrative Offences Code of the Russian Federation, forest use shall be suspended through judicial processes. In other cases, forest use shall be suspended by executive authorities or local self-governance bodies acting within their powers, in compliance with federal laws.

**Article 29. Wood Harvesting**

1. Wood harvesting is an entrepreneurial activity involving cutting of forest stands, skidding, partial processing, storage and transportation of the wood from the forest.
2. Wood shall be harvested in production forests and protection forests unless otherwise provided for in this Code and other federal laws.
3. Dead, damaged and over-mature stands shall be the first to be made available for wood harvesting.
4. It shall be prohibited to harvest wood in volumes exceeding the allowable cuts (permissible volumes of wood extraction) as well as earlier than at the ages of cutting.
5. Ages of cutting and procedures for calculating the allowable cuts shall be established by the authorized federal executive body.
6. A list of tree and shrub species which may not be harvested shall be established by the Government of the Russian Federation.
7. Citizens and legal persons shall have the right to construct forest roads, forest terminals, other structures and facilities for purposes of wood harvesting.
8. Citizens and legal persons shall harvest wood under lease agreements for forest parcels, and if wood is harvested without allocation of forest parcels, they shall harvest it under sale-purchase contracts for forest stands.
9. Rules for wood harvesting shall be established by the authorized federal executive body.

**Article 30. Wood Harvesting by Citizens for Their Subsistence Needs**

1. Citizens shall have the right to harvest wood for purposes of heating, construction and for other personal needs.
2. In places of residence and economic activities of persons identified as indigenous small-numbered peoples of the North, Siberia and the Far East of the Russian Federation, and adhering to their traditional life styles, such persons shall have the right to harvest wood for their subsistence needs free of charge in the amounts based on norms referred to in part 5 of this Article.
3. Parts 1, 2 and 7 of Article 29 of this Code shall not apply to wood harvesting by citizens for their subsistence needs.
4. Citizens shall harvest wood for their subsistence needs under sale-purchase contracts for forest stands.
5. Procedures and norms for wood harvesting by citizens for their subsistence needs shall be established in laws of the Subjects of the Russian Federation.

**Article 31. Resin Harvesting**

1. Resin harvesting is an entrepreneurial activity involving tapping of conifer forest stands, resin storage and its transportation from the forest.
2. Resin shall be harvested in forests designated for wood harvesting.
3. Citizens and legal persons shall harvest resin under lease agreements for forest parcels.
4. Resin harvesting rules shall be established by the authorized executive body.

**Article 32. Harvesting and Collection of Non-Timber Forest Resources**

1. Harvesting and collection of non-timber forest resources is an entrepreneurial activity involving withdrawal, storage of respective forest resources and their transportation from the forest.
2. This Code shall apply to harvesting and collection of the following non-timber forest resources: stumps, birch bark, tree and shrub bark, dry branches, twig forage, spruce, larch, and pine branches, spruce trees for the New Year season, moss, forest litter, cane, reed, and similar forest resources.
3. Citizens and legal persons who harvest and collect non-timber forest resources may install sheds and other temporary structures within the forest parcels made available to them.
4. Citizens and legal persons shall harvest and collect non-timber forest resources under lease agreements for forest parcels.
5. Rules for non-timber forest resources harvesting and collection shall be established by the authorized federal executive body.

**Article 33. Harvesting and Collection of Non-Timber Forest Resources by Citizens for Their Subsistence Needs**

1. Harvesting and collection of non-timber forest resources by citizens for the subsistence needs shall comply with Article 11 of this Code.
2. Harvesting and collection of non-timber forest resources by citizens for the subsistence needs may be restricted as per Article 27 of this Code.
3. Parts 1, 3 and 4 of Article 32 of this Code shall not apply to non-timber forest resource harvesting and collection by citizens for their subsistence needs.
4. Procedures for non-timber forest resource harvesting and collection by citizens for their subsistence needs shall be established by law of each Subject of the Russian Federation.

**Article 34. Harvesting of Food Forest Resources and Collection of Medicinal Plants**

1. Harvesting of food forest resources and collection of medicinal plants is an entrepreneurial activity involving withdrawal, storage of such forest resources and their transportation from the forest.
2. This Code shall apply to harvesting and collection of the following food forest resources: wild fruit, berries, nuts, mushrooms, seeds, birch sap and similar forest resources.
3. Citizens and legal persons shall harvest food forest resources and collect medicinal plants under lease agreements for forest parcels.
4. Citizens and legal persons who harvest food forest resources and collect medicinal plants may install driers, canneries for preserving mushrooms, storage and other temporary facilities within the forest parcels made available to them.

5. Procedures for harvesting food forest resources and collecting medicinal plants shall be established by the authorized federal executive body.

**Article 35. Harvesting of Food Forest Resources and Collection of Medicinal Plants by Citizens for Their Subsistence Needs**

1. Food forest resources shall be harvested and medicinal plants shall be collected by citizens for their subsistence needs in accordance with Article 11 of this Code.

2. Harvesting of food forest resources and collection of medicinal plants by citizens for the subsistence needs may be restricted as per Article 27 of this Code.

3. Parts 1, 3 and 4 of Article 34 of this Code shall not apply to harvesting of food forest resources and collection of medicinal plants by citizens for their subsistence needs.

4. Procedures for harvesting food forest resources and collecting medicinal plants shall be established by law of each Subject of the Russian Federation.

**Article 36. Forest Use for Game Management**

1. Game management is an entrepreneurial activity involving provision of services to persons engaged in hunting.

2. Forest parcels made available for game management shall be classified as hunting grounds.

3. Within forests parcels made available for game management, hunting shall be exercised in accordance with Federal Law # 52-FZ of April 24, 1995 *on Wildlife* (further on referred to as the Federal Law on Wildlife) and this Code.

4. It shall be permitted to build temporary structures within forests parcels made available for game management, and to equip such forest parcels with needed utilities.

5. Citizens and legal persons shall use forests for game management under lease agreements for forest parcels.

6. Procedures for using forests for game management shall be established by law of each Subject of the Russian Federation.

**Article 37. Use of Forests by Citizens for Amateur and Sporting Hunting**

1. Forests shall be used by citizens for amateur and sporting hunting without allocation of forest parcels in accordance with Article 11 of this Code.

2. Forest use by citizens for amateur and sporting hunting may be restricted in accordance with Article 27 of this Code.

**Article 38. Forest Use for Farming**

1. Forests may be used for farming (hey-making, cattle grazing, bee-keeping, reindeer herding, cultivation of agricultural crops and other agricultural activities).

2. It shall be permitted to locate bee-hives and apiaries, install fences, sheds and other temporary structures within forest parcels made available for farming.

3. Forest parcels shall be made available to citizens and legal persons for farming in accordance with Article 9 of this Code.

4. Forest use rules for farming shall be established by the authorized federal executive body.

**Article 39. Cultivation of Forest Fruit, Berry, Ornamental and Medicinal Plants**

1. Cultivation of forest fruit, berry, ornamental and medicinal plants is an entrepreneurial activity involving production of fruit, berries, ornamental plants, medicinal plants and similar forest resources.

2. It shall be permitted to locate temporary structures within forest parcels used to cultivate forest fruit, berry, ornamental and medicinal plants.

3. Citizens and legal persons shall cultivate forest fruit, berry, ornamental and medicinal plants under lease agreements for forest parcels.

4. Forest use rules for cultivating forest fruit, berry, ornamental and medicinal plants shall be established by the authorized federal executive body.

**Article 40. Use of Forests for Research and Education/Training**

1. Forests may be used for research activities and education/training activities by research organizations and educational/training organizations.

2. Forest parcels shall be made available to public sector institutions and municipal institutions for research and education/training activities for permanent use (use for

indefinite periods), while to other research organizations and education/training organizations, they shall be made available for the same purposes on a lease basis.

3. Forest use rules for research and education/training activities shall be established by the authorized federal executive body.

#### **Article 41. Forest Use for Recreational Activities**

1. Forests may be used for recreational activities aimed at making arrangements for relaxation, tourism, exercise/health promotion and sports.

2. It shall be permitted to build temporary structures within forests parcels and to equip them with needed utilities under recreational activities in forests. If the plan of forest development of a Subject of the Russian Federation (the forest plan of a Subject of the Russian Federation) identifies zones of intended forest development with facilities for recreational activities to be constructed, reconstructed and operated within them, it shall be permitted to build structures for exercise/health promotion, sports and sports engineering facilities.

