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# **CERTIFYING THE INCREDIBLE, THE AUSTRALIAN FORESTRY STANDARD. BARELY LEGAL AND NOT SUSTAINABLE - LET THE EVIDENCE SPEAK FOR ITSELF: A RESPONSE TO AFS LTD FEBRUARY 2006.**

## **BACKGROUND**

In November 2005 the Wilderness Society prepared a critique<sup>1</sup> of the Australian Forestry Standard (AFS) and the processes used to establish an interim standard. The context for this critique is the growing requirement by governments and other buyers of wood and forest products for guarantees of both the legality and sustainability of timber sources. The need for these requirements is self evident because of the catastrophic impacts associated with the rapid deforestation and degradation of the world's forests. These impacts include unprecedented species loss, destruction of water supply catchments and in many countries the impoverishment and oppression of forest dependant human communities.

The two largest drivers of this onslaught are the clearing of forests to grow food or fibre, which is linked to the desire in the world's affluent countries for high quality hardwood furniture, and an insatiable appetite for plywood and paper.

What shocks many people is that the Australian forest industry is contributing to these processes. Furthermore, the Australian Forestry Standard legitimises the broad scale clearing of forest and other native vegetation. The clearing and subsequent conversion of native forest to plantations currently dominates forestry activity in Tasmania<sup>2</sup>. The company Gunns Ltd and Forestry Tasmania (a state owned government business enterprise) undertake the majority of land clearing in Tasmania. These two organisations were among the first to become AFS certificate holders.

Australian Forestry Standard Limited (AFS Ltd) has published a response<sup>3</sup> to 'Certifying the Incredible'. We present below an analysis of the way that AFS Ltd has misrepresented its own standard, as well as the evidence contained in 'Certifying the Incredible', and how it has continued to misrepresent Environment Non-government Organisations (ENGO) input into the standards development process, as well as its misrepresentation of the nature of the PEFC consultant's engagement with ENGOs in Australia. A copy of the AFS response is attached for reference (Attachment 1).

## **1. AFS CONVERSION POLICY**

Under Section 3, AFS Ltd puts forward a section of the standard as evidence that it protects and maintains biodiversity values. This is part of section 4.3.2 of the standard (page 21). The AFS response fails to include the first paragraph of this section.

The forest manager shall identify and assess the bioregional impact on identified **Significant Biological Diversity Values** of **converting** native vegetation to plantation or non-forest cover **when planning the conversion** of that vegetation and ensure that planning and practices support the protection and maintenance of **Significant Biological Diversity Values** likely to be affected by forest operations. (*our emphasis*)



This clause in the standard provides **no** prohibitions for broad acre clearing of native vegetation; in fact it is a conversion clause. The designation “Significant Biological Diversity Values” in fact includes a very limited subset of forest values (see below). To compare this to the FSC prohibition is highly disingenuous. FSC 6.10<sup>4</sup> provides an unambiguous “no” statement in respect of conversion and provides very clear direction in respect of a very limited and well-defined exception and it explicitly precludes any conversion of high conservation forest values.

In addition to the omission of the first paragraph the AFS Ltd response fails to provide the notes accompanying this section. These notes are highly directive statements. Two of the 3 notes provided under 4.3.2. are set out below:

*Note – While this requirement is designed to discourage native vegetation clearance, it is not intended to prevent certification where some clearing for infrastructure development within the defined forest area is required by law or regulation, such as for powerlines. It also allows for ancillary infrastructure development related to the objectives of forest management.*

*Note – Managers of plantations established after the date of publication of the AFS will be required to demonstrate conformance with this requirement as part of the certification process. Non-conforming plantations may only be certified where the owner can demonstrate that they were not directly or indirectly responsible for the conversion and they commit to and implement a plan to ameliorate adverse impacts associated with the conversion of native vegetation.*

In the case of the first note, this provides an exemption for the clearing of Significant Biodiversity Values – explicitly excluded by FSC. This note allows forest managers to clear these values for road lines and any number of other forest management activities that could be considered ‘ancillary developments’.

The second note provides further exemptions, in that potentially small and restricted non-conforming conversion can be certified (provided it wasn’t undertaken by the current owner). It is hard to imagine what kind of plan would ameliorate the impacts of clearing a threatened old-growth forest community, for example.

Together the effect of clause 4.3.2 and notes is to facilitate the conversion of native vegetation rather than constrain it.

## **2. CHEMICAL USE**

As with clause 4.3.2 discussed in 1 above, AFS Ltd has selectively quoted from its own standard under 4<sup>3</sup>; in this case clause 4.5.5. The clause directs forest managers who ‘shall reduce reliance on chemicals’. The note provided below this clause effectively negates this sentiment.

Note – This requirement seeks to reduce or minimise reliance on the use of chemicals and is not intended to result in forest managers foregoing achievement of critical forest management outcomes.



This approach to standard setting allows organisations and certifiers to continue management activities unchanged. All legal registered chemicals are available for use under the AFS standard. AFS Ltd continues to defend the use of the poison 1080, which is used in an untargeted way to poison large numbers of native mammals on private land in Tasmania. The AFS certified Forestry Company Gunns Ltd is the single largest user of 1080 and has rigorously defended its right to continue with its application, including where adjacent landowners are conducting organic farming operations. The use of 1080 by farmers is also strongly opposed within the Tasmanian community. The use of 1080 by the agricultural sector in no way legitimises the continued support for the use of the poison as what is purported to be 'worlds best practice' forest management.

The use of the poison 1080 is proscribed by the FSC against native mammals in Australia; FSC certified companies may only use it for control of introduced foxes, which are highly destructive to native animal populations, and only as part of a biodiversity conservation program. The baits are buried and used in such a way that access by native carnivores is highly unlikely. Active research is underway to use cyanide injectors as a more humane alternative. To equate this with the broad acre usage in Tasmania where endemic native carnivores are the regular collateral damage of what is a cheap browsing protection solution involving the needless slaughter of thousands of animals a year is simply not correct.

