

***On the Ground 2011* Supplementary Briefing Paper: The Australian Forestry Standard (AFS) In Victoria's Native Forests**



Post burn logging coupe in the Central Highlands

Introduction

The *On the Ground 2011* report details the global failure of the Program for the Endorsement of Forest Certification (PEFC). Case studies in the report identify the certification of forest operations that destroy biodiversity, abrogate human and community rights, and fail to provide adequate engagement with stakeholders, amongst other issues.

This supplementary briefing paper details serious issues regarding the certification of Victorian native forest logging operations on public land by the Australian Forestry Standard (AFS), the Australian affiliate endorsed under PEFC.

VicForests, the land manager of Victoria's public forest estate, has AFS certification, and supplies wood to a number of companies. Companies such as Australian Paper rely on

the AFS standard in the marketplace, rather than more rigorous standards such as FSC which have rejected the certification of timber supplied by VicForests.

The AFS standard in Victoria has failed to provide meaningful assurance for consumers that forest products are sourced in an environmentally and socially responsible fashion. This failure can be seen through several key issues:

- Ongoing damage to the habitat of endangered species, water catchments, and high conservation values.
- The comprehensive failure of the AFS and PEFC to address stakeholder complaints.



Logging at Toolangi, Central Highlands

Case Study Area – The Central Highlands

Victoria's faunal emblem; the critically endangered Leadbeater's Possum, is headed towards extinction due to wildfires and pulp wood logging. Since 1998, the tiny possum's population has declined by 80% from 5000 to a meagre 1000 left in the wild today.

The Victorian government logs, burns or clears the habitat of the Leadbeater's Possum and these operations are certified to the Australian Forestry Standard. Australian Paper then utilises the AFS certification and logo to assure consumers that this timber is sourced from forests that are managed sustainably and do not impact on biodiversity, including endangered species.

According to Australia's leading forest ecologist, The Australian National University's Professor David Lindenmayer, just 1% of old growth forest in The Central Highlands remains. This forest type is essential to the survival of the Leadbeaters possum, and continued logging threatens the ongoing existence of mountain ash forest in the Central Highlands¹.

These forests also provide drinking water to 4 million Victorians. In a recent government study, water loss from logging in two catchment areas, the Thomson and Yarra, was projected to be as high as 50 billion litres by 2050 without fires. In the Goulburn, a recent study has found that if logging was stopped in the upper reaches of the catchment it would yield an increase of 3,807 billion litres over the next century.

Logging has more recently been linked to catastrophic bushfire frequency and intensity in the central highlands. Placing towns in high logging areas is, in effect, committing people's lives to increased danger as the climate warms, rainfall decreases and forests become younger and more flammable.

These forestry operations are also failing to meet basic sustainability criteria as VicForests are not regenerating the areas logged at the same rate as they are cutting. In a recent report by VicForests and the Department of Treasury and Finance, forestry areas had not been regenerated for more than 16,000 hectares in East Gippsland and Central Highlands.

Despite these significant and ongoing ecological and sustainability issues, the AFS standard continues to certify VicForests logging operations, and allows companies such as Australian Paper to use its logo on products such as Reflex paper that are sourced from these forests.

¹ David B. Lindenmayer, Richard J. Hobbs, Gene E. Likens, Charles J. Krebs, and Samuel C. Banks (2011). *Newly discovered landscape traps produce regime shifts in wet forests*. PNAS 2011 ; published ahead of print August 29, 2011, doi:10.1073/pnas.1110245108



Post burn logging coupe in the Central Highlands

AFS and Certification in Victoria

Forest certification aims to provide consumers with a recognisable assurance that products are sourced from environmentally and socially responsible forestry organisations. The credibility of a 'forestry standards process' requires that the environmental and social principles claimed by a wood producer can withstand scrutiny. Recent experiences in Victoria have starkly demonstrated the differences between standards that bear scrutiny, being the Forest Stewardship Council (FSC), and standards which cannot, such as AFS.