3. Natural landscapes, wildlife, plants and water bodies must be preserved within the forest parcels made available for recreational activities.

4. Forest parcels shall be made available to public sector institutions and municipal institutions for recreational activities for permanent use (use for indefinite periods), while to other persons, they shall be made available for the same purposes on a lease basis.

5. Forest use rules for recreational activities shall be established by the authorized federal executive body.

#### **Article 42. Establishment and Use of Forest Plantations**

1. Establishment and use of forest plantations is an entrepreneurial activity involving cultivation of forest stands of definite species (targeted species).

2. Forest stands of definite species (targeted species) are man-made forest stands which supply wood with preset properties.

3. Forest plantations may be established on the forest estate lands and lands of other categories.

4. Forest parcels shall be leased out to citizens and legal persons for the establishment and use of forest plantations in accordance with this Code, and parcels of land shall be leased to them for the same purposes in accordance with the land legislation.

5. It shall be permitted to cut and tap forest stands within forest plantations without reservations.

#### **Article 43. Forest Use for Works Related to Geological Exploration of Mineral Resources and Development of Mineral Resource Deposits**

1. Forests shall be used to conduct works related to geological exploration of mineral resources and development of mineral resource deposits in conformity with Article 21 of this Code.

2. Publicly-owned and municipally-owned forest parcels shall be leased for works related to geological exploration of mineral resources and development of mineral resource deposits, except for the cases specified in part 3 of this Article.

3. It shall be permitted to execute works related to geological exploration of mineral resources on the forest estate lands without allocation of forest parcels, on the basis of permits from the public authorities or local self-governance bodies acting within their powers as defined in Articles 81 – 84 of this Code, unless such works entail cutting of forest stands.

4. Procedures for using forests to conduct works related to geological exploration of mineral resources and development of mineral resource deposits shall be established by the authorized federal executive body.

#### **Article 44. Forest Use for Construction and Operation of Water Reservoirs, Other Man-Made Water Bodies, Water Engineering Facilities and Special-Purpose Ports**

1. Forests shall be used for construction and operation of water reservoirs, other man-made water bodies, water engineering facilities and special-purpose ports in accordance with Article 21 of this Code.

2. Forest parcels shall be used for construction and operation of water reservoirs, other man-made water bodies, water engineering facilities and special-purpose ports in accordance with the water legislation.

3. Publicly-owned or municipally-owned forest parcels shall be made available to citizens and legal persons for construction and operation of water reservoirs, other man-made water bodies, water engineering facilities and special-purpose ports, in accordance with Article 9 of this Code.

**Article 45. Forest Use for Construction, Reconstruction, and Operation of Power Transmission Lines, Communication Lines, Roads, Pipelines and Other Linear Utilities**

1. Forests shall be used for construction, reconstruction and operation of power transmission lines, communication lines, roads, pipelines and other linear utilities in accordance with Article 21 of this Code.

2. Publicly-owned or municipally-owned forest parcels shall be made available to citizens and legal persons for construction, reconstruction and operation of power transmission lines, communication lines, roads, pipelines and other linear utilities in accordance with Article 9 of this Code.

3. Forest use rules for constructing, reconstructing and operating power transmission lines, communication lines, roads, pipelines and other linear utilities shall be established by the authorized federal executive body.

**Article 46. Forest Use for Processing of Wood and Other Forest Resources**

1. Forest use for processing of wood and other forest resources is an entrepreneurial activity involving production of timber and other products of such processing, in accordance with Article 14 of this Code.

2. Publicly-owned or municipally-owned forest parcels shall be lease out to citizens and legal persons for processing of wood and other forest products.

3. Forest use rules for processing of wood and other forest products shall be established by the authorized federal executive body.

**Article 47. Forest Use for Religious Activities**

1. Forests may be used by religious organizations for religious activities, as established in Federal Law # 125-FZ of September 26, 1997 *on Freedom of Conscience and Religious Associations*.

2. It shall be permitted to construct buildings, structures and facilities of religious and charity designation within forest parcels made available for religious activities.

3. Publicly-owned or municipally-owned forest parcels shall be made available to religious organizations for gratuitous use during established periods for religious activities.

**Article 48. Forest Use in Places of Traditional Residence and Economies of Persons Identified as Indigenous Small-Numbered Peoples of the North, Siberia and the Far East of the Russian Federation**

In places of traditional residence and economies of persons identified as indigenous small-numbered peoples of the North, Siberia and the Far East of the Russian Federation, endemic habitats and traditional life styles of these peoples shall be safeguarded when using the forests, as required in Federal Law # 82-FZ of April 30, 1999 *on Guarantees of the Rights of the Indigenous Small- Numbered Peoples of the Russian Federation*.

**Article 49. Forest Use Report**

1. Forest use reports (information on the amounts of the forest resources withdrawn, their commercial structure and other data) shall be submitted by citizens and legal persons exercising forest uses to the public authorities or local self-governance bodies acting within the limits of their powers as defined in Articles 81 - 84 of this Code.

2. The forest use report format and submission procedures shall be established by the authorized federal executive body.

**Article 50. Competition Safeguards in the Area of Forest Use**

1. Monopolistic activities and unfair competition shall be prohibited in the area of forest use.

2. Federal executive authorities, executive authorities of the Subject of the Russian Federation, local self-governance bodies, and other bodies or organizations, performing the functions of the aforesaid authorities may not either adopt enactments and (or) undertake actions (inaction) or conclude agreements or undertake agreed actions in the area of forest use which lead or can lead to competition prevention, restriction or elimination.

3. The Government of the Russian Federation may establish a maximum volume of wood which may be harvested by a person or a group of persons with exception for the cases specified in part 8 of Article 80 of this Code.

4. Economic concentration in forest use shall be monitored by the government in conformity with Federal Law # 135-FZ of July 26, 2006 *on Completion Safeguards*.

### **CHAPTER 3. FOREST PROTECTION**

#### **Article 51. General Provisions on Forest Protection**

1. Forests shall be protected against fire, pollution/contamination (including contamination with radioactive substances) and other adverse impact as well as against pernicious organisms.

2. Forest protection shall be undertaken by the public authorities and local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code unless otherwise provided for in this Code and other federal laws.

3. Failures of citizens and legal persons effecting a use of forests to comply with the forest management regulations and forest development plans shall provide a ground for dissolving their lease agreements for the forest parcels or sale-purchase contracts for forest stands prior to their expiration and for forced termination of their rights for permanent use of the forest parcels (use for indefinite periods) or the rights for gratuitous use of the forest parcels during established periods.

#### **Article 52. Forest Protection against Fire**

Forests shall be protected against fire in accordance with Federal Law # 69-FZ of December 21, 1994 *on Fire Safety* (further on referred to as 'the Federal Law on Fire Safety') and this Code.

#### **Article 53. Fire Safety in Forests**

1. Fire safety in forests shall be ensured through:

1) making fire management arrangements in forests, including construction, reconstruction and maintenance of fire roads, landing grounds for planes and helicopters employed for the purposes of aerial forest protection operations, rides, and fire-breaks;

2) installing systems and means for forest fire prevention and fighting (fire machinery and equipment, tools, clothing etc.), maintaining such systems and means, and providing stand-by stocks of fuel and lubricants for seasons of high fire danger;

3) monitoring the fire danger in forests;

4) developing forest fire fighting plans;

5) fighting forest fires; and

6) other measures to ensure fire safety in forests.

2. Citizens and legal persons shall be involved into forest fire fighting in accordance with Federal Law # 68-FZ of December 21, 1994, *on Protection of Population and Territories from Natural and Technogenic Emergencies*.

3. Within leased forest parcels, their lessees shall take the fire safety measures referred to in paragraphs 1 and 2 of part 1 of this Article, based on the forest development plan.

4. Rules of fire safety in forests shall be established by the Government of the Russian Federation.

#### **Article 54. Forest Pest Management**

1. Forest pest management shall be aimed at detecting pernicious organisms in forests (plants, animals, and disease agents which can damage forests or forest resources under certain conditions), preventing them from spreading, and localizing and eradicating outbreaks of pernicious organisms classified as quarantine pests in the case of their occurrence.