The issue of chemical contamination by the plantation and forestry sector is regularly seen in the Australian national and regional press. The Tasmanian regulatory regime is so weak that when a helicopter spraying a plantation near St Helens in the state's North East crashed it was months before anyone was notified. It took a doctor seeing unusual symptoms in her patients, as well as the death of tens of thousands of oysters in oyster farms before the contamination was investigated. An over spray incident was reported in 'Certifying the Incredible' where a water supply tank was directly contaminated. This incident resulted in no prosecutions. The statistics quoted by AFS Ltd say more about the deficiencies of the sampling and regulatory regime in Tasmania than anything else. A full report examining these incidents and the regulatory regime in Tasmania is available<sup>5</sup>.

AFS Ltd chose to compare itself with FSC in respect of these issues noting that derogations were present for some of the chemicals discussed. Derogations are a mechanism required where FSC certified companies seek to use prohibited chemicals under strictly controlled conditions. They have to make a case for the derogation and in Australia FSC is establishing a Pesticides Advisory Group, which will report to the FSC Australia Board and has been directed to find alternatives to even this limited application as a matter of urgency. Continuous improvement is taken very seriously by FSC. There are no mechanisms available to AFS Ltd to achieve an outcome in terms of chemical use reductions because it uses a status quo approach based on legality and existing regulation.

### **3. LEGAL AND REGULATORY ABUSES**

Where regulation is weak or poorly implemented abuses will occur. This applies to any forest practices system and so this is a relevant consideration particularly in the context of the AFS grievance procedure, which directs those with a grievance in respect of forest management back to the forest manager.<sup>6</sup> As to claims made by AFS Ltd under 7.<sup>3</sup> that there have been no 'substantial' abuses, this assertion is neither capable of verification, nor is 'substantial' defined. .



A cursory examination of a number of Gunns Ltd plantation conversions in Tasmania led The Wilderness Society to seek access, through Freedom of Information legislation, to planning documents and correspondence for a number of operations covered by its certificate. The FoI claim was served on the Tasmanian regulator, the Forest Practices Authority (FPA). In one of these logging sites, Forest Practices Plan CJD0001 a vulnerable (protected) forest community was cleared for a plantation. After investigation and despite the admission made by Gunns Ltd,<sup>7</sup> that the conversion was in breach of both Tasmanian forestry regulation and internal AFS conversion policies, the company sought in documented correspondence to be allowed to continue with the conversion rather than restore the site.

The Forest Practices Authority, (which is neither accredited to AFS, nor part of the chain of custody programme), merely suspended the responsible officer for a month. This occurred on a site where the regulator's ecologist had already visited the proposed logging before it took place. The FPA officers only visit a minority of conversion areas. ENGOs in Tasmania have identified a number of similar cases in the past. This case represents the tip of an iceberg of indifference when it comes to the protection of threatened forest communities and species in Tasmania. In frustration at the seeming incapacity or reluctance to enforce decent standards in respect of these matters conservationists in Tasmania have been forced into seeking costly and time demanding redress using legal and statutory processes. A major case is before the Federal Court of Australia at present (Brown Vs Forestry Tasmania) and the longest running appeal in the system's history is currently before the Tasmanian Forest Practices Tribunal. Legal and or systemic compliance by AFS certificate holders is under question in both these cases, whilst consultation procedures in dealing with local objectors have been tokenistic and opportunities for the redress of grievances non-existent.

In December 2005 The Wilderness Society itself took a grievance procedure under AFS against Forestry Tasmania. This was undertaken because Forestry Tasmania had failed to make publicly available a 3-year plan for any of its operations for 2005 / 2006 – 2007 / 2008. The Wilderness Society sought access repeatedly to this document, one of only two statutorily required documents that the organisation must produce annually. As this was a major and unambiguous systemic failure (under AFS Criterion 2 clause 4.2.2) rather than a management failure, The Wilderness Society felt it should be able to make a complaint directly to the certifier. The response was instructive and the key paragraph is quoted below:

*"We regret the fact that you have had a complaint against Forestry Tasmania, a company that SAI Global has certified. We appreciate you bringing this to our attention; however, SAI Global is not able to directly intervene in matters connected with disputes between an SAI Global certified organisation and its stakeholders. Neither is it able to comment on the particular merits of a complaint."*<sup>8</sup>

The Senior Manager in Forestry Tasmania responsible for these matters is none other than Dr Hans Drielsma, the chair of the Technical Reference Committee of AFS Ltd. Eventually Dr Drielsma released a document to The Wilderness Society following the complaint. The Wilderness Society has repeatedly sought access to meaningful digital data to enable it to participate in planning processes only to have this access denied. As Forestry Tasmania is effectively exempt from Freedom of Information legislation, FoI requests are also routinely denied.

Many of these abuses regarding openness, transparency and stakeholder consultation reflect a culture in the forestry industry that sees virtually no place for a role for the community in the





management of the public's assets and natural resources. This culture is reinforced by a constant exchange of employees between the forest industry and those government bodies, which are supposed to police the forest practices system.

The conditions that prompted The Forest Practices Boards' Mr Bill Manning to act as a whistleblower on account of the abuse of the forest practices system are still present in the forest industry. The introduction of the AFS and other cosmetic changes to the regulatory framework in Tasmania has made little difference to this culture in practice. The Wilderness Society maintains that the AFS is about providing the appearance of respectability rather than reforming a completely ineffective system, a system that is not even accredited under the AFS' own programme.

#### **4. OLD-GROWTH FOREST PROTECTION**

AFS Ltd under 6.<sup>3</sup> has commented on the levels protection of old-growth forest in Australia. What this fails to note is that whilst some old growth forests are continuing to be placed in reserves significant other areas meriting protection continue to be depleted. When all the old-growth forests outside of reserves are cleared the claim that 100% is protected will be meaningless! Less than 16% of the extant forest within Australia's production forestry regions remains as old growth. The sad reality is that in these production forest areas around Australia less than 10 % of the original pre European forest cover exists as old growth, and more disappears every year.<sup>9</sup> This is a highly depleted biological resource with a whole suite of dependant species. It is these species that are under the most threat of extinction from habitat loss.