The certifying company Rainforest Alliance was recently asked to conduct a risk assessment on Victoria's native forest for the Forest Stewardship Council Controlled Wood certification of Australian Paper. Australian Paper sources considerable volumes of timber from Victoria's public native forests through VicForests, the Government Business Enterprise responsible for logging native forests.

When Rainforest Alliance were unable to deem Victoria's native forests as being at 'low risk' of logging of high conservation value forests, Australian Paper called off the risk assessment and removed the FSC label from their native forest paper products².

A formal investigation by Accreditation Services International (ASI) into conduct by Rainforest Alliance during the process found stakeholder complaints valid and resulted in the Rainforest Alliance handing in their right to certify against the FSC standard in Australia³.

In stark contrast, however, AFS certification has been maintained for the same products sourced from the same forest areas.

SAI Global (who have recently been suspended of their right to audit against the FSC standard worldwide⁴) are auditing VicForests to the AFS standard and are faced with the same complaints surrounding underlying unsustainable native forest management.

Additionally, in several cases logging by VicForests has been identified as unlawful. For example, the Brown Mountain Supreme Court case found VicForests were not conducting adequate pre logging surveys and intended to log endangered species habitat⁵.

Brown Mountain, an area of old growth forest in East Gippsland with trees up to 600 years old, was found in 2009 to support at least six rare and threatened wildlife species; two large forest owl species, arboreal mammals, a rare crayfish, square tailed kite, and a 'mini kangaroo'.

After VicForests progressed plans for logging, a case brought by Environment East Gippsland showed that VicForests had been logging in breach of the law and state regulations for the past 6 years by not surveying for endangered species before logging.

VicForests have also been fined approximately quarter of a million dollars by the Department of Sustainability and Environment for logging over their allocation across Victoria in recent years⁶.

These matters, however, have failed to trigger a single major non compliance by SAI Global, who continue to award the AFS certification. Attempts by stakeholders to communicate complaints have been ignored.

² <http://www.myenvironment.net.au/index.php/me/Media2/Reflex-paper-loses-green-tick-of-approval-after-native-timber-stoush>, <http://www.myenvironment.net.au/index.php/me/Our-work/Forests/Forest-Action/Australian-Paper-looses-FSC-certification-for-wood-sourced-from-Victorias-native-forests>

³ <http://www.myenvironment.net.au/index.php/me/Media2/Timber-auditor-axes-operations>

⁴ http://www.accreditation-services.com/accreditation_of_cbs.html

⁵ <http://www.myenvironment.net.au/index.php/me/Media2/Review-of-Brown-Mountain-Findings>

⁶ <http://www.myenvironment.net.au/index.php/me/Our-work/Forests/Forest-Resources/MAHP-2008-2009>

The CEO of VicForests, David Pollard, is one of the directors of AFS Limited and is involved in setting the AFS standard. Whilst environment groups find this association questionable, AFS Limited does not consider this a conflict of interest.

AFS' parent body PEFC have yet to investigate formal complaints put by MyEnvironment Inc against AFS Limited, failing to follow its stakeholder complaints process for over 7 months.

Australian Paper, as holders of the AFS standard, have failed to formally respond to or adequately address stakeholder concerns for over 7 years.

PEFC have also yet to formally acknowledge or investigate a formal complaint in relation to stakeholder engagement against Australian Paper made by MyEnvironment Inc over 6 weeks ago (attached).

MyEnvironment Inc have a large body of evidence of alleged major non-compliance by VicForests to the AFS standard that they have sought submit in relation to SAI Global and their awarding of AFS certification. This has not been possible as MyEnvironment continues to be ignored by AFS Limited, SAI Global and now PEFC.

MyEnvironment Inc expect the same level of due diligence from PEFC and a full investigation into our concerns as was undertaken by FSC International and ASI regarding the same logging practices. We believe that anything less than this will further undermine AFS and PEFC's reputation.

For forestry standards to remain competitive multiple standards are required. However, from our experience it appears that PEFC are not capable of managing certification processes in countries such as Australia where community expectations around sustainability exist.

