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Green Wood?: Sustainable Forestry and the Forest Stewardship Council

Introduction

In the race to preserve the world's last remnants of tropical forest and the biodiversity housed within, innumerable policies, methods, and tactics have emerged in both conservation discourse and practice ranging from governmental legislation to sustainable forest management (SFM) plans. In the last decade, one of the most debated practices aimed at protecting biodiversity and preserving tropical rainforest is SFM certification and subsequent consumer labeling of certified products. Perhaps most notable, and most stringent, of these certification programs is the Forest Stewardship Council (FSC) certification. Guided by a series of principles and criteria (*Forest Stewardship Council*, 2003), FSC certification is intended to ensure both ecological conservation and the welfare of humans entrenched within the logging economy, including logging company workers as well as involuntary participants such as local indigenous communities. While hailed by many as a practical, market-based alternative for conserving tropical forests and biodiversity, in recent years a growing number of conservation biologists, policy makers, and economists have raised the question most critical to all SFM programs—does FSC certification in fact preserve biodiversity and ensure ecological conservation? In reality, surprisingly few studies have been conducted to measure the sustainability of SFM programs like FSC certification. However, from the perspective of biologists and economists alike, the results are questionable at best. While FSC certification could possibly play a role in saving biodiversity and conserving tropical rainforests, current

standards among these programs are not sufficient to protect one of the world's most precious and vital resources, and may in fact be furthering its rapid destruction.

The Forest Stewardship Council: A Brief History

Every year, logging companies gain access to an additional 5-6 million hectares of primary tropical forests (Bennett, 2001). In response to such drastic and ongoing decimation, a coalition of timber companies and environmental groups, including such notable organizations as the World Wildlife Fund and Greenpeace, founded the Forest Stewardship Council in October of 1993 to develop a plan for encouraging sustainable forest management in both temperate and tropical forests. In 1994, the FSC approved their fundamental Principles and Criteria, and by 1996, the first FSC-certified wood appeared in the United Kingdom (*Forest Stewardship Council, 2003*). The FSC standards for certification are based on the following ten principles:

1. Compliance with laws and FSC principles
2. Tenure and use rights and responsibilities
3. Indigenous people's rights
4. Community relations and worker's rights
5. Benefits from the forest
6. Environmental impact
7. Management plan
8. Monitoring and assessment
9. Maintenance of high conservation value forests
10. Plantations (*Forest Stewardship Council, 2003*).

Each principle has its own unique criteria, although there is a certain degree of flexibility granted to companies seeking certification based on local factors and regulations. As the FSC website explains, "FSC and FSC-accredited certification organizations will not insist on perfection in satisfying the Principles and Criteria; however, major failures in any

individual principle will normally disqualify a candidate from certification,” (*Forest Stewardship Council*, 2003). While the FSC does not demand “perfection,” FSC certification has been widely accepted as one of the most stringent of all SFM certification programs (2003). In fact, The Nature Conservancy has even said, “FSC is currently the most rigorous forest management standard currently operating in the global arena” (qtd. in *Forest Stewardship Council*, 2003). These accolades are not entirely unwarranted, either, as conservationists have highlighted a few specific FSC-certified forests, which demonstrate both ecological preservation and economic success (Cauley et al., 2001).

Missing the Mark: How the FSC has failed

While it would seem that support of FSC certification as a means to protect tropical forests by such advocates of the environment as The Sierra Club, The Natural Resources Defense Council, and The Nature Conservancy would be proof enough of the program’s success, this is simply not the case. In recent years, such organizations as the Rainforest Foundation, as well as numerous independent biologists, economists, and conservationists, have revoked their previous support of the Forest Stewardship Council’s certification program in light of mounting evidence that it had failed to function according to its Principles and Criteria (Gulbrandsen, 2004). While not explicitly referring to the FSC, but to SFM programs in general, a report created for the World Bank explains, “sustainable yield” management for timber can have devastating impacts on the structure and composition of natural forests and their biodiversity” (Bowles et al., 1998). Furthermore, the study concluded “...as a tool to further the conservation of tropical forests...[SFM] is simply not a good idea. If our goal is to stem the tide of destruction and protect what remains of tropical forests, the most appropriate investment may be in protection itself.”