The AFS response is highly misleading. Only a very small subset of old growth is recognised as having 'significant biodiversity values' meaning that almost all unprotected old growth is available for either logging or conversion. It is the complete failure of the forest practices system in Tasmania to protect two of the old-growth forest dependant species within a particular logging zone that has forced a legal challenge through the Federal court of Australia (Brown Vs Forestry Tasmania; a full transcript of the case so far is available.<sup>10</sup>) These species are the Tasmanian Wedge-tailed eagle whose plight was highlighted in 'Certifying the Incredible' and the Swift parrot, a threatened bird species that nest in hollows in forest areas with a high proportion of Blue-gum trees, mostly on the East Coast of Tasmania. The habitat for both these species is not only being logged but is still being converted to plantations, and is certified as sustainable by AFS Ltd.

#### **5. GOVERNANCE OF THE AFS**

The governance arrangements for the standard setting process of the Australian Forest Standard were thoroughly reviewed in 'Certifying the Incredible'. Since that document was published AFS Ltd has completely replaced its website and removed some of the evidence presented in that report. The original record of process is not held on the AFS website. The only publicly available document which sets out the 'full' AFS version of events is available on the website of the PEFC and referenced in the AFS response<sup>11</sup>. In December 2005 a new document appeared on the AFS Ltd website this is called Procedure 1.<sup>12</sup> This document sets out further information including an acknowledgement that the AFS is an industry sector standard. The AFS response has elaborated on some of the claims made in both these documents (ibid). The document known as Procedure 1 appears to have been written as a response to PEFC who in turn were responding to UK CPET requirements. No explanation has been offered as to how the procedure document was developed or



whether it was the subject of a transparent approvals process. Neither of these documents can legitimately be regarded as scheme documentation. The Standard still only has interim status.

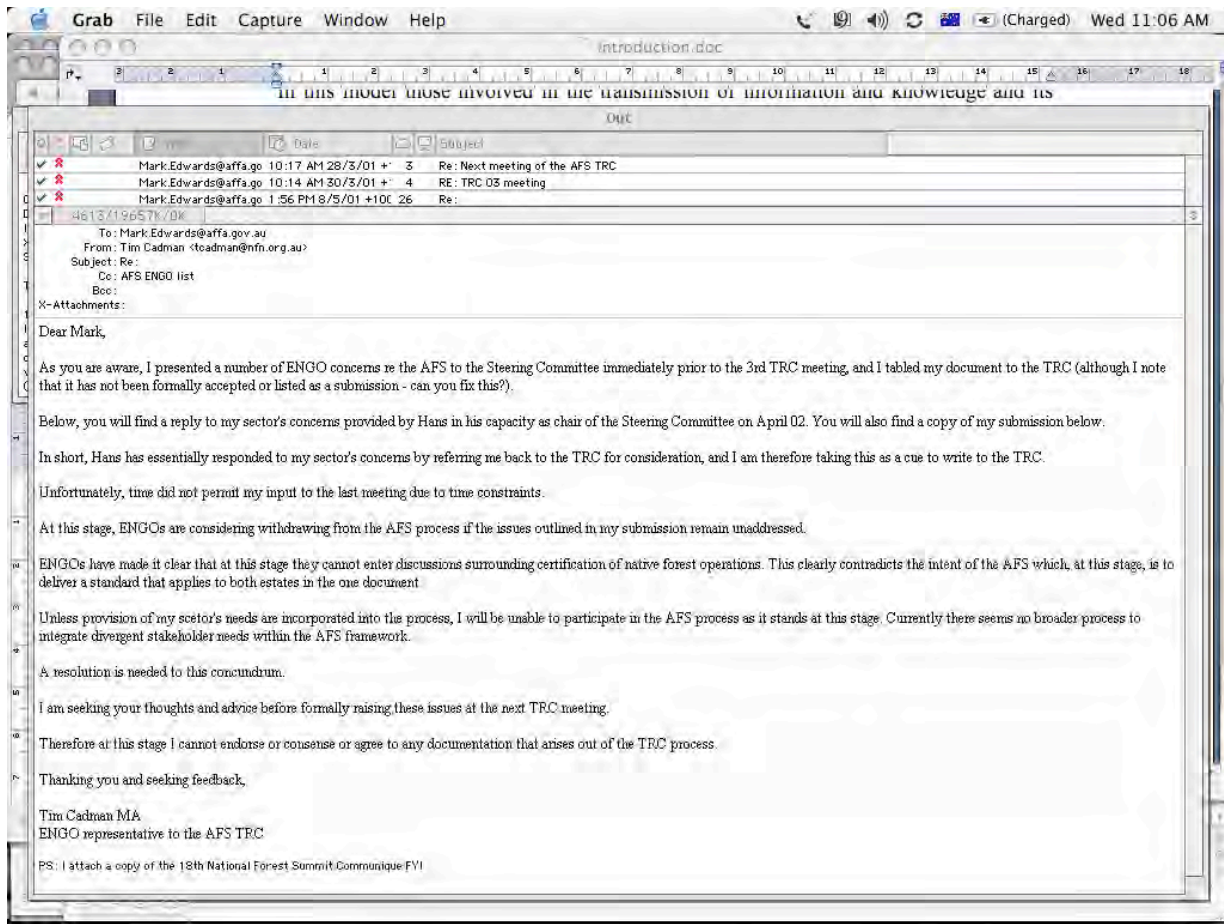
Australian Environment Non-government Organisations completely reject the version of events presented by AFS Ltd<sup>3</sup>. At no stage did either of the ENGO representatives “endorse” the release of the draft Standard as reported at 12. in the AFS response. The credibility of the AFS TRC minuting process, ‘the record’ is demonstrated below.

Prior to meeting 3 of the AFS TRC, Mr Tim Cadman (on behalf of seven national ENGOs, which agreed to try and establish a basis for going forward with the development of the Standard) made a presentation to the AFS Steering Committee this is attached (Attachment 2). This presentation was then tabled at the AFS TRC 3<sup>rd</sup> meeting. This presentation was made in order to make it clear to AFS what ENGO conditions for participation would look like.