2. Forests shall be protected against pernicious organisms classified as quarantine pests in accordance with Federal Law # 99-FZ of July 1, 2000 *on Plant Quarantine*.

#### **Article 55. Sanitary Safety in Forests**

1. Sanitary safety in forests shall be ensured through:

- 1) Forest pest management zoning (identifying the zones of low, medium and high forest pest risks);
- 2) Forest pest surveys and forest pest monitoring;
- 3) Aerial and ground-based operations to localize and eradicate outbreaks of pernicious organisms;
- 4) Sanitary treatments to improve forest health (removal of dead and damaged forest stands, clearing of forests from debris, pollutants, and other factors of adverse impact);
- 5) Establishment of sanitary requirements to forest use.

2. Within leased forest parcels, their lessees shall take the sanitary safety measures referred to in paragraph 4 of part 1 of this Article, based on the forest development plan.

3. Rules of sanitary safety in forests shall be established by the Government of the Russian Federation.

#### **Article 56. Forest Pest Monitoring**

1. For purposes of forest protection, forest pest information, including data on outbreaks of pernicious organisms classified as quarantine pests, shall be collected, analyzed and used (forest pest monitoring).

2. Organization and implementation procedures for forest pest monitoring shall be established by the authorized federal executive body.

#### **Article 57. Aerial Forest Protection Operations**

1. For forest protection purposes, aerial forest protection operations shall be employed.

2. Organization and implementation procedures for aerial forest protection operations shall be established by the Government of the Russian Federation.

#### **Article 58. Forest Protection from Contamination with Radioactive Substances**

1. For purpose of protecting forests from contamination with radioactive substances, radiation surveys of forests shall be undertaken and their radioactive contamination zones shall be identified.

2. For the radioactive contamination zones, particulars of forest protection and development and implementation of preventive and rehabilitation activities shall be established by the authorized federal executive body.

#### **Article 59. Protection of Rare and Endangered Tree, Shrub, Liana and Other Forest Plant Species**

For purposes of preserving rare and endangered tree, shrub, liana and other forest plant species listed in the Red Book of the Russian Federation or the Red Books of the Subjects of the Russian Federation, it may be prohibited to implement activities with adverse impact which will or can lead to reductions in populations of such plants and (or) deterioration of their habitats, or restrictions may be imposed on such activities.

#### **Article 60. Forest Protection Report**

1. A forest protection report shall be submitted by citizens and legal persons to the public authorities or local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code.

2. The forest protection report format and submission procedures shall be established by the authorized federal executive body.

### **CHAPTER 4. FOREST RENEWAL AND AFFORESTATION**

#### **Article 61. General Provisions on Forest Renewal**

1. Removed, dead, and damaged forests shall be subject to renewal.

2. Forest renewal shall be ensured through reforestation and forest tending.

3. Forest renewal shall be ensured by the public authorities or local self-governance bodies within the limits of their powers defined in Articles 81 - 84 of this Code unless otherwise provided for in this Code and other federal laws.

4. Failures of citizens and legal persons who use forests, to comply with the forest management regulations and forest development plans with respect to forest renewal shall provide a ground for dissolving their lease agreements for the forest parcels or sale-purchase contracts for forest stands prior to their expiration as well as for forced termination of their rights for permanent use of the forest parcels (use for indefinite periods) or the rights for gratuitous use of the forest parcels during established periods.

**Article 62. Reforestation**

1. Reforestation shall include natural, artificial or mixed restoration of forests.
2. Within forest parcels leased out for wood harvesting, reforestation shall be undertaken by lessees of these forest parcels.
3. Reforestation rules shall be established by the authorized federal executive body.

**Article 63. Afforestation**

1. Afforestation shall be employed to prevent water, wind and other erosion of soils, to establish protection forests and for other purposes related to forest potential enhancement.
2. Afforestation rules shall be established by the authorized federal executive body.

**Article 64. Forest Tending**

1. Forest tending consists of activities aimed at increasing the yield of forests, conserving their beneficial functions (removal of some trees and shrubs, silvicultural, drainage and other activities).
2. Forest tending shall be undertaken by the persons who are using the forests on the basis of the forest development plan.
3. Forest tending rules shall be established by the authorized federal executive body.

**Article 65. Forest Seed Breeding**

1. Forest seed breeding shall be governed by Federal Law # 149-FZ of December 17, 1997, *on Seed Breeding* and this Code.
2. Forest seed breeding shall rely on:
  - 1) forest seed zoning;
  - 2) establishment of forest seed parcels;
  - 3) development of a federal forest plant seed stock;
  - 4) other activities related to forest plant seed production, harvesting, processing, storage, sale, transportation, and use.
3. For purposes of forest renewal, improved and varietal seed of forest plants shall be used, or unless such seeds are available, ordinary seeds of forest plants shall be used.
4. It shall be prohibited to use non-zoned seeds of forest plants for forest renewal or forest plant seeds without prior trial for their seeding and other properties.
5. Procedures for using zoned forest plant seeds of dominant conifer species shall be established by the authorized federal executive body.

**Article 66. Forest Renewal and Afforestation Report**

1. Forest renewal and afforestation reports shall be submitted by citizens and legal persons effecting forest renewal and afforestation to the public authorities or local self-governance bodies acting within the limits of their powers as defined in Articles 81 - 84 of this Code.
2. The forest renewal and afforestation report format and submission procedures shall be established by the authorised federal executive body.

**CHAPTER 5. FOREST MANAGEMENT PLANNING**

**Article 67. General Provisions on Forest Management Planning**

1. Forest management planning shall be carried out on the forest estate lands as well as on the lands specified in part 3 of Article 23 of this Code.
2. Forest management planning procedures shall be established by the Government of the Russian Federation.

**Article 68. Contents of Forest Management Planning**

1. Forest management planning shall include:
  - 1) planning of forest districts and forest parks;



- 2) planning of production forests, protection forests, reserve forests and special protection parcels of forests;
  - 3) planning of forest parcels;
  - 4) field demarcation of the boundaries of forest districts, forest parks, production forests, protection forests, reserve forests, special protection parcels of forests, and forest parcels;
  - 5) forest cruising (identification, recording , and assessment of forest resource qualitative and quantitative characteristics);
  - 6) planning of forest protection and renewal activities.
2. Geodesic and mapping operations shall comply with Federal Law # 209-FZ of December 26, 1995, *on Geodesy and Cartography*.
  3. In the cases specified in paragraph 4 of part 1 of this Article, the boundaries may be demarcated in the field with the help of forest inventory/forest management signs and (or) indicated in maps of the forests.

#### **Article 69. Planning of Forest Parcels**

1. Planning of forest parcels shall include preparation of planning documentation containing data on the location, boundaries, areas and other quantitative and qualitative parameters of the forest parcels.
2. The location, boundaries, and areas of the forest parcels shall be defined, respectively, by forest compartment and (or) forest cruising parcel, according to their boundaries and areas.
3. The land legislation shall regulate the establishment of the boundaries of forest parcels adjacent to parcels of land with the boundaries defined following the procedures set forth in Federal Law # 78-FZ of June 18 2001, *on Land Management Planning*.
4. The designation and permitted uses of a forest parcel shall be indicated in planning documentation in accordance with Articles 87 and 91 of this Code.
5. Forest parcel plans shall be prepared within the boundaries of respective forest districts and forest parks.

#### **Article 70. Provision of Forest Management Planning Works and Services**

1. Provision of forest management planning works and services shall be regulated by the civil legislation unless otherwise established in this Code.
2. The public authorities or local self-governance bodies shall place procurement orders for forest management planning works and services following the procedures laid down in the Federal Law on Placement Procurement Orders for Goods, Works, and Services for Public and Municipal Needs.

### **CHAPTER 6. MAKING PUBLICLY-OWNED AND MUNICIPALLY-OWNED FOREST PARCELS AVAILABLE TO CITIZENS AND LEGAL PERSONS**

#### **Article 71. Procedures for Making Publicly-Owned and Municipally-Owned Forest Parcels Available to Citizens and Legal Persons**

1. Publicly-owned and municipally-owned forest parcels shall be made available to legal persons for permanent use (use for indefinite periods), lease, and gratuitous use during established periods, and to citizens for lease, and gratuitous use during established periods.
2. Publicly-owned and municipally-owned forest parcels shall be leased out to citizens and legal persons in accordance with this Code.
3. Applicable to lease agreements for forest parcels shall be the lease-related provisions of the Civil Code of the Russian Federation, unless otherwise established in this Code.
4. Publicly-owned or municipally-owned forest parcels shall be made available for permanent use (use for indefinite periods) and gratuitous use during established periods to legal persons and for gratuitous use during established periods to citizens following the procedures set forth in the Land Code of the Russian Federation unless otherwise provided for in this Code.