MyEnvironment Inc recommends that PEFC reconsider its continued involvement with any forestry standards in Australia or immediately conduct an adequate investigation to uphold its responsibilities to a level that satisfies both the process as well as informed stakeholder's expectations.

Attention Dear Mr Ben Gunneberg
PEFC Council Secretary General
24th August 2011

Re Complaint against: Australian Paper for lack of stakeholder engagement under AFS certification

1.0 Complaint

Since 2004 up until today (approximately 7 years) The Central Highlands Alliance and now MyEnvironment Inc have only had one way communication with Australian Paper.

A list of attempted communication with the company is provided in section 2.

MyEnvironment Inc is the largest not for profit charity in the region and we represent the local community and their concerns.

We believe that this failure by the company not to formally respond to our documented concerns is a major non compliance in relation to the AFS standard.

Based on this list of unanswered concerns and lack of evidence of meaningful engagement MyEnvironment Inc are no longer prepared to start any new stakeholder engagements with Australian Paper until all of these issues have been adequately addressed or Australian Paper demonstrate an immediate cessation to the procurement of high conservation value native forests.

We note that Australian Papers fibre supplier VicForests was recently unable to get a low risk rating for native forest logging under the FSC certification scheme.

We request that Australian Paper be issued with a major non compliance for stakeholder engagement and that they are not awarded AFS certification until such time as meaningful engagement has taken place.

2.0 Evidence of Attempts to communicate with Australian Paper

Year	Concern	Expected actions	Expected date	Time outstanding	Current status	New expected resolution date
2004	Letter to David Goldthorpe / Tom Parkes Australian Paper regarding their accepting wood from Baw Baw frog habitat	That Australian Paper withdraw from Accepting this wood	2004	0	Australian Paper wrote back saying that this was not their problem and the issue should be taken up with DSE. The Central Highlands Alliance had to battle this out with Government and the DSE	NA
2005	Baw Baw report submitted to Australian Paper highlighting major concerns for several high conservation issues which should impact on their AFS certification	That Australian Paper will engage with stakeholders to address concerns in a meaningful way to address concerns.	2005	6 Years	No formal acknowledgement, response or communication from Australian Paper. Major issues are still critical high conservation issues. Coupes are currently planned for logging this year in contentious areas.	TBA
2006	Forest Rally at Federation Square 15,000 people in attendance relating to issues of logging high conservation values from the Baw Baw report	That Australian Paper will meet to discuss these concerns in relation to its fibre supply and stop sourcing from unsustainable supply	2006	5 Years	No response from Australian Paper	TBA

Year	Concern	Expected actions	Expected date	Time outstanding	Current status	New expected resolution date
2007	Illegally logged national park fire wood ending up in Australian Papers AFS branded products	That Australian Paper address the issue and discuss concerns with stakeholders and stop sourcing fibre from unreliable sources.	2007	4 years	Australian Paper explained that community groups cost Australian paper \$200,000 because they were getting the wood cheap. In 2011 More firebreaks are being cleared without EPBC Act approval and likely ending up in Australian Papers supply chain. No formal response.	TBA
2008	Warburton Rally 1000 people concerned about logging high conservation value forests and water catchments for Australian Papers fibre supply	That Australian Paper stop sourcing fibre from high conservation value forests and water catchments	2008	3 years	No communication from the company	TBA
2009	Burned Area Emergency Response Reports	That Australian Paper would review these reports and discuss concerns related to its wood supply with concerned community groups	2010	1 year	No communication from the company	TBA
2010	Healesville community hall 350 concerned residents highlighted concerns	Videos were posted on websites and letters written to Australian Paper.	2010	1 year	No communication from the company	TBA