When ENGO representatives received copies of the minutes for this meeting they discovered that Mr Cadman’s presentation was not minuted or attached to the minutes as part of the official record. This was despite the acknowledgement of the presentation made to the AFS Steering Committee in correspondence dated 2<sup>nd</sup> April (2001) from Dr Hans Drielsma, chair of both the AFS Steering Committee and TRC. In this correspondence Dr Drielsma sought to dismiss the concerns raised as to the constitution of the AFS, pointing to processes that had been established prior to any ENGO engagement and directed ENGOs to the TRC. When Mr Cadman sought to have his presentation acknowledged as part of the record of proceedings of the TRC in an e-mail sent (8/5/01) to the secretary of the TRC, Mr Mark Edwards (at the time an official of the Commonwealth Department of Agriculture Forestry and Fisheries and now Executive Officer of AFS Ltd) he received no response. In this correspondence he very clearly sets out the lack of endorsement for the process by ENGOs.

A copy of the email correspondence has been reproduced below in order to show the time and date that the correspondence was sent.





This correspondence together with the presentation made to the AFS Steering Committee and tabled at the 3<sup>rd</sup> TRC clearly establishes dissatisfaction with the consideration of their input and actually pre-dates the release of the draft Standard. Furthermore, the joint ENGO submission to the Draft Standard provided to AFS and dated 15<sup>th</sup> October 2001 reiterates the lack of satisfaction with the consideration of their input.

“We believe that the process leading to the establishment and development of the AFS is fundamentally flawed. Environmental organisations and others with an interest in forest certification were not involved in setting the agenda for the AFS. This was and remains a major factor in the reluctance of WWF and NFN to participate in the TRC, when the framework and direction for the development of the AFS had been predetermined”

The submission is reproduced in full in ‘Certifying the Incredible’. The claims made by AFS<sup>3</sup> as to the nature of participation and endorsement of the Standard setting process is simply untrue, and it was ultimately this and other instances of misrepresentation of ENGO attendance at TRC meetings as “participation” (including claims on the AFS website only withdrawn after months of complaint, as well as circulation of other inaccurate minutes) that necessitated a complete withdrawal

Australian ENGOs have made repeated attempts for meaningful engagement with the development of the AFS. AFS Ltd continues to seek input from ENGOs entirely on its own terms in order to try and legitimise its interim standard, which was granted interim status only, on account of this failure





in stakeholder representation. The current TRC is still totally dominated by industry interests and the Standard documentation produced by AFS reflects this bias. There is still no environmental interest sector provided for under the governance structures of AFS Ltd.

The Australian Conservation Foundation has been approached on a number of occasions by AFS clearly seeking to establish the legitimacy of its claims that its consultative mechanisms are valid. In response to a request from AFS Ltd for ACF to provide technical input into the draft Chain of Custody Standard, ACF wrote back to Executive Officer Mark Edwards setting down the same conditions for participation that ENGOs first raised in 2001 and declining to engage until these fundamentals had been fixed. AFS Ltd wrote back and in a now familiar pattern completely failed to respond to the governance / process issues raised and sought to only discuss how ENGOs might engage in the future. This set of correspondence is attached (Attachment 3).

The fact remains that the interim AFS Standard is the result of a process, which did not formally recognise an environmental interest sector and further never addressed the concerns raised by ENGOs, who made every effort to establish an equitable basis on which a multi-stakeholder outcome could be achieved. Until AFS Ltd redresses this the Standard will have no currency as any thing other than it is – an attempt by the forest industry to exploit previous Government support to secure market access for unsustainably produced forest products. Australian ENGOs will continue at every suitable opportunity to offer AFS Ltd the opportunity to reform its processes and establish a respectable multi-stakeholder, participatory standard.

## **6. AFS AND PEFC**

AFS Ltd at its last point in the response identifies that The Wilderness Society failed to acknowledge that there had been a 60-day comment period in the 2004 PEFC evaluation. As far as we can determine no effort was made by the PEFC to contact The Wilderness Society. However Mr Tim Cadman made a detailed submission to the consultant raising all the substantive issues addressed in ‘Certifying the Incredible’ and this document. It should be noted that that this was at the instigation of Mr Cadman. For his efforts Mr Cadman and WWF were subjected to the most unprofessional treatment with allegations published that they had a conflict of interest. The consultant made no effort to check these allegations or refer then back to Mr Cadman and WWF for comment. The Wilderness Society in fact discovered the consultants report on the web while researching the facts in respect of the AFS and the AFS standard-setting process.<sup>13</sup> We referred the document to Mr Cadman and WWF who had never seen it. The allegations relating to conflict of interest are completely false.

## **7. CONCLUSIONS**

The Wilderness Society stands by the facts as reported in ‘Certifying the Incredible’. We welcome the opportunity provided by the response from AFS Ltd to provide additional evidence as to the true nature of the AFS interim standard and the processes used to develop it.

The Wilderness Society again calls upon AFS Ltd to reconstitute the standard setting process, establish an environment interest sector and suspend current certificates pending production of a standard that guarantees sustainability and legality. Australian ENGOs remain willing to participate in environmental standard setting processes providing that participation is on the basis of equality



of access to the process and that the AFS' governance procedures are restructured to reflect that equality of access.

## 8. REFERENCES

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<sup>1</sup> [http://www.wilderness.org.au/pdf/Certifying\\_the\\_IncredibleFULLv3.pdf](http://www.wilderness.org.au/pdf/Certifying_the_IncredibleFULLv3.pdf)

<sup>2</sup> Forest Practices Board / Authority annual reports  
[http://www.fpa.tas.gov.au/index.php?id=81&tx\\_avotherresources\\_pi1\[action\]=ResByCat&tx\\_avotherresources\\_pi1\[cat\]=2](http://www.fpa.tas.gov.au/index.php?id=81&tx_avotherresources_pi1[action]=ResByCat&tx_avotherresources_pi1[cat]=2)

<sup>3</sup> [http://www.forestrystandard.org.au/files/News\\_Feb06Response.pdf](http://www.forestrystandard.org.au/files/News_Feb06Response.pdf)