#### **Article 72. Lease Agreement for a Publicly-Owned or Municipally-Owned Forest Parcel**

1. Under a lease agreement for a publicly-owned or municipally-owned forest parcel, the lessor shall make the forest parcel available to the lessee for uses listed in Article 25 of this Code.

2. It shall be permitted to lease only publicly-owned or municipally-owned forest parcels which have been through the process of the state cadastral registration.
3. Lease agreements for publicly-owned or municipally-owned forest parcels shall be concluded for periods from ten to forty nine years, and in the cases specified in Articles 43 - 45 of this Code, they shall be concluded for periods from one year to forty nine years.
4. The period of a lease agreement for a forest parcel shall depend on the period of the permitted forest use specified in the forest management regulation.
5. If the lessee has performed with due diligence under a lease agreement for a publicly-owned or municipally-owned forest parcel, then upon its expiration, he shall have the preferential right for concluding such an agreement for a new period.

#### **Article 73. Lease Charge**

1. The lease charge shall be defined on the basis of the minimum lease charge established in accordance with parts 2, 3 and 4 of this Article.
2. When a forest parcel is used with extraction of forest resources, the minimum lease charge shall be defined through multiplying the forest resource volume unit rate of payment by the volume of forest resources extracted from the leased forest parcel.
3. When a forest parcel is used without extraction of forest resources, the minimum lease charge shall be defined through multiplying the forest parcel area unit rate of payment by the area of the leased forest parcel.
4. The forest resource volume unit rates of payment and forest parcel area unit rates of payment shall be established for leasing forest parcels under federal ownership, ownership of Subjects of the Russian Federation and municipal ownership, respectively, by the Government of the Russian Federation, the public authorities of the Subjects of the Russian Federation or the local self governance bodies.

#### **Article 74. Concluding a Lease Agreement for a Publicly-Owned or Municipally-Owned Forest Parcel**

1. A lease agreement for a publicly-owned or municipally-owned forest parcel shall be concluded based on the results of an action for the right to conclude such an agreement, except for the cases specified in part 3 of this Article.
2. When a lease agreement for a publicly-owned or municipally-owned forest parcel is concluded based on auction results, it shall be prohibited to modify the conditions of the auction upon mutual consent of the parties to such an agreement or per request of one of the parties thereto.
3. Lease agreements for publicly-owned or municipally-owned forest parcels shall be concluded without auctions in the following cases:
  - 1) cases specified in Articles 43 - 45 of this Code; and 2) under priority investment projects in the area of forest development.
4. Lease agreements for forest parcels under federal ownership, ownership of Subjects of the Russian Federation and municipal ownership shall be concluded, respectively, by the public authorities and the local self-governance bodies acting within their powers defined in Articles 81 - 84 of this Code.
5. Procedures for preparing and concluding a lease agreement for a publicly-owned or municipally owned forest parcel and a format of a sample forest parcel lease agreement shall be approved by the Government of Russian Federation.

### **CHAPTER 7. SALE-PURCHASE CONTRACTS FOR FOREST STANDS**

#### **Article 75. Sale-Purchase Contract for Forest Stands**

1. Under sale-purchase contracts for forest stands, forest stands on publicly-owned or municipally owned lands shall be sold.
2. Forest stands shall be sold-purchased as established in this Code.
3. Applicable to sale-purchase contracts for forest stands shall be the provisions on sale-purchase contracts in the Civil Code of the Russian Federation, unless otherwise established in this Code.
4. A sale-purchase contract for forest stands shall specify the location of forest stands (the forest compartment and (or) forest cruising parcel) and the volume of wood to be harvested.

5. A sale-purchase contract for forest stands may not be concluded for a period longer than one year.
6. Exceptional cases of wood harvesting under sale-purchase contracts for forest stands shall be specified in laws of the Subjects of the Russian Federation.

**Article 76. Payment under Sale-Purchase Contracts for Forest Stands**

1. Payment under sale-purchase contracts for forest stands, except for payment under sale-purchase contracts for forest stands for subsistence needs, shall be defined on the basis of the minimum payment established in accordance with parts 2 and 3 of this Article.
2. The minimum payment under sale-purchase contracts for forest stands shall be defined through multiplying the timber volume unit rate of payment by the volume of timber to be harvested.
3. The volume unit rates of payment for timber harvested on lands under federal ownership, ownership of Subjects of the Russian Federation and municipal ownership shall be established, respectively, by the Government of the Russian Federation, the public authorities of the Subjects of the Russian Federation and the local self-governance bodies.
4. Payment under a sale-purchase contract for forests stands for subsistence needs shall be defined on the basis of rates established by the public authorities of the Subjects of the Russian Federation.

**Article 77. Concluding a Sale-Purchase Contract for Forest Stands**

1. A sale-purchase contract for forests stands shall be concluded based on the results of an action for the right to conclude such an agreement, except for the cases specified in Articles 19 and 30 of this Code.
2. When a sale-purchase contract for forests stands is concluded based on the results of an action for the right to conclude such an agreement, it shall be prohibited to modify the conditions of the auction upon mutual consent of the parties to such an agreement or per request of one of the parties thereto.
3. Citizens shall enter into sale-purchase contracts for forest stands for their subsistence needs following procedures established by the public authorities of the Subjects of the Russian Federation.
4. Sale-purchase contracts for forest stands on lands under federal ownership, ownership of Subjects of the Russian Federation and municipal ownership shall be concluded, respectively, by the public authorities or the local self-governance bodies acting within their powers defined in Articles 81 – 84 of this Code.
5. Procedures for preparing and concluding a sale-purchase contract for forest stands on lands under federal ownership, ownership of Subjects of the Russian Federation and municipal ownership and a format of a sample sale-purchase contract for forest stands shall be approved by the Government of Russian Federation.

**CHAPTER 8. AUCTIONS TO SELL THE RIGHT TO CONCLUDE A LEASE AGREEMENT FOR A PUBLICLY-OWNED OR MUNICIPALLY-OWNED FOREST PARCEL OR THE RIGHT TO CONCLUDE A SALE-PURCHASE CONTRACT FOR FOREST STANDS**

**Article 78. General Provisions on Auctions to Sell the Right to Conclude a Lease Agreement for a Publicly-Owned or Municipally-Owned Forest Parcel or the Right to Conclude a Sale-Purchase Contract for Forest Stands**

1. Lease agreements for publicly-owned or municipally-owned forest parcels and sale-purchase contracts for forest stands shall be concluded based on the results of auctions held through raising the starting prices for the subjects of the auctions.
2. Unless a lease agreement for a publicly-owned or municipally-owned forest parcel is concluded in accordance with part 1 of this Article, an auction may be held to use its results as a basis for concluding a lease agreement for such a parcel under which the lease charge shall not be paid until after the first five years of the life of the lease agreement for the forest parcel.