In a much discussed and debated article that appeared in *Conservation Biology*, Elizabeth Bennett (2001), of the Wildlife Conservation Society, cited the lack of specific and rigid standards for protection of wildlife and strict regulations against hunting in logging areas as the greatest flaw in the FSC certification program. As she explains, “FSC criteria are not even melting the tip of the iceberg. Not only do they barely raise the issue of hunting...but they are so general and undefined that they are meaningless.” While secondary effects of timber harvesting may seem less important than control of the primary impacts of logging, several studies have shown that “hunting often has greater environmental impacts on wildlife than many of the direct habitat disturbance impacts associated with timber harvesting” (Donovan, 2001). Vague language is not the FSC’s only criticism. According to the Rainforest Foundation, poor auditing by FSC certifiers (such as SmartWood) and lack of “effective control mechanisms” has resulted in inadequate logging practices in FSC-certified forests (Thompson, 2003). Other groups, like the Low Impact Forestry Project, have pulled applications for FSC certification review after the FSC approved a logging operation in Maine even after their audits found “many past and present problems, including overcutting, planting exotic species, aggressive herbicide sprays, and paying subpar wages,” (2003).

The failure of the FSC to preserve wildlife and biodiversity within its certified forests is not surprising. Relatively little data has been collected to study how timber harvesting impacts wildlife, and the difficulties forest managers face when trying to control hunting practices by employees are certainly daunting (Donovan, 2001). Beyond the lack of a rigid guideline for wildlife protection, the inherent lack of time allocated for the certification process due to resource constraints makes any comprehensive survey of an area being considered for certification wholly unfeasible (2001). These criticisms of FSC

policy and practice inevitably boil down to the question surrounding any new enterprise—economic feasibility. Yet ignoring the glaring question of whether or not certified timber production is in fact an economically viable enterprise, some economists have begun to ask an even more fundamental question: what is the effect of certified timber on larger economic markets, and how does this relate to preserving tropical forests?

SFM: An Economic Concern

Concerns regarding the FSC's specific standards as they relate to wildlife protection and rigor in certification and auditing are largely those of conservation biologists, but a growing number of economists, citing a lack of empirical economic research into SFM programs, are also raising alarm over possible deleterious effects of such certification systems. According to some economists, SFM programs "may backfire," (Swallow and Sedjo, 2000). Using graphical assessment and computer modeling, economists have hypothesized that "eco-labeling" of timber may "lead to unanticipated reallocation of land towards other goods which may, or may not, harm ecosystem quality" (Swallow and Sedjo, 2000). Economists from the Department of Rural Economy at the University of Alberta, Canada, made similar conclusions in an earlier study, explaining that certification programs may significantly affect markets for wood production, and that "a number of problem areas...could arise" (Haener et al., 1998). Furthermore, they agreed with the conclusion that certification programs could cause timber companies to shift production focus away from wood products, which would result in the invasive extraction of non-timber goods or the conversion of forests to agricultural lands.

Precious Woods Amazon: A Case Study

Precious Woods Amazon, owned by Swiss parent company Precious Woods, was FSC certified by SmartWood in 1997 (*Precious Woods*, 2006). With 450,000 hectares of forest, Precious Woods Amazon (PWA) is an excellent case study in understanding how FSC standards are not sufficient for protecting tropical forests. When an area is chosen for tree extraction at PWA, some sixty species of trees are considered for cutting; however, these are identified by common name only, and as many different species are often called by the same common name in Brazil, it is likely that more than sixty species are actually being logged. To test a tree for hollowness (if a tree is too hollow, it is not viable for commercial production), a chainsaw is run through the trunk at breast height. If the tree is too hollow, it is left standing, although the tree's susceptibility to infection and disease is increased through this process (PWA employee, personal communication, October 20, 2006). In addition, a 20-percent canopy opening is created during tree felling at PWA (Laschefski and Ferris, 2001). The amount of light entering the forest through these new canopy openings, combined with the overall drying of the forest from silvicultural practices, puts these forests at a much higher risk of catching fire (2001). While these criticisms of PWA forestry practices are anecdotal, they help to better understand the complex nature of how SFM programs actually operate.

In a 2001 article in *Ecologist*, Laschefski and Ferris launch a vicious attack on proponents of FSC certification, and in particular on the practices of PWA. In accordance with Elizabeth Bennett, the authors note the great impact even FSC-certified forestry has on wildlife populations, pointing out that at PWA, 400 Km of permanent roads, as well as 5,000 Km of secondary roads, have been created, inviting poachers and subsistence hunters into the area. In response to these criticisms, PWA has insisted that it enforces a no-hunting

policy by constructing gates and blocking roads after they are no longer being used. Furthermore, they maintain that there is little problem with hunting at PWA, although they do admit to a serious hunting problem at another Precious Woods logging operation in Brazil, Precious Woods Pará (Precious Woods Website, 2006). Nevertheless, on my own tour of a small section of PWA-owned forest, several men with hunting rifles (not affiliated with PWA) were observed leaving the forest using constructed timber roads. Laschefski and Ferris (2001) also find discrepancies between the FSC's Principles and Criteria and the reality at PWA in regards to worker's benefits. They note that while PWA wages are still above federal minimum wage laws, the base pay for workers is still abysmally low, only \$151 *real* (\$77 U.S. dollars) per month, a wage considered below subsistence level.