<sup>4</sup> FSC Principles and Criteria download [http://www.fsc.org/en/about/policy\\_standards/princ\\_criteria](http://www.fsc.org/en/about/policy_standards/princ_criteria)

<sup>5</sup> <http://www.oztoxics.org/cmwg/library/casestudies/cm%20tasmania.pdf>

<sup>6</sup> [http://www.forestrystandard.org.au/files/COMP\\_PROCEDURE.pdf](http://www.forestrystandard.org.au/files/COMP_PROCEDURE.pdf)

<sup>7</sup> Correspondence between Gunns Ltd and the Forest Practices Authority dated 6 October 2005.  
Forest Practices Authority FOI 05/06 - 4

<sup>8</sup> Reply from SAI Global to a formal grievance complaint lodged by The Wilderness Society dated 11 January 2006

<sup>9</sup> Bureau of Rural Science, 2005. Australia's forests at a glance. (Downloadable)  
<http://affashop.gov.au/product.asp?prodid=13250>

<sup>10</sup> <http://www.on-trial.info/transcripts.htm>

<sup>11</sup> [http://www.pefc.org/internet/html/members\\_schemes/4\\_1120\\_59/5\\_1246\\_306/5\\_1123\\_810/5\\_1185\\_819.htm](http://www.pefc.org/internet/html/members_schemes/4_1120_59/5_1246_306/5_1123_810/5_1185_819.htm)

<sup>12</sup> [http://www.forestrystandard.org.au/files/PROCEDURE1\\_Standards\\_Development.doc](http://www.forestrystandard.org.au/files/PROCEDURE1_Standards_Development.doc)

<sup>13</sup> [http://www.pefc.org/internet/resources/5\\_1185\\_1077\\_file.1054.pdf](http://www.pefc.org/internet/resources/5_1185_1077_file.1054.pdf)



## Attachment 1

## **A Response to Incredible Claims by The Wilderness Society**

Australian Forestry Standard Limited  
February 2006

1. A paper apparently prepared by or on behalf of the Wilderness Society<sup>1</sup>, sets out a series of claims, statements, and opinions related to the Australian Forestry Standard (AFS), and certain certifications under the AFS, particularly in Tasmania. The assertions in the document are a mixture of falsehoods, half-truths and misleading inferences, and can be accepted as no more than a rhetorical device to promote The Wilderness Society's political positions in respect of an alternative forest certification scheme and Tasmanian forest policy.

### **The Australian Forestry Standard**

2. The Wilderness Society paper criticises elements of the AFS that deal with forest clearance, chemical use and the management of oldgrowth forest.
3. The AFS has specific provisions related to the issue of forest land clearing which specifically provide for the protection and maintenance of biological diversity values and in particular:

*The forest manager shall not undertake conversion, except in circumstances where conversion entails a limited portion of the forest type at the bioregional level and where it is reasonably certain that it does not involve viable examples of:*

- *threatened (including vulnerable, rare or endangered) forest ecosystems;*
- *old-growth forest that is rare or depleted within a forest ecosystem; and*
- *important habitat of threatened (including vulnerable, rare or endangered) species.*

*In addition the forest manager shall not carry out conversion of native forest which would result in that vegetation community or ecosystem becoming threatened or endangered in accordance with Commonwealth, State and Territory laws, regulation or species recovery plans.*

*Any conversion for plantation establishment...should also make a significant contribution to long-term conservation, economic and social benefits at the regional level.*

These are strong constraints, and are not dissimilar to provisions made within the FSC international principles and criteria especially in criteria 6.10<sup>2</sup> as under:

*6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:*

- a) entails a very limited portion of the forest management unit; and*
- b) does not occur on high conservation value forest areas; and*
- c) will enable clear, substantial, additional, secure, long term conservation benefits across forest management unit.*

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<sup>1</sup> Certifying the Incredible, The Australian Forest Standard. Barely Legal and not Sustainable. Wilderness Society, 2005

<sup>2</sup> [http://www.fsc.org/keepout/en/content\\_areas/77/71/files/FSC\\_STD\\_01\\_001\\_FSC\\_Principles\\_and\\_Criteria\\_for\\_Forest\\_Stewardship\\_2004\\_04.PDF](http://www.fsc.org/keepout/en/content_areas/77/71/files/FSC_STD_01_001_FSC_Principles_and_Criteria_for_Forest_Stewardship_2004_04.PDF)

4. In respect of chemicals, the AFS provides that:

*The forest manager shall reduce reliance on chemicals (including pesticides and fertilisers) and favour alternative cost-effective methods (including safe biological agents) that minimise adverse impacts on the environment.*

The AFS does not specifically prohibit the use of 1080 as a pesticide. It should be noted that under FSC certifications, 1080 is allowed for use within Australia and New Zealand against feral animal pests. 1080 is also widely used by the managers of Australia's national parks and conservation areas for the control of feral animal pests. It is also widely used in the agricultural sector.

5. It is claimed that AFS certificate holders in Tasmania have chemically contaminated domestic water supplies. There is no substantive evidence to this effect. The Tasmanian Department of Primary Industry, Water and Environment conducts regular testing for a wide range of pesticides within Tasmanian rivers and streams, and over the last 12 months of testing, it has made a positive detection in only four samples<sup>3</sup>. None of these detections was near levels that would constitute a risk to drinking water quality, and the source of the contaminations, has not been confidently established. Interestingly of the chemicals detected, all are permitted chemicals for use generally or under derogation within Australia, under FSC policies.
6. Within the major forestry regions of Australia, it has been estimated that there are about 5.2 million hectares of old-growth forest. Within this area, about 3.9 million hectares, or about 75% are within conservation reserves and protected from any timber harvesting<sup>4</sup>. The AFS provides for the assessment and identification of significant biological diversity values and related conservation values by the forest manager, and their protection and maintenance in all forest operations. This includes oldgrowth forest values.
7. The references to the Forest Practices System in Tasmania are not relevant to the implementation of the AFS. Claims made, even if they were true (which has not been established), relate to events before the development of the AFS, and before any certifications within Tasmania. Since that time, the Tasmanian Government has also extensively amended the Forest Practices Act, increasing the independence and transparency of the Forest Practices Authority. Any AFS certificate holder must meet legal and regulatory requirements of the relevant State or Territory, and all such requirements or obligations must be met to obtain certification. There have been no substantiated cases of abuses as claimed by the Wilderness Society. Should such issues arise, there are mechanisms by which such grievances can, and should be raised with certification bodies.
8. The references to legal actions being taken by an AFS certificate holder have no relevance to any provision of the AFS. Persons or organisations are free to take legal action to defend their rights when they perceive the law has been broken. The Court will determine whether or not there is merit in the case.