**Article 79. Arrangements for Auctions to Sell the Right to Conclude a Lease Agreement for a Publicly-Owned or Municipally-Owned Forest Parcel or the Right to Conclude a Sale-Purchase Contract for Forest Stands**

1. The organizer of an auction to sell the right to conclude a lease agreement for a publicly-owned or municipally-owned forest parcel or the right to conclude a sale-purchase contract for forest stands (further on referred to as an 'auction') shall be the seller of the right to conclude a lease agreement for a publicly-owned or municipally-owned forest parcel or the seller of the right to conclude a sale purchase contract for forest stands or a specialized organization acting under a contract with the seller.
2. The sellers of the right to conclude lease agreements for publicly-owned or municipally-owned forest parcels or the right to conclude sale-purchase contracts for forest stands shall be the public authorities or the local self-governance bodies acting in accordance with Articles 81 - 84 of this Code.
3. No later than sixty days before the date of an auction to sell the right to conclude a lease agreement for a forest parcel or no later than fifteen days before the date of an auction to sell the right to conclude a sale-purchase contract for forest stands, the auction organizer shall publish a notification of the auction in a printed periodical identified by the supreme executive body of the Subject of the Russian Federation or by the head of the municipal entity where the forest parcel is located (further on referred to as a 'printed periodical'), as well as to present this notification at the official website of the supreme executive body of the Subject of the Russian Federation or the local self-governance body (further on referred to as 'the official website'). Information about the auction should be accessible for all interested persons.
4. The auction notification must contain information about:
  - 1) auction organizer;
  - 2) subject of the auction, including the location of the forest parcels or forest stands, the areas and boundaries of the forest parcels, volumes of forest resources to be harvested, encumbrances of the forest parcels, forest use restrictions, cadastral numbers of the forest parcels, forest uses and forest use parameters established in the forest management regulation;
  - 3) auction venue, the submission starting date and deadline for applications to bid at the auction, and the date of the auction;
  - 4) starting price for the subject of the auction defined as established in Articles 73 and 76 of this Code;
  - 5) official website where the auction documentation is available;
  - 6) period within which a lease agreement for the publicly-owned or municipally-owned forest parcel or a sale-purchase contract for forest stands must be concluded based on the auction results.
5. The auction organizer may refuse to hold the auction to sell the right to conclude a lease agreement for a forest parcel no later than fifteen days before the submission deadline for applications to bid at the auction to sell the right to conclude a lease agreement for a forest parcel, or no later than ten days before the submission deadline for applications to bid at the auction to sell the right to conclude a sale-purchase contract for forest stands. A notification of the refusal to hold the auction shall be published by the auction organizer in the printed periodical within three days, and presented at the official website within two days. The auction organizer shall be obligated to notify the auction bidders of his refusal to hold the auction within two days, and to return their deposits within five days.
6. The auction organizer shall undertake to prepare auction documentation, which shall contain (alongside with the information included in the notification of the auction) the following data:
  - 1) description of the forest parcel or forest resources to be harvested;
  - 2) cadastral plan of the forest parcels or data on the location of the forest stands;
  - 3) amount to be added to the starting price for the subject of the auction ('auction step'). The 'auction step' shall be established in the amount equal to or below five per cent of the starting price for the subject of the auction;
  - 4) form of the application to bid at the auction, procedures for and dates of its submission;
  - 5) amount of, date of and procedures for making a deposit, banking details for transferring the deposit.

The deposit shall be made in an amount from ten to one hundred per cent of the starting price for the subject of the auction;

6) draft lease agreement for the forest parcel or a draft sale-purchase contract for forest stands.

7. Concurrently with the publication of the notification of the auction, its organizer shall cause the auction documentation to be presented at the official website where this documentation must be available for information to all interested persons.

8. A permission to bid at the auction shall be denied on the following grounds:

1) non-compliance of the application with the established requirements;

2) submission of the application by a person who is not eligible to be provided with forest parcels according to federal laws;

3) on-going bankruptcy processes of the applicant (as a legal person or an individual entrepreneur);

4) on-going processes of closing-down of the applicant as a legal person or termination of the applicant's activity as an individual entrepreneur ;

5) failure to made the deposit on the account indicated in the auction documentation after the submission deadline for applications to bid at the auction.

9. It shall be prohibited to reject an applicant for reasons other than those listed in part 8 of this Article.

10. An application to bid at the auction shall contain: name, institutional/legal status, and location of the applicant if it is a legal person, and applicant's family name, surname and father's name, details of the identity document, and the place of his residence if it is an individual entrepreneur, as well as bank account details.

11. The following documents shall be attached to an application to bid at the auction:

1) extract from the single state roster of legal persons (to be submitted by a legal person) and an extract from the single state roster of individual entrepreneurs (to be submitted by an individual entrepreneur) or a notarially attested copy of such an extract;

2) documentary evidence of the deposit made.

12. The auction organizer shall have no right to require from an applicant to furnish documents other than listed in part 11 of this Article.

13. An applicant shall be eligible to submit only one application to bid at the auction. It shall not be permitted to collect payments for bidding at the auction.

14. An applicant shall have the right to recall his application to bid at the auction at any time before the submission deadline for applications to bid at the auction. The auction organizer shall return the deposit within five days upon receipt of the notification of recalling the application to bid at the auction.

15. The auction organizer shall keep a receipt record of the applications to bid at the auction, and such a record must contain data about the applicants, application submission starting dates and deadlines, data on the deposits made, as well as data on the applicants who were not permitted to bid at the auction with the reasons for their rejection.

The receipt record of the applications to bid at the auction shall be signed by the auction organizer within one day after the application submission deadline. An applicant shall become a bidder at the auction since the moment of signing the aforesaid record by the auction organizer.

16. Applicants permitted to bid at the auction and applicants who were rejected shall be notified thereof no later than on the day following the day of signing the receipt record of the applications to bid at the auction by the auction organizer.

17. The auction organizer shall undertake to return the deposits made by the applicants who were denied permission to bid at the auction to these applicants within five days after the day of signing the receipt record of the applications to bid at the auction.

**Article 80. Procedures for Holding Auctions to Sell the Right to Conclude a Lease Agreement for a Publicly-Owned or Municipally-Owned Forest Parcel or the Right to Conclude a Sale- Purchase Contract for Forest Stands**

1. An auction shall be held through raising the starting price for the subject of auction by one "auction step". Unless none of the bidders declares his intention to buy the subject of the auction for the starting price upon three announcements of the starting price for the subject of the auction, the auction shall be considered to be invalid. The auction organizer shall undertake to make an audio-recording of the auction. Any person present at the auction may make audio- and video-recording of the auction.
2. Unless none of the bidders offers a higher price for the subject of the auction upon three announcements of the last offered price for the subject of the auction, the auction organizer shall announce the auction winner.
3. The results of the auction shall be documented as a record which shall be signed by the auction organizer and the auction winner on the day of the auction.
4. The auction organizer shall furnish one copy of the record of the auction results to the auction winner within three working days after the date of signing the record.
5. The auction organizer shall undertake to return the deposits to the bidders at the auction who failed to win, within five working days upon signing the record referred to in part 3 of this Article.
6. The parties shall sign the lease agreement for the forest parcel or the sale-purchase contract for forest stands within ten working days upon signing the auction record.
7. An auction shall be considered invalid if:
  - 1) There were fewer than two bidders at the auction;
  - 2) Upon three announcements of the starting price for the subject of the auction, none of the bidders declared his intention to buy the subject of the auction for the starting price.
8. If an auction is considered invalid for the reason referred to in paragraph 1 of part 7 of this Article, the only bidder at the auction shall undertake to conclude the lease agreement for the forest parcel or the sale-purchase contract for forest stands, no later than after ten days following the day of the auction, and the public authority or local self-governance body which decided to hold this auction, may not refuse to conclude the respective agreement/contract with the only bidder at the auction for the starting price for the subject of the auction.
9. Within three days upon signing the record of the auction results, the auction organizer shall undertake to publish the auction results in the same printed periodical where the notification of the auction was published and to present them at the official website.

## **CHAPTER 9. POWERS OF THE PUBLIC AUTHORITIES OF THE RUSSIAN FEDERATION, PUBLIC AUTHORITIES OF THE SUBJECTS OF THE RUSSIAN FEDERATION AND LOCAL SELF-GOVERNANCE BODIES IN THE AREA OF FOREST RELATIONS**

### **Article 81. Powers of the Public Authorities of the Russian Federation in the Area of Forest Relations**

In the area of forest relations, the public authorities of the Russian Federation shall have the powers to:

- 1) establish the ages of cutting and procedures for computing the allowable cuts;
- 2) establish a list of tree and shrub species banned for wood harvesting;
- 3) approve a format of, procedures for filling and submitting the forest declaration;
- 4) set up wood harvesting rules;
- 5) set up resin harvesting rules;
- 6) set up rules for harvesting of food forest resources and collection of medicinal plants;
- 7) set up rules for harvesting and collection of non-timber forest resources;
- 8) set up forest use rules for cultivating forest fruit, berry, ornamental and medicinal plants;
- 9) set up forest use rules for research and educational/training activities;
- 10) set up forest use rules for recreational activities;
- 11) establish procedures for using forests to conduct operations related to geological exploration of mineral resources and development of mineral resource deposits;
- 12) establish procedures for using forest parcels to construct, reconstruct and operate power transmission lines, communication lines, roads, pipelines and other linear utilities;

