

AUSTRALIAN FORESTRY STANDARD LIMITED
SUBMISSION No. 117
Inquiry into the Australian forestry industry



Committee Secretary
House of Representatives Standing Committee on
Agriculture, Resources, Fisheries and Forestry
PO Box 6021 Parliament House,
Canberra ACT 2600

Reference: Submission - Inquiry into the Australian forestry industry

Dear Sir,

Thank you for the invitation to provide a submission to the Committee's Inquiry, Australian Forestry Standard Limited is pleased to provide the attached brief submission.

The Australian Forestry Standard (AS4708-2007) and the Chain of Custody Standard (AS4707-2006) are the **only Australian Standards®** (AS) for Forest Management and Chain of Custody and provide the Standard for over 10.2 million hectares of Australian forests and plantations certified for their sustainable forest management practice.

The Australian Standards® provide Australia with a credible and rigorous management process for sustainable forest management based on the International Standardization Organisation Standards development framework and recognised globally through the endorsement of the world's largest certification scheme, Programme for Endorsement of Forest Certification Schemes, PEFC.

The Standards have been in place since 2003 and have undergone 5-yearly revisions to maintain their currency and relevance to the evolving environmental and sustainable forest management requirements.

Our submission provides some insight to the benefits and contribution of sustainable forest management Standards and certification in the Australian forestry industry.

We would be pleased to meet with the committee and provide further detail on our submission.

Yours sincerely,

Kayt Watts
Chief Executive Officer



Submission to the

**House of Representatives Standing Committee on Agriculture, Resources,
Fisheries and Forestry inquiry into the Australian forestry industry**

Inquiry into the Australian forestry industry

For further information, please contact:
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August 11

INTRODUCTION

Australian Forestry Standard Limited (AFSL) is a not-for-profit public company registered in July 2003. AFSL is accredited by the Accreditation Board for Standards Development Organisation (ABSDO) as a Standards Development Organisation (SDO). There are only five SDO's under the Standards Australia business model that have the recognition and accreditation to develop and manage Australian Standards®.

Standards Australia is recognised by the Government as Australia's peak Standards body. It coordinates standardisation activities, develops internationally aligned (ISO) Australian Standards® that deliver Net Benefit to Australia, and facilitates the accreditation of other Standards Development Organisations through the ABSDO.

All standards developed by AFSL are published by Standards Australia through their publishing contract with SAI Global.

The Australian Forestry Standard (AS4708-2007) and the Chain of Custody Standard (AS4707-2006) are the **only Australian Standards®** (AS) for Forest Management and Chain of Custody. The strength of the Standards is gained from their position as the only forest and wood products standards in Australia accredited by third party independent certification and standards bodies:

- accreditation by ABSO the independent body responsible for accrediting Australian Standards entitled to use the 'AS' mark,
- the 3rd party certifiers/auditors are accredited by the independent auditor accreditation body in Australian and New Zealand (JASANZ),
- aligned with the International Standardization Organisation (ISO) framework for Standards development, and
- the standards are endorsed by the international body covering sustainable forest management and chain-of-custody certification, Program for the Endorsement of Forest Certification (PEFC)

Over ninety-five percent (10.2 million hectares) of Australian large production (native and plantation) forests have been independently certified as being compliant with AS 4708-2007.

AFSL is committed to expanding the relationship with the industry by providing credible and respected, independently endorsed Australian Standards® that meet the needs of all stakeholders. Our aim is to maintain the Australian Forestry Standards that are supported and embraced by key stakeholders, including growers, processors, retailers, users, industry associations and Government agencies.

- There is no commercial gain or activity associated with the development, management or maintenance of the Australian Standards® within AFSLs portfolio.
- There is total separation between the Standards Setting Body, AFSL, and certification. Certification under the Australian Standards® is voluntary and provided by independent 3rd party accredited certification bodies.
- AFSL owns the registered trademarks that can be subscribed to by certified organisations for use in labelling and claims of their wood and wood products. The trademarks have been fully reviewed and approved by the ACCC for the use in Australia and the use is monitored and policed by the independent certification bodies.

OVERVIEW

The Australian Standards® for Sustainable Forest Management and the Wood and Wood Products Supply Chain of Custody.

The scope of the accreditation of AFSL, by ABSO, as a Standards Development Organisation was to develop Australian Standards® for forest management for wood production. The two current Australian Standards® provide an integrated solution addressing sustainable forest management at the source and sustainable forest practices via the supply chain.

The demand for 'best practices' in forest management and controls for the supply chain of wood and wood products has been further intensified by the growing demand of the consumer. Information regarding environmental issues, climate change, illegal logging, and leading national and international agendas have had a direct impact on sustainable forest management.