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3 <http://www.dpiwe.tas.gov.au/inter.nsf/WebPages/CART-69STWK?open>

4 Australian Government, Bureau of Rural sciences: Old growth Forests in Australia, Feb, 2004, updated with the Tasmanian Community Forest Agreement, 2005



## **Governance of the AFS**

9. The AFS is governed by Australian Forestry Standard Limited (AFS Ltd), a not-for-profit public company registered under Australian law. Membership is open to any person or organisation that supports its objectives, i.e. the development and promulgation of sustainable forest management through the Australian Forestry Standard.
10. The standard setting processes of AFS Ltd are governed by Standards Australia, Australia's national standards setting body. AFS Ltd is accredited as a standards development organisation by the Standards Accreditation Board of Standards Australia. As such AFS Ltd meets all the criteria and protocols established for standards development, as evidenced by a periodic audits by the Standards Accreditation Board, and draft standards must be approved by Standards Australia before they are published as Australian Standards.
11. The AFS Technical Reference Committee (TRC) established to develop and review the AFS operates according to consensus guidelines that ensure that no individual person or organisation can veto the process, no single interest can dominate the process, and no decision can be made in the absence of agreement from the majority of an interest category.
12. The process by which the AFS was developed is clearly outlined in the Record of Process, which has formed part of the public record since October 2003<sup>5</sup>. The record shows that the draft AFS was approved by the Technical Reference Committee for release for public comment on 11 August 2001. The minutes of the committee indicate that there was unanimous support for such release, and that the meeting was attended by two ENGO members. The two ENGO members resigned from the committee in March 2002, over six months after the release of the draft, and before the committee was reconvened to consider the public submissions, and finalise the drafting process. The claim that the ENGO members withdrew as a result of dissatisfaction with the considerations given to their input on the TRC is simply not supported by the facts as documented in confirmed minutes of the TRC. Their withdrawal occurred after they had participated in the unanimous decision of the TRC to exhibit the draft AFS for public comment, and before the committee subsequently met to consider that comment. Comments subsequently submitted by the ENGOs were provided to the TRC together with other public submissions. Had the ENGOs remained they could have put forward their views as outlined in the comment paper and debated the views with all other environmental, economic, social and cultural representatives on the TRC. The draft AFS contained significant elements, particularly in respect of public participation, which reflected ENGO input.
13. Irrespective of the process by which the AFS was originally developed, it is currently being reviewed. For this purpose, comments have been invited from the community, and specifically from interested parties, including leading national ENGOs within Australia. Invitations have been re-issued on several occasions to

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<sup>5</sup> [http://www.pefc.org/internet/html/members\\_schemes/4\\_1120\\_59/5\\_1246\\_306/5\\_1123\\_810/5\\_1185\\_819.htm](http://www.pefc.org/internet/html/members_schemes/4_1120_59/5_1246_306/5_1123_810/5_1185_819.htm)

NGOs to join the TRC and participate in the review. To date such invitations have been ignored by those NGOs apparently acting as a block in maintaining their opposition to the AFS. In their absence however, other groups with legitimate environmental interests have joined the TRC, albeit in the face of significant pressures by the ENGO block to deter them. It is of some significance to note the stated reasons for which Greening Australia withdrew from the TRC after pressure from the NGOs. Put simply, they did not have the energy or resources to withstand the ENGO pressure.

14. The Wilderness Society report also fails to acknowledge the PEFC's 60 day international public consultation period during the evaluation of the AFS in 2004 where the consultant could have been advised of any issues of concern.

## Attachment 2

# **A Presentation to the Australian Forestry Standard Steering Committee by Tim Cadman MA**

## ***Abstract***

There are structural, process, market and content problems associated with the current process for the AFS. They fall into two categories:

Non-sectoral structural weaknesses:

- openness and transparency ;
- independent, third party certification of agreed performance standards;
- product claims and market credibility.

Issues of particular concern to environmental stakeholders (ENGOS) include:

- Intent of the AFS
- Management prescriptions
- Consensus building and
- Pace and timing.

## ***Openness and Transparency***

Social, environmental and economic elements need to be combined to deliver sustainable forest management. The current structure of the AFS is discriminatory against multi-stakeholder participation. The Steering Committee is completely comprised of government and commercial interests.

The current structure has restricted the access of some stakeholders to decision-making processes. Other stakeholders have a larger degree of influence over the process than other sectors and have already determined the parameters of the Standard without wider consultation.

Stakeholder participation is a key component of the standards setting process.

**In order to obtain meaningful accreditation by Standards Australia, the structure of the Steering Committee needs to include all key stakeholders. The same can be said of the Technical Reference Committee. All interests need to be represented and balanced to ensure no one interest – or group of convergent interests - predominates.**

## ***Independence***

For a certification standard to enjoy market support, it must be clearly independent of government and free from dominance by any one interest group. Furthermore, the operational aspects of such a standard need to be monitored and audited by a third party.

The AFS has been developed to date by Government, in collaboration with industry associations. This challenges the assumption that the process is independent and representative of all sectoral interests. It could be legitimately argued that industry associations have been the principle contributors to the Standard to date, particularly in its formative stages.

The general thrust of the Standard to date has been to build on the forest management protocols and processes outlined by Montreal and Australia's various Regional Forest Agreements, along with the development of management systems via the ISO "14000" series. It is uncertain if these processes will provide for independent monitoring and auditing of the standard. The use of forest practices boards, or similar bodies, who are linked to forest management agencies and industry is not sufficient. Furthermore, a management-systems approach to operational issues does not necessarily guarantee that agreed on ground performance of management has been attained on the FMU.