- 13) set up forest use rules for processing of wood and other forest resources;
- 14) establish the forest use report format and submission procedures;
- 15) establish procedures for assessing the cadastral value of forest parcels;
- 16) set up rules of fire safety in forests;
- 17) set up rules of sanitary safety in forests;
- 18) establish organizational and operational procedures for aerial forest protection;
- 19) define particulars of forest protection and renewal as well as development and implementation of prevention and rehabilitation activities in the zones of radioactive contamination of forests;
- 20) establish the forest protection report format and submission procedures;
- 21) set up reforestation rules;
- 22) set up afforestation rules;
- 23) set up forest tending rules;
- 24) establish procedures for using zoned forest plant seed of dominant forest tree species;
- 25) establish the forest renewal and afforestation report format and submission procedures;
- 26) establish forest management planning procedures;
- 27) establish rates of payment per volume unit of forest resources and rates of payment per area unit of a federally-owned forest parcel for purposes of its lease;
- 28) establish procedures for preparing and concluding lease agreements for publicly-owned and municipally-owned forest parcels;
- 29) approve a format of a sample lease agreement for a forest parcel;
- 30) establish rates of payment per volume unit of timber harvested on federally-owned lands;
- 31) establish procedures for preparing and concluding state-purchase contracts for forest stands;
- 32) establish boundaries of forest districts and forest parks, and define their number;
- 33) carry out the state forest inventory;
- 34) establish contents of, development procedures for, effectiveness periods of, and revision procedures for forest management regulations;
- 35) establish procedures for maintaining the state forest ledger;
- 36) establish procedures for inspection and oversight in forest use, protection and renewal (the state forest inspection and oversight);
- 37) execute the state fire oversight in forests;
- 38) approve penalties or methods to valuate the damages caused to forests due to forest offences;
- 39) classify forest as high-value forests, identify special protection parcels of forests, and establish their boundaries;
- 40) define particulars of use, protection and renewal of forests on lands of specially protected nature areas;
- 41) classify forests as production forests and reserve forests, and define their boundaries;
- 42) exercise other powers as established in this Code and other federal laws.

#### **Article 82. Powers of the Public Authorities of the Subjects of the Russian Federation in the Area of Forest Relations**

In the area of forest relations, the public authorities of the Subjects of the Russian Federation shall have the powers to: 1) possess , use, and administer the forest parcels owned by the Subjects of the Russian Federation;

- 2) establish rates of payment per volume unit of forest resources and rates of payment per area unit of a forest parcel owned by the Subject the Russian Federation for purposes of its lease;
- 3) establish rates of payment per volume unit of timber harvested on land owned by the Subjects of the Russian Federation;
- 4) establish procedures for harvesting of wood by citizens for their subsistence needs;
- 5) establish procedures for harvesting of food forest resources and collection of medicinal plants by citizens for their subsistence needs;

- 6) establish procedures for harvesting of non-timber forest resources by citizens for their subsistence needs;
- 7) establish rates of payment by citizens under sale-purchase contracts for forest stands concluded to meet their subsistence needs;
- 8) exercise other powers as established in this Code and other federal laws.

**Article 83. Delegation of Certain Powers of the Russian Federation in the Area of Forest Relations to the Public Authorities of the Subjects of the Russian Federation**

1. In the field of forest relations, the Russian Federation shall delegate to the public authorities of the Subjects of the Russian Federation the powers to:
  - 1) develop and approve the forest plans of the Subjects of the Russian Federation, forest management regulations, as well as execute the state review of forest development plans;
  - 2) make forest parcels within the forest estate lands available for permanent use (use for indefinite periods), lease-based use, gratuitous use during established periods, as well as conclude sale-purchase contract for forest stands, and organize and hold respective auctions;
  - 3) issue permits for works related to geological exploration of mineral resources on lands of the forest estate;
  - 4) provide for use of forests, their protection (including forest fire fighting, and excluding forest pest monitoring), renewal (except for forest seed breeding) on the forest estate lands, and cause forests on the aforesaid lands to be protected and renewed;
  - 5) maintain the state forest ledger covering the forests within the Subject of the Russian Federation;
  - 6) undertake the state forest inspection and oversight;
  - 7) establish a list of official of the state forest inspection and oversight.
2. The powers listed in part 1 of this Article may not be devolved to the public authorities of the Subjects of the Russian Federation if they are to be exercised with respect to forest districts and forest parks within the Subjects of the Russian Federation where the population density is fifteen times higher than the average population in the Russian Federation. The list of such forest districts and forest parks and the list of such Subjects of the Russian Federation shall be approved by the Government of the Russian Federation.
3. Financial resources for exercising the powers devolved pursuant to part 1 of this Article shall be provided in the form of subventions from the federal budget.
4. The subventions from the federal budget to the Subjects of the Russian Federation for exercising the powers devolved to them pursuant part 1 of this Article shall be allocated depending on the areas of production forests and protection forests, intensity of their use, the populations of the respective Subjects of the Russian Federation, forest fire danger indicators as measured using methods approved by the Government of the Russian Federation.
5. Spending and accounting procedures for the financial resources to exercise the powers devolved pursuant part 1 if this Article shall be established by the Government of the Russian Federation.
6. The financial resources for exercising the powers devolved pursuant to part 1 of this Article may not be used for other purposes.
7. In the case of ineligible use of the financial resources referred to in part 3 of this Article, the authorized federal executive body shall have the right to exact the aforesaid financial resources following procedures established by law in the Russian Federation.
8. The authorized federal executive body shall have the right to issue enactments on exercising the powers delegated to the public authorities of the Subjects of the Russian Federation, as well as mandatory guidelines and instructions on exercising such powers by the executive authorities of the Subjects of the Russian Federation.
9. The authorized federal executive body shall:
  - 1) approve the structure of the authorized executive bodies of the Subjects of the Russian Federation exercising the powers delegated to them;



- 2) approve the appointment of the head of the executive body in the respective Subject of the Russian Federation exercising the powers delegated to it;
- 3) execute oversight in legal regulation with respect to the delegated powers by the public authorities of the Subjects of the Russian Federation, with the right to issue mandatory prescriptions to invalidate enactments of Subjects of the Russian Federation or to amend them;
- 4) monitor and supervise the execution of the delegated powers by the public authorities of the Subjects of the Russian Federation, with the right to issue prescriptions to correct the detected offences as well as to bring to account the officials in charge of executing the delegated powers;
- 5) prepare proposals on withdrawal of respective powers from the public authorities of the Subjects of the Russian Federation and submit such proposals, as appropriate, to the Government of the Russian Federation for approval;
- 6) establish the contents and format of reporting on the execution of the delegated powers;
- 7) have the right to give mandatory guidance with respect to processing of forest parcels and their allocation for federal needs following procedures set forth in this Code.

10. The highest official of a Subject of the Russian Federation (head of the top executive body of a Subject of the Russian Federation) shall:

- 1) appoint, upon agreement with the authorized federal executive body, and dismiss the head of the authorised executive body of the Subject of the Russian Federation executing the powers delegated to it;
- 2) approve, upon agreement with the authorised federal executive body, the structure of the authorized executive body of the Subject of the Russian;
- 3) arrange for activities related to executing the delegated powers by the Subject of the Russian Federation in compliance with federal laws and enactments referred to in part 8 of this Article;
- 4) cause the following reporting to be timely submitted to the authorized federal executive body:  
quarterly reports on spending the subventions from the federal budget, on achievement of projected targets, if established, on enactments issued by the public authorities of the Subject of the Russian Federation related to the delegated powers.

11. The authorized federal executive body and the Chamber of Accounts of the Russian Federation shall supervise the use of the financial resources for the execution of the delegated powers, by the Subject of the Russian Federation.

#### **Article 84. Powers of Local Self-Governance Bodies in the Field of Forest Relations**

1. In relation to the municipally-owned forest parcels, the local self-governance bodies shall have the powers to:

- 1) possess, use, and administer such forest parcels;
- 2) establish forest resource volume unit rates of payment and area unit rates of payment for such a forest parcel for purposes of its lease;
- 3) establish volume unit rates of payment for timber;
- 4) develop and approve the forest management regulations and undertake the state review of forest development plans;
- 5) undertake the municipal forest inspection and oversight in relation to such forest parcels.

2. The local self-governance bodies may be vested with certain public authorities' powers in the field of forest use, protection and renewal following the procedures established by law in the Russian Federation.

