

# Sustainability Facts

STORA ENSO'S FACT SHEET FOR STAKEHOLDERS

January 2007

## Balancing interests in Finnish Upper Lapland

The situation in Finnish Upper Lapland continues to be of interest to Stora Enso's stakeholders. The key question in the area is how to balance the different aspects of sustainability and the interests of various stakeholders. This fact sheet describes the background and Stora Enso's position on the issues in Upper Lapland.

- In Upper Lapland questions are first and foremost related to balancing reindeer herding and forestry and the Sámi land ownership issue.
- The Finnish State is in the process of finding a solution to this long-lasting land-use issue.
- Most of the forests are state-owned and managed by the state forest enterprise Metsähallitus.
- Stora Enso does not accept wood from disputed areas (90 000 ha) in Upper Lapland unless an agreement has been reached between Metsähallitus and a local reindeer herders' co-operative.

### Stora Enso's position

- Stora Enso does not purchase wood from protected areas or areas in the official process of designation for protection, old-growth forests and high conservation value forests defined in national stakeholder processes unless purchases are clearly in line with the national conservation regulations.
- Stora Enso does not accept any wood from the 90 000 ha disputed area in Upper Lapland unless an agreement has been reached between Metsähallitus and a local reindeer herders' co-operative.

### In Upper Lapland, Stora Enso

- supports local level negotiations and state efforts to find a balance between forestry and reindeer herding.
- considers Natural Resource Planning a good tool to continue local negotiations.
- sees that ecological values are secured through the high conservation rate and sustainable forest management principles.

### Upper Lapland – the most important issues

- Some reindeer herders, supported by Greenpeace, are demanding an additional 90 000 ha of forests to be protected in Upper Lapland. Reindeer herding is an important part of Sámi culture as their traditional livelihood.

#### Socio-economic situation

- Three main livelihoods: tourism, forest sector and reindeer herding are all practised by both Finns and Sámi
- Due to the high unemployment rate it is important to secure the co-existence of all livelihoods
- Reindeer herding is in an economic crisis today due to the low price level of reindeer meat, high production costs, and overgrazing, not because of forestry.

#### Sámi land use issue

- Land ownership was determined through the Great Land Ordinance (Isojako) in the 20<sup>th</sup> century. Some Sámi claim that the state-owned land managed by Metsähallitus belongs to the Sámi. The land-use conflict has led to a series of litigations on cultural grounds, but no violation against Sámi cultural rights has been found.
- Report of the Sámi Committee (i.e. the Pokka Committee) December, 2001: No unanimity on the Sámi land ownership question → suggestion for a thorough historical study to be launched to investigate land ownership in the Sámi territory.
- The Ministry of Justice commissioned an academic study to clarify the historical and legal documentation on the Sámi land ownership issue. No clear evidence was found to support Sámi claims.

### Nature conservation status

- Ecological values have already been secured with a combination of a high share of protected areas (40%) and the ecological management of commercial forests → survival of endangered species is secured.
  - Commercial forestry is practiced only in 10% of the area in Upper Lapland. Over 90% of harvesting is done manually. No clear-cutting is undertaken.
- The Ministry of Environment has stated that there are no ecological grounds for the further protection of forests.
  - The EU Commission has stated that Finland has achieved an adequate level of protection of its natural boreal forests.

## Looking for a solution

- The "Saarela process" in 2002–2003 analysed the dynamics of balancing different livelihoods in Upper Lapland. 17 800 hectares was suggested to be set aside from logging activities during the processes. These areas have not been logged since then.
  - Since 2004, the Ministry of Agriculture and Forestry is coordinating a research programme on the interaction between reindeer herding, forestry, ecological and cultural impacts of various land use alternatives.
  - Round table arranged for all stakeholders March 2005 on the initiative of Stora Enso Wood Supply Finland. The round table, chaired by Governor Hannele Pokka, was regarded positively and led to negotiations between Metsähallitus and reindeer herding co-operatives. Consensus was reached with some reindeer herding co-operatives, but not all.
- In November 2005, three complaints by the Sámi to the UN Human Rights Committee: one demanding Metsähallitus to stop logging in Nellim area, two demanding that logging continue. The UN Human Rights Committee has not stated its position since one case is now handled in a Finnish court.
  - In August 2006, three Sámi filed a lawsuit against Metsähallitus in the Court of Lapland, Finland. Their demand is that no logging should be allowed in the Nellim area in Upper Lapland, as they consider logging to have a detrimental impact on reindeer herding and Sámi culture.
  - The Ministry of Agriculture and Forestry is considering to establish a special unit within Metsähallitus to manage the state-owned forests within the Sámi area.

## Glossary

**Natural Resource Planning** = plan for the use of land and water areas managed by Metsähallitus. It has multiple goals and considers ecological, economic and social aspects through the participation of many local stakeholders.

**Old-growth forest** = Forest of exceptionally high conservation value due to its combination of very old trees, very large trees, forest structure, large woody debris and species composition relative to the specific ecosystem (ecosite and ecodistrict) in which it is found. Old growth is an ecosite-specific condition and must be identified using locally valid biological criteria.

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