**The AFS requires provisions for allowing independent certification agencies to audit compliance against the standard with the Standard, and to work with all stakeholders when auditing reported breaches.**

## ***Product Claims and Market Credibility***

If significant stakeholders are absent from key components of the standards setting process, it is not possible to claim that the Standard has been developed in collaboration with all stakeholders. Excluded parties are within their rights to inform the market that the Standard does not enjoy cross-sectoral confidence. The very purpose of the standard will therefore have been undermined.

On a number of occasions materials generated by the AFS (or participants in the AFS process) have claimed that the Standard has been developed in conservation interests.

The AFS should avoid all such claims until they can be substantiated. Otherwise, a false and misleading impression is created in the market. This will further undermine confidence if and when the final Standard is. Until all relevant stakeholders are meaningfully included in decision-making processes this claim cannot be made on any materials.

### ***Intent of the Australian Forestry Standard***

On the information that has been made available it is difficult for ENGOs to make an informed assessment as to the intent of the Standard. Clearly, the international market is demanding verifiable standards for management that enjoy the support of the community. This is the main reason for the current market predominance of the Forest Stewardship Council and the current lack of consumer confidence in such schemes as Pan European Forest Certification. A credible certification system is required that goes beyond superficial improvements and integrates the needs of stakeholders other than forest managers and owners.

ENGOs therefore seek a clear indication from the AFS as to its intent. Is it:

- A certification standard that will deliver a recognisable label guaranteeing products that have been sourced from well-managed operations supported by all stakeholders? Or
- A Government/industry initiative that meets the requirements of government policy and has been developed on behalf of industry?

### ***Management Prescriptions***

ENGOs are deeply concerned that the AFS will deliver a Standard that is based on existing practices and policies. Clearly, the desire to develop an AFS is a recognition that the market requires more than the current status quo, or there would be no need for an Australia Forestry Standard. Therefore, to promote the current regime as a new standard is deceptive.

Of particular concern is the possibility that any existing forestry operations could continue under the Standard. Forest conversion to plantations, logging of old growth, clearfelling, loss of threatened species habitat and chemical use are just some of the elements of existing management practices that ENGOs feel must be examined and negotiated by stakeholders. Clearly ENGOs could not support a standard that refused to examine such issues.

### ***Consensus Building***

ENGOs welcome the desire of forest owners, managers and government to develop an AFS. The Steering Committee is likely to be aware that ENGOs themselves are in the process of exploring the value of national forestry standard and at this stage the environmental requirements for certifying plantations in particular.

There is considerable scope to move forward with certification in Australia through these two parallel initiatives. The most logical step would be to combine the two processes, basing discussions around areas of commonality and working cooperatively on those. At this stage ENGOs are primarily concerned with working cooperatively with the plantations sector to develop a national certification standard. It is possible that this process may lead to further engagement with the forestry sector, in particular as it relates to private forest management, where there is a need to improve standards. This in turn could lead to the development of consensus surrounding public native forest management.

Therefore, ENGOs would like to see the AFS address the development of a standard for plantation management as a first step in building confidence amongst all stakeholders. Further discussions relating to other sources of wood products could ensue depending on the degree of mutual trust generated via this initial standards setting process.

### ***Pace and Timing***

ENGOs are concerned that the development of the Standard may be being driven by political, rather than stakeholder considerations. They are of the opinion that a process that delivers outcomes – albeit over a longer timeframe – is better than one that collapses due to external pressures for a quick delivery. Furthermore, the quality of such a Standard would be inferior to one that is produced in the fullness of time.

ENGOs would therefore like to see the current timeframe of provision of a draft standard revised, in favour of a multi-stakeholder process that delivers a mutually acceptable outcome.



## Attachment 3

**AUSTRALIAN FORESTRY STANDARD  
LIMITED**

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AFS/01-10-01

23 March 2006

Mr Don Henry  
Executive Director  
Australian Conservation Foundation  
Floor 1, 60 Leicester Street  
CARLTON VIC 3053

*Lindsay -  
for your action  
to  
Don*

Dear Sir,

**Re: Australian Forestry Standard Technical Committee [Chain of Custody Standard]**

I am writing to your organisation to bring you up to date on developments with the review of the Chain of Custody Standard (CoC Standard), as a follow up to my letter of 12 August 2005 which provided your organisation with a hard copy of the CoC Standard and which sought your comments on the CoC Standard for consideration by the AFS Technical Committee.

At the same time that I contacted your organisation, I sought the views on many other organisations with an interest in the tracking of wood and forest products in the supply chain to assist the review process by the AFS Technical Committee. The review process was commenced within the timeframe of the Interim Australian Standard (AS) status of the CoC Standard, which in itself is a public comment process, and I can inform your organisation that the AFS Technical Committee has completed its review of the CoC Standard.

Accordingly, in consideration of this brief update, I attach a copy of the postal ballot draft for your information and am seeking any comments from your organisation by 21 April 2006 on the technical content of the CoC Standard that will assist the AFS Technical Committee with its intention to engage in a process to allow the Interim AS to be confirmed as the AFS Technical Committee's balloted CoC Standard which will be presented to Standards Australia for recognition as a full AS. For ease of reading, the changes to the CoC Standard are shown in underlined text which is a consensus of deletions and additions from the AFS Technical Committee.

If you need to discuss any aspects of this letter further, please don't hesitate to contact me by phone or fax on 02 6281 3455 or e-mail on [afs@forestrystandard.org.au](mailto:afs@forestrystandard.org.au) and I will endeavour to answer your queries.