### **CHAPTER 10. ADMINISTRATION OF FOREST USE, PROTECTION AND RENEWAL**

#### **Article 85. Planning in Forest Use, Protection and Renewal**

1. Planning in forest use, protection and renewal (forest planning) shall be aimed at sustainable development of the territories.

2. Forest planning shall underlie the development of forests within forest districts and forest parks.

3. The forest planning document shall be a forest plan of the Subject of the Russian Federation.

**Article 86. Forest Plan of a Subject of the Russian Federation**

1. The forest plan of a Subject of the Russian Federation shall define forest planning goals and objectives as well as activities to achieve the forest development targets and zones of such development.

2. The forest plan of a Subject of the Russian Federation shall have attached maps with marked boundaries of forest districts, forest parks and zones of their intended development.

3. The forest plan of a Subject of the Russian Federation shall be approved by the highest official of the Subject of the Russian Federation (the head of the highest executive body of the Subject of the Russian Federation).

4. Such forest plans of the Subjects of the Russian Federation shall not be prepared for the forest districts and forest parks referred to in part 2 of Article 83 of this Code.

5. The contents of and preparation procedures for the forest plan of a Subject of the Russian Federation shall be established by the Government of the Russian Federation.

**Article 87. Forest Management Regulation**

1. Use, protection and renewal of forests within a forest district or a forest park shall be based on a forest management regulation of the forest district or the forest park.

2. The forest management regulations of forest districts and forest parks shall be approved by the public authorities of the Subjects of the Russian Federation, except for the cases specified in part 3 of this Article.

3. The forest management regulations of forest districts and forest parks shall be approved by the authorized federal executive body or the local self-governance bodies if these forest districts and forest parks are located, respectively, within the Subjects of the Russian Federation referred to in part 2 of Article 83 of this Code, on lands of defense and security, lands of specially protected nature areas, or on municipally-owned lands.

4. Forest management regulations shall be valid for periods up to ten years.

5. Forest management regulations shall determine the following parameters for the forests within the forest districts and forest parks:

1) permitted forest uses defined in accordance with Article 25 of this Code;

2) ages of cutting, allowable cuts, use periods for the forests, and other parameters of their permitted use;

3) forest use restrictions referred to in Article 27 of this Code;

4) forest protection and renewal requirements.

6. The forest management regulations shall be mandatory for citizens and legal persons engaged in the use, protection and renewal of forests within forest districts or forest parks.

7. Contents of, development procedures for, effectiveness periods of, and revision procedures for the forest management regulations shall be established by the authorized federal executive body.

**Article 88. Forest Development Plan**

1. Persons who have forest parcels made available to them for permanent use (use for indefinite periods) or on a lease basis shall produce forest development plans in compliance with Article 12 of this Code.

2. Contents of and elaboration procedures for the forest development plans shall be established by the authorized federal executive body.

**Article 89. State or Municipal Review of the Forest Development Plans**

1. Any forest development plan shall be subject to state or municipal review following procedures established by the authorized federal executive body.

2. The state review of forest development plans shall be undertaken by the authorized body of the public authorities of the Subject of the Russian Federation, except for the cases specified in parts 3 and 4 of this Article.

3. For the forests within the Subjects of the Russian Federation referred to in part 2 of Article 83 of this Code as well as for the forests on lands of defense and security, and on lands of

specially protected nature areas, the state review of forest development plans shall be approved by the authorized federal executive body.

4. For the forests on municipally-owned lands, the municipal review of forest development plans shall be approved by the local self-governance body.

**Article 90. State Forest Inventory**

1. The state forest inventory consists of activities to examine the status of forests, their quantitative and qualitative characteristics.

2. The state forest inventory shall be carried out to:

- 1) detect, in a timely manner, and predict the development trends of processes which have adverse impact on forests;
- 2) evaluate the forest protection and renewal activities;
- 3) provide information for the administration/management in the area of forest use, protection, renewal and state forest inspection and oversight.

3. The state forest inventory shall be carried out in forests on the forest estate lands and on lands of other categories with the use of ground-based and aerial and satellite techniques.

4. The state forest inventory shall be carried out by the authorized federal executive body.

5. State forest inventory procedures shall be established by the Government of the Russian Federation.

**Article 91. State Forest Ledger**

1. The state forest ledger is a systemized pool of documented information about forests, their use, protection and renewal, and about forest districts and forest parks.

2. The state forest ledger shall contain documented information about:

- 1) composition of the forest estate lands, and that of lands of other categories where forests are located;
- 2) forest districts, forest parks, their forest compartments and forest cruising parcels;
- 3) protection forests, their categories, production forests, reserves forests;
- 4) special protection parcels of forests, zones with specific conditions of use of the territories;
- 5) forest parcels;
- 6) quantitative, qualitative and economic characteristics of forests and forest resources;
- 7) forest use, protection and renewal;
- 8) making forests available to citizens and legal persons.

3. The documented information contained in the state forest ledger shall be publicly accessible except for information with the access to it limited in accordance with federal laws (information of limited access).

4. The documented information referred to in part 2 of this Article shall be furnished, on a mandatory basis, by:

- 1) persons who undertake forest use, protection and renewal;
- 2) public authorities executing the administration/management in forest use, protection and renewal.

5. A list of data to be submitted on a mandatory basis and their submission conditions shall be established by the authorized federal executive body.

6. Within five working days, the authorized federal executive body shall make available to an interested person an extract from the state forest ledger, or send to an interested person a written motivated refusal to do so. Such a refusal may be appealed by the interested person through a judicial process.

7. Extracts from the state forest ledger shall be made available for payment. Amounts of and procedures for collecting such payments shall be established by the Government of the Russian Federation.

8. The documented information referred to in part 2 of this Article shall be made available free of charge to the public authorities, as well as to other persons in the cases specified in federal laws.

9. The state forest ledger shall be maintained by the public authorities and local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code, following procedures established by the Governments of the Russian Federation.

**Article 92. State Cadastral Registration of Forest Parcels**

The state cadastral registration of forest parcels shall comply with Federal Law # 28-FZ of January 2, 2000 *on the State Land Cadastre*.

**Article 93. State Registration of Rights to and Transactions with Forest Parcels**

The property right and other real rights to forest parcels, restrictions (encumbrances) on these rights, their acquisition, transfer and termination shall be subject to state registration in accordance with Federal Law # 122-FZ of July 21, 1997, *on State Registration of Real Estate Rights and Transactions*.

**CHAPTER 11. PAYMENT FOR FOREST USE, AND FOREST VALUATION****Article 94. Payment for Forest Use**

1. In the Russian Federation, forests shall be used for pay.
2. Lease charges or charges under sale-purchase contracts for forest stands shall be paid for the use of forests.
3. Amounts of lease charges and charges under sale-purchase contracts for forest stands shall be defined as set forth in Articles 73 and 76 of this Code.

**Article 95. Forest Valuation**

1. Valuation of forests (valuation of forest parcels and valuation of property rights acquired in the course of using the forests) shall comply with Federal Law # 135-FZ of July 29, 1998 *on Valuation Activity in the Russian Federation*.
2. For purposes of this Code, the cadastral value of forest parcels may be defined following procedures established by the Government of the Russian Federation.

**CHAPTER 12. STATE FOREST INSPECTION AND OVERSIGHT****Article 96. State Forest Inspection and Oversight**

1. The state forest inspection and oversight shall be aimed at ensuring forest law compliance.
2. The state forest inspection and oversight shall be undertaken by the public authorities within their powers as defined in Articles 81 - 83 of this Code.
3. Officials of the state forest inspection and oversight (state forest inspectors) shall have the right to:
  - 1) suppress and prevent forest offences;
  - 2) make checks of compliance with the forest legislation;
  - 3) produce records of the results of such checks and furnish them for information to citizens and legal persons effecting the use of forest parcels;
  - 4) issue mandatory prescriptions towards correcting the forest offences, and check whether the aforesaid prescriptions are followed within the established periods;
  - 5) inspect vehicles following the established procedures, and, if necessary, detain them;
  - 6) furnish to citizens and legal persons who effect forest use, protection, renewal and afforestation, written notifications of the results of the checks of compliance with the forest legislation and detected offences;
  - 7) place demands on citizens and legal persons to correct the offences detected through the checks;
  - 8) bring actions in court, and arbitration courts, within their competence;
  - 9) involve, following the established procedures, research, designing/surveying and other organizations for required analyses, sampling, examinations and preparation of respective options;
  - 10) exercise other rights specified in federal laws.
4. A state forest inspector shall be provided with his certificate of employment and a uniform of an established pattern.
5. Decisions of the public authorities undertaking the state forest inspection and oversight shall be mandatory for all the parties to forest relations. The aforesaid decisions may be appealed through judicial processes.
6. State forest inspection and oversight procedures shall be established by the Government of the Russian Federation.