Australian Forestry Standard Limited's (AFSL) mission is to create and maintain Australian Standards® that provide a structure and process that monitors and promotes sustainable forest management and the use of sustainably managed forest products.

The Australian Standard® for Forest Management

- The only Australian Standard® for sustainable forests
- Requires broad stakeholder engagement
- Protects biodiversity
- All harvested areas are fully regenerated
- Maintains healthy ecosystems
- Protects water and soil
- Manages forests for carbon storage
- Safeguards heritage values and indigenous culture
- Protects the safety of workers, local jobs and communities

Certification is a vehicle towards a sustainable future - use more wood it is 100% natural and renewable, and it is a positive contributor to climate change adoption.

Certification is a vehicle that can be used in conjunction with other vehicles to achieve the best environmental solution.

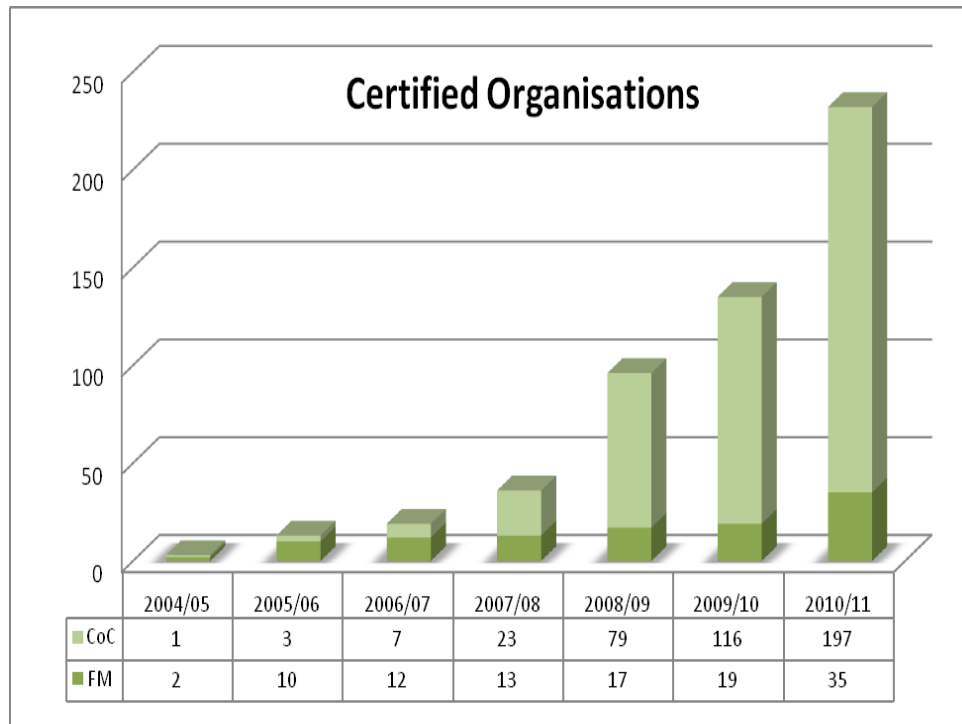
Current AFSL projects, in conjunction with industry stakeholders, include;

- the evaluation and development of Group Certification for the Small Private Landowners ,
- the development of an AS/NZ badged Standards for sustainable forest management, and
- recognition by multiple international schemes (PEFC and FSC) for the Australian Standard® for Chain of Custody.

These projects aim to simplify some of the complex issues surrounding certification and sourcing of certified wood and wood products, as well as addressing the cost to become certified.

As at 30 June 2011, Certification under the Australian Standards®

In Australia there is 10,275,186 hectares certified defined forest areas (DFA), and 232 Certified Organisations and 528 certified sites (Forests and supply chain sites)



The Australian Standards® for sustainable forest management have been in place since 2003, a collaborative initiative of the Australian Government, National and State industry representative organisation, Employee Representative Organisations and industry stakeholders and developed through a transparent public consultation process.

No funding is required to ‘start from scratch’ or to ‘redevelop/reinvent’ Australia’s compliance to global and national criteria for sustainable forest management, it is already in place. However, funding and support is continually sourced to assist in the process for the Standards to maintain their credibility, rigour and currency through transparent public consultation, Australian stakeholder collaboration and international forums.

Australian Standards® are required to be revised every 5-years, both Standards are currently undergoing this process, providing the opportunity to meet evolving needs and expectations of national and international requirements for sustainable forest management.