Yours faithfully,

Mark Edwards  
Executive Officer  
Australian Forestry Standard Limited



PEFC/21-1-1

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Page 1 of 2



**AUSTRALIAN  
CONSERVATION  
FOUNDATION**  
INCORPORATED ABN 22 007 498 482

FLOOR ONE, 60 LEICESTER STREET **CARLTON VIC 3053**  
phone ■ **03/ 9345 1111** // facsimile ■ **03/ 9345 1166**  
email ■ **acf@acfonline.org.au** // web ■ **acfonline.org.au**

21st April 2006

Mr Mark Edwards  
Executive Officer  
Australian Forestry Standard Limited

By email: [afs@forestrystandard.org.au](mailto:afs@forestrystandard.org.au)

Dear Mark,

**Re: Australian Forestry Standard Technical Committee [Chain of Custody Standard]**

I acknowledge your letter of the 23<sup>rd</sup> of March to ACF's Executive Director Mr Don Henry regarding your desire to engage with us regarding the purported Australian Forestry Standard (AFS) Chain of Custody Standard (CoC Standard). Don has asked me to reply on his behalf.

From the outset I am confused as to the intentions in the request.

1. (a) Please explain how engagement to pursue a CoC Standard can be achieved in view of the outstanding and unresolved stakeholder issues which have occurred in relation to the development of the Forest Management Standard itself and,

(b) In light of ENGO non participation in the JAS-ANZ development stages of the CoC Standard could you also please explain how a CoC Standard ballot can be undertaken and without completion of a multi-stakeholder endorsed Management Standard.

2. ACF is aware of previous requests from other ENGO's for a full and comprehensive restructuring of the AFS Terms of Reference, the composition of the Steering Committee and Technical Reference Committee, and Board of AFS Ltd. Until these initial ENGO concerns have been addressed ACF cannot enter into, nor be seen endorsing, consultations regarding this CoC Standard. Communications with any other stakeholder sector regarding this ballot cannot be seen as legitimate given the ENGO sectors exclusion from the original formation of the AFS.

3. In order for there to be legitimate ENGO engagement an environmental interest sector needs to be established equitably within the process and with a membership that genuinely reflects this sector interest. It should include National and Regional ENGO's and National and Regional organisations promoting nature conservation.

4. When you are willing to engage on the matters referred to above we would be willing to enter into discussions regarding possible future consultations. We would welcome the development of a legitimate Australian Forest Standard. We are happy to see diversity in the certification market providing standards guarantee sustainability rather than lowest common denominator status quo accreditation.

5. ALL current processes should be put on hold including all certificates issued under the draft management standard and the new proposed CoC Standard otherwise there is little point in continuing discussions.

6. ENGOs in 2002 put down a set of consensus breaking issues around sustainability. In summary these are that:

1. Wood arising from land clearing and land managers involved in this activity are not eligible.
2. HCV forestry operations e.g. threatened species habitat, old-growth forest harvesting and roading etc cannot be certified.
3. The broad-scale use of mammalicides for regeneration /crop protection is unacceptable.

AFS needs to accept that these are issues that the ENGO sector would bring to the table. I have also directed this letter to Mr Geoff Gorrie at the Department of Agriculture, Fisheries and Forestry (DAFF) for his information.

In light of the above we look forward to future contact and sincerely hope that the AFS will engage in an open, transparent and equitable manner.

Yours faithfully,



Lindsay Hesketh  
Forest Campaign Coordinator  
Australian Conservation Foundation

Cc.

Department of Agriculture, Fisheries and Forestry. Australia

Standards Australia

Programme for the Endorsement of Forest Certification schemes (PEFC)

The Central Point of Expertise on Timber Procurement's (CPET)  
UK Department for Environment, Food and Rural Affairs

WWF Australia

Native Forest Network  
Tarkine National Coalition  
Western Australian Forest Alliance  
Conservation Council of Western Australia  
Friends of the Earth Australia  
Rainforest Information Centre

The Wilderness Society

**AUSTRALIAN FORESTRY STANDARD  
LIMITED**

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29 May 2006

Mr L. Hesketh  
Forest Campaign Coordinator  
Australian Conservation Foundation  
Floor 1, 60 Leicester Street  
CARLTON VIC 3053

Dear Lindsay,

**Re: Australian Forestry Standard Technical Committee – Chain of Custody Standard [AS 4707]**

Thank you for your letter of 21 April 2006 regarding draft of the revised Chain of Custody Standard – AS 4707.

A review of the standard has been undertaken in accordance with normal Standards Australia practice, to consider any issues that have been brought to notice in implementation in its initial years. Membership of the AFS Technical Committee that has reviewed the standard was widely canvassed and there have been ongoing opportunities for ENGO participation.

In the absence of direct ENGO participation, we have taken the opportunity to seek views on this final draft from a range of Australian ENGOs.

You should note that JAS-ANZ has not been involved in the development of either this standard or the Australian Forestry Standard [AS 4708], although they have developed accreditation procedures for auditors and certifying bodies.

We accept and respect your decision not to be involved in, or commenting on, the standard however it is not correct to suggest that the ENGO sector has been excluded from the process. You should be aware of earlier correspondence from Australian Forestry Standard Limited inviting participation by Australian Conservation Foundation (I refer to the letter of 1 September, 2001), and discussions held between the Director and the then Chairman of the AFS Steering Committee. I would also like to indicate that with the incorporation of Australian Forestry Standard Limited, membership is open to all persons and organisations that support the objectives of the company.

We understand that there is a range of issues relating to the Australian Forestry Standard itself (as distinct from the Chain of Custody Standard) which you and other ENGOs would seek to have further considered. Those that were articulated at the time of drafting of that standard were referred to and fully considered by the AFS Technical Reference Committee at the time. You will be aware that we have invited ENGO representation on the committee currently reviewing that standard, and have widely invited comment on it as part of the review process. The issues you raise can only be



PEFC/21-1-1

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appropriately considered within that forum, and I will ensure that the points you raise are referred to them.

We would welcome further discussion as to how the ENGO sector might be more productively engaged in future development of the Australian Forest Certification System. Might I suggest that there may be merit in our Chairman, Mr Geoff Gorrie, meeting with Australian Conservation Foundation's Executive Director Mr Don Henry in this regard.

Please note that Mr Geoff Gorrie chairs Australian Forestry Standard Limited in his own right and holds no position with the Australian Government Department of Agriculture, Forestry and Fisheries.

Yours sincerely,



Mark Edwards  
Executive Officer  
Australian Forestry Standard Limited

Cc            Mr Colin Blair, Standards Development Board