While the transparent bookkeeping practices of FSC-certified operations are well publicized, this does not seem to be the case at PWA. On numerous occasions, PWA has been accused by the local municipality of Itacoatiara of illegally logging on private lands using unmanaged forestry practices. In another recent incident, PWA bought cut timber from an uncertified local logging operation with a dubious record of poor forestry practices because they were unable to complete an order themselves (2001).

Clearly, such practices are not acceptable by FSC standards, and yet PWA remains certified. The reasons for this inconsistency are not known, but the fact that less than one percent of FSC forests are actually in tropical regions (FSC Website, 2003) certainly may have something to do with why PWA remains certified, as the FSC was formed specifically to protect tropical, not temperate, forests. Laschefski and Ferris (2001) conclude their tirade with a warning to consumers: "By buying FSC timber, consumers are supporting the exploitation of a rare raw material from a developing country by a multinational company."

In response to these accusations, Tasso Rezende de Azevedo of IMAFLORA, a Brazilian NGO and partner of the FSC, replied:

“Certification is not a panacea. Certification is based on the assumption that forests can and must be proactively managed in order to make conservation possible...It is not the certified forest operations that threaten the survival of the forests, but those without certification and competing land uses and interests that degrade forestlands, or even worse convert them to another use,” (Azevedo et al., 2001).

Even if more stringent standards were enacted to ensure that certified forests are practicing sustainable forestry, perhaps the most discouraging aspect of the long-term viability of certified forests such as PWA to preserve tropical forests is their financial situation. To quote an employee of PWA, “there are many internal problems...the company is not doing very well,” (PWA employee, personal communication, October 20, 2006).

The Future of Our Forests and SFM Certification: Can it Work?

When the FSC was founded in 1993, the goal of the organization was to protect tropical forests using a sustainable forest management system. With only one percent of FSC-certified lands in tropical forests today, the failure of the organization to operate as intended is clear. What is less clear is the future of the FSC. While some experts see no future in SFM programs and instead advocate the boycott of tropical timbers, which was common in the 1990s (Laschefski and Ferris, 2001), and the further creation of protected parks (Bowles and Rice, 1998), others are more hopeful. However, few conservationists believe the current standards of FSC certification are sufficient.

According to Bennett (2001), FSC certification could be used as a tool for protecting biodiversity if the current wealth of knowledge that conservation biologists have

accumulated would be taken into greater consideration. “If timber certification is to be a useful tool in promoting the sustainability of tropical forest logging, certification standards must be expanded to include the effects of logging on the biodiversity and ecology of the forest,” (Bennett, 2001). Considering the already slim profit margins of many FSC-certified tropical forests like PWA, Bennett’s suggestion of increased ecological standards is considered infeasible by many forest managers (PWA employee, personal communication, October 20, 2006). However, there is reason to be hopeful that both an ecological and economically viable solution may yet be realized. According to Patrick A. Jansen and Pieter A. Zuidema (2001), in a paper on seed dispersal and logging, economic viability of SFM programs could increase with proper protection and conservation of keystone seed dispersal species and their food resources, which are oftentimes non-commercially viable tree species: “Any measures that promote seed dispersal may contribute to a better use of this resource [timber species] by enhancing net seed survival, and will be in the management’s interest.” At PWA, where the company is facing serious economic troubles, research into the preservation of keystone species has not been conducted (PWA employee, personal communication, October 20, 2006).

If FSC certification is to be used as a means of protecting tropical forests and biodiversity, the standards and specificity of the FSC’s Principles and Criteria must improve. As they stand now, the Principles and Criteria are not rigorous enough to protect that which they mean to serve, and the creation of rules and regulations specific to each forest leaves far too much room for flexibility and bending of standards. For adequate standards to be established, a vast amount of research is necessary, not only into ecological concerns such as seed disperser sustainability and timber regeneration times, but also economic models to determine what role certified timber can effectively serve in the greater

timber market. The shrinking of tropical forests continues on a daily basis, and the promotion of a deeply flawed system which dupes consumers into thinking they are promoting conservation while they are in fact aiding in its destruction is unacceptable. If FSC certification is to be utilized as a tool for conservation, its standards must become more rigorous and comprehensive. Until this occurs, the only acceptable mode of tropical forest conservation will continue to be strict preservation. Otherwise, as Laschefski and Ferris (2001) conclude, we are merely “supporting industrial-scale logging of the world’s remaining primary forest.”

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