**Article 97. State Fire Oversight in Forests**

The state fire oversight in forests shall be undertaken by the authorized federal executive body following the procedures laid down in the Federal Law on Fire Safety and in this Code.

**Article 98. Municipal Forest Inspection and Oversight in Forest Use, Protection and Renewal**

Within a municipal entity, the forest inspection and oversight of forest use, protection and renewal (municipal forest inspection and oversight) shall be undertaken by the local self-governance bodies in accordance with Federal Law # 131-FZ of October 6, 2003 *on Common Principles of Local Self-Governance in the Russian Federation*.

**CHAPTER 13. LIABILITY FOR FOREST OFFENCES**

**Article 99. Administrative and Criminal Responsibility for Forest Offences**

1. Persons guilty of forest offences shall be liable to administrative or criminal proceedings as established by law in the Russian Federation.
2. Persons brought to account for forest offences shall not be exempt from the obligations to correct the forest offences and compensate for the damage they caused.

**Article 100. Compensation for Damage to Forests Caused by a Forest Offence**

1. Persons who inflicted damage on forests shall compensate for it voluntarily or through judicial processes.
2. Rate of penalties for and methods to value the damages caused to forests due to forest offences shall be approved by the Government of the Russian Federation.

**CHAPTER 14. SETTLEMENT OF DISPUTES RELATED TO FOREST USE, PROTECTION AND RENEWAL**

**Article 101. Settlement of Disputes Related to Forest Use, Protection and Renewal**

Disputes related to forest use, protection and renewal shall be resolved through judicial processes.

**CHAPTER 15. PROTECTION FORESTS AND SPECIAL PROTECTION PARCELS OF FORESTS**

**Article 102. Protection Forests and Special Protection Parcels of Forests**

1. Protection forests are the forests which shall be developed for purposes laid down in part 4 of Article 12 of this Code.
2. In view of the specifics of the legal regime for protection forests, the following categories of such forests shall be identified:
  - 1) forests within specially protected nature areas;
  - 2) forests within water-conservation zones;
  - 3) forests which perform functions of protecting nature and other sites:
    - a) forests within the first and second belts of sanitary protection zones of potable and technical water supply sources;
    - b) forest shelter-belts along public railways, federal public automobile roads, and public automobile roads under ownership of the Subjects of the Russian Federation;
    - c) green zones and forest parks;
    - d) urban forests;
    - e) forests within the first, second, and third zones of the districts of sanitary (mountain and sanitary) protection of cure/recreation locations and health resorts;
  - 4) high value forests:
    - a) state forest shelter-belts;
    - b) anti-erosion forests;
    - c) forests in desert, semi-desert, forest-steppe, forest-tundra zones, steppes and mountains;
    - d) forests of scientific and historical significance;
    - e) commercial nut-harvesting zones;
    - f) forest fruit-tree stands;
    - g) ribbon-like relict pine forests.
3. Special protection parcels of forests shall be:
  - 1) riparian conservation and soil-conservation parcels of forests along water bodies, slopes and gullies;
  - 2) forest edges adjacent to forestless areas;

- 3) permanent forest seed parcels;
  - 4) reservation forest parcels;
  - 5) parcels of forests with relict and endemic plants;
  - 6) habitats of rare and endangered wildlife species;
  - 7) other special protection parcels of forests.
4. Special protection parcels of forests may be set aside in both protection forests and production forests.
5. In protection forests and within special protection parcels of forests, it shall be prohibited to implement activities which are incompatible with their designation and beneficial functions.
6. Forests shall be classified as high value forests, special protection parcels of forests shall be set aside and their boundaries shall be established by the public authorities or local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code.

**Article 103. Legal Regime for Forests within Specially Protected Nature Areas**

1. Forests within specially protected nature areas are the forests within state nature reserves, national parks, nature parks, nature monuments, state special-purpose reserves and other specially protected nature areas established by federal laws.
2. In forests within state nature reserves, it shall be prohibited to cut forest stands within the parcels where any human interference in the nature processes is excluded. Within other parcels, it shall be permitted to practice selective cutting of forest stands to support the functioning of the state nature reserves and the livelihoods of citizens living within the areas, unless it contradicts the legal regime of the special protection in the state nature reserves.
3. In forests within national parks, nature parks and state special-purpose reserves, clear-cutting of forest stands shall be prohibited unless otherwise provided for by the legal regime for functional zones established within these specially protected nature areas.
4. Particulars of selective cutting of forest stands, and, in the cases specified in federal laws, of clear cutting of forests stands shall be defined in regulations on respective specially protected nature areas.
5. It shall be prohibited to apply toxic chemicals for forest protection against fire and pests, including their application for research purposes, in forests within specially protected nature areas, except for biosphere testing grounds.
6. Particulars of the use, protection and renewal of forests within specially protected nature areas shall be established by the authorised federal executive body.

**Article 104. Legal Regime for Forests within Water-Conservation Zones**

1. In forests within water-conservation zones, it shall be prohibited to carry out clear-cutting of forest stands and to apply toxic chemicals for forest protection against fire and pests, including their application for research purposes.
2. Particulars of the use, protection and renewal of forests within water-conservation zones shall be established by the authorised federal executive body.

**Article 105. Legal Regime for Forests which Perform Functions of Protecting Nature and Other Sites**

1. In forests which perform functions of protecting nature and other sites, clear-cutting of forest stands shall be prohibited, except for the cases specified in part 4 of Article 17 of this Code, and the cases of establishing a legal regime for zones with special conditions for the use of territories where respective forests are located.
2. Selective cutting of forest stands shall be carried out in forests which perform functions of protecting nature and other sites only in order to remove dead and damaged forest stands.
3. In green zones and forest parks, it shall be prohibited to:
  - 1) apply toxic chemicals for forest protection against fire and pests, including their application for research purposes;
  - 2) practice game management;
  - 3) farm;
  - 4) develop mineral resource deposits;

5) locate major construction sites, except for construction of forest trails and water engineering facilities.

4. Particulars of use, protection and renewal of forests within forests which perform functions of protecting nature and other sites, shall be established by the authorised federal executive body.

**Article 106. Legal Regime for High Value Forests**

1. In high value forests, clear-cutting of forest stands shall be prohibited, except for the cases specified in part 4 of Article 17 of this Code.

2. Particulars of use, protection and renewal of high value forests shall be established by the authorised federal executive body.

**Article 107. Legal Regime for Special Protection Parcels of Forests**

1. Special protection parcels of forests shall be set aside in protection forests, production forests and reserve forests.

2. Within reservation forest parcels, cutting of forest stands shall be prohibited. Within other special protection parcels of forests, clear-cutting of forest stands shall be prohibited, except for the cases specified in part 4 of Article 17 of this Code.

3. Selective cutting shall be permitted within special protection parcels of forests only in order to remove dead and damaged forest stands.

4. Particulars of use, protection and renewal of forests within special protection parcels shall be established by the authorised federal executive body.

**CHAPTER 16. PRODUCTION FORESTS AND RESERVE FORESTS**

**Article 108. Production Forests**

1. Production forests are forests which shall be developed for purposes laid down in part 3 of Article 12 of this Code.

2. In production forests, it shall be permitted to practice all the forest uses listed in Article 25 of this Code.

3. Forests shall be classified as production forests and their boundaries shall be established by the public authorities or local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code.

**Article 109. Reserve Forests**

1. Reserve forests are forests which are not intended for timber harvesting within the nearest twenty years.

2. Aerial forest protection operations shall be conducted in reserve forests.

3. Reserve forests may be used upon their classification as production forests or protection forests.

4. Forests shall be classified as reserve forests and their boundaries shall be established by the public authorities or local self-governance bodies acting within their powers as defined in Articles 81 - 84 of this Code.

V. Putin

President of the Russian Federation

UNQTE.

-----