Year	Concern	Expected actions	Expected date	Time outstanding	Current status	New expected resolution date
	related to unsustainable native forest practices					
Jun-11	Australian Paper transition plan to plantations	Australian Paper to provide a transition plan document to environment groups	1 st Aug-11	24 days	Australian Paper have publically announced on national television that sourcing plantation wood is cost prohibitive and environmental groups expectations are unrealistic. Australian Paper have announced that their future wood strategy is now delayed until the 30th August	TBA
Jul-11	Concerns about sourcing from endangered Leadbeaters Habitat in the Toolangi region specifically Gun Barrel coupe submitted to Australian Paper following the suggestion to do so from the Stakeholder meeting held in June 2011	Australian Paper has announced publically that it accepts VicForests survey assessments. Following this announcement VicForests were asked to conduct further assessments by DSE and found a stream, a large stand of senescent old growth forests and habitat trees.	Jul-11	38 days	The Ombudsman has taken action against VicForests. No formal response to MyEnvironment from Australian Paper about the resolution of this issue.	TBA

On the 8th August 2011 We notified Australian Paper that we were unable to continue to engage until our current list of outstanding issues had been adequately addressed;

From: Adam Menary [adam@myenvironment.org.au] Sent: Mon 8/08/2011 3:26 PM
To: 'Shaun Scallan'
Cc: 'Simon Armstrong'; 'Richard Donovan'; 'Julian Mathers'; 'Forests LINDSAY'; 'Jim Adams'; 'Peter Cooper'; 'Chris Taylor'; 'Steve Meacher'; 'Sera Blair'; 'Lorraine Leach'; 'Sean Vagg'; 'Luke Chamberlain'; 'Bernard Mace'; 'Christian Nielsen'; 'maesen@geo.uu.nl'; 'Guntars Laguns'; 'Rod Knight'; 'Walter Smith'; 'Tammy Coe'; 'John Tredinnick'; 'Sasha Bosbeer'; 'Sarah Rees'
Subject: RE: Response to minutes and actions

Dear Shaun,

We believe that meaningful stakeholder engagement requires two way communication.

Since 2004 up until today The Central Highlands Alliance and now MyEnvironment Inc have only had one way communication with Australian Paper.

The following is a list of concerns with no meaningful engagement:

Year	Concern	Expected actions	Expected date	Time outstanding	Current status	New expected resolution date
	Letter to David Goldthorpe / Tom	That Australian Paper			Australian Paper wrote back saying that this was not their problem and the	

Based on this list of unanswered concerns and clear lack of meaningful engagement MyEnvironment Inc are no longer prepared to start any new stakeholder engagements with Australian Paper until all of these issues have been adequately addressed or Australian Paper demonstrate an immediate cessation to the procurement of high conservation value native forests.

Kind Regards

Adam Menary
MyEnvironment Inc

Australian Paper responded expressing their disappointment that MyEnvironment no longer want to engage which we believe is an inappropriate response to the letter we sent providing evidence that they had failed to meaningfully engage for approximately seven years.

From: Shaun Scallan [Shaun.Scallan@australianpaper.com.au]
To: adam@myenvironment.org.au
Cc: Simon Armstrong; Richard Donovan; Julian Mathers; Forests LINDSAY; Jim Adams; Peter Cooper; Chris Taylor; Steve Meacher; Sera Blair; Lorraine Leach; Sean Vagg; Luke Chamberlain; Bernard Mace; Christian Nielsen; maesen@geo.uu.nl; Guntars Laguns; Rod Knight; Walter Smith; Tammy Coe; John Tredinnick; Sasha Bosbeer; Sarah Rees
Subject: Re: Response to minutes and actions

Sent: Mon 8/08/2011 3:50 PM

Adam

Disappointed that do not want to engage. I will of course use the input we have receives to date balance the input we receive on Wednesday from the broader stakeholder group. This day is am important milestone in the development of the future fibre strategy and is Delong to balance the concerns of broad range of stakeholders.

Of you do change your mind I need to know by tomorrow for catering purposes.

We are planning on some separate stakeholder engagement around issues like biodiversity, involving scientific experts.

On a separate note I did visit a number of coupes on Friday with our CEO to further understand how VicForests operate. We see this as an ongoing area for further work.

The sustainability of our business is a long term undertaking and we are investing significant time and effort in this pursuit. The door is always open for constructive and meaningful interaction.

Regards

Shaun