AFSL supports the submissions made to the committee by its’ members; Forestry Tasmania, South East Fibre Exports Pty Ltd, Australian Forest Growers, ForestWorks Ltd, The Institute of Foresters Of Australia Inc., Forests and Forest Industry Council of Tasmania, Timber Communities Australia Ltd, National Association of Forest Industries, CFMEU Forestry, Furnishing, Building Products and Manufacturing Division, Australian Plantation Products and Paper Industry Council Ltd, Boral Timber, and VICForests on the various topics of the terms of reference and reinforce these with the additional key comments as follows;

- Opportunities for and constraints upon production;

Opportunities

There is an opportunity for the Australian Government to utilise the current Australian Standards® and engage in the revision to provide a single authoritative source for the management of Australian forests and use and trade of sustainable wood and wood products. The Standards refer to, and acknowledge Australian law and legislation and Australia's RFAs.

Australian forest practices are rated in the top five in the world. The Australian Standard® for forest management is endorsed by the world's largest certification scheme, Programme for the Endorsement of Forest Schemes, PEFC. Through this alliance it is recognised by Belgian, British, Danish, Dutch, Finnish, German, Japanese and Swiss procurement policies.

It is recommended and recognised by the European Commission Guidelines on Green Procurement, the EU Ecolabel, European Retail Environment Sustainability Code, and the Green Building Council in Australia, Italy and Singapore.

It has undergone and been accepted by World Wildlife Foundation (WWF) FCAG Assessment and the WWF Global Forest Trade Network.

There is also an opportunity for Australia to recognise the benefits of implementing Federal and State Procurement policies to support the national and international use of sustainable wood products.

There is also an opportunity for the revision of the RFAs to be integrated with the Australian Standard® revision.

Constraints

The constraints on production are the unfounded and fictitious claims that Australian forests need to be 'locked up' to maintain them. Forests are 100% renewable; provide carbon storage while they grow (increased by harvesting and regeneration). There are less than 10% of the world's production forest certified as sustainable, locking up Australian forests not only reduces this but forces wood and timber traders to source product from outside of Australia.

Further constraints have been placed on the industry by the Government entertaining the idea that there needs or can be a competitive Guideline for sustainable forest management in Australia. Allowing such duplication is not only noncompliant to the framework and implementation of Australian Standards® it also places cost prohibited practices on Australian businesses. For example there can not be two Occupational Health and Safety Standards in Australia; OH&S is an Australian Standard® that all businesses comply to, choice of practice is not an option for a reason.

The Australian Standard® for sustainable forest management provides a single core Standard that can be utilised and recognised by international Wood and Wood products chain of custody schemes.

- Environmental impacts of forestry, including:
 - the development of win-win outcomes in balancing environmental costs with economic opportunities;

Certified sustainable forests provide Australia a positive vehicle for the development of our forests and plantations. Provides an increase of our output of a 100% renewable product, contributes to the reduction of other materials that have far greater environmental cost and it supports Australia's economic growth in processing, manufacturing and trading of wood and wood products.

- Social and economic benefits of forestry production;

Australia's forests generate a wide range of benefits, such as timber and non-timber products, recreation, and service-based industries that are important both nationally and internationally. A healthy and profitable forest industry is necessary to ensure that economic benefits continue to flow to Australians.

Third-party independent certification signals to buyers that the forest products they purchase come from sustainably managed forests. It helps demonstrate the rigour of Australia's forest management laws and the sustainability of its forest management practices.

Forest industries contribute significantly to the economic and social well-being of rural and regional Australia. These industries occur across a range of sectors including forest growing and management, timber harvesting and haulage, timber sawmilling, processing and manufacturing, pulp and paper manufacturing and timber merchandising.

Forest industries are Australia's second largest manufacturing industry with an annual turnover of \$23 billion. The industry contributes around 0.7 per cent to Australia's Gross Domestic Product and 5.8 per cent of manufacturing output.

Approximately 76,800 people are directly employed in Australia's forest and wood products industry, including 13,200 people in the forestry and logging sectors and 63,600 people in the wood manufacturing sectors (REF: <http://www.daff.gov.au/forestry/national/industries>)

- Land use competition between the forestry and agriculture sectors:
 - implications of competing land uses for the cost and availability of timber, food and fibre;
 - harmonising competing interests; and,
 - opportunities for farm forestry.

AFSL has recently commenced review of certification for Small Private Landowners and Farm forests in partnership with the NSW Office for Environment and Heritage. The development of the Group Certification guideline provides opportunities for groups of small landowners that have other primary interests to developed sustainable forest management of their forests and plantations. While the Guideline serves to address the management process to comply to sustainable forest management the sector requires a much greater level of support from Federal and State government bodies in implementing sustainable practices as they can be cost restrictive based on the long term benefits and return.