



SUBMISSION TO FSC AUSTRALIA

Framework for Assessing High Conservation Values in Controlled Wood Risk Assessment in Australia

February 2010



Executive Summary

The Victorian Association of Forest Industries (VAFI) commends FSC Australia and the Controlled Wood Risk Assessment Team (CWRAT) for the consultation in the development of a Framework for the assessment of high conservation values. We welcome the opportunity to provide constructive input into the development of the Framework. The VAFI has made a number of recommendations which, we believe, will enhance the relevance and application of the Framework and will provide confidence to forest managers, stakeholders and certifying bodies that the Framework and Standard can be practically applied.

The recommendations are included in the document at the end of each relevant section, and are also summarised:

Recommendations:

1. That the CWRAT amend the wording about stakeholder consultation to better reflect the intent that relevant and affected stakeholders and experts are to be consulted by forest managers and the results of stakeholder consultation, where relevant and appropriate, are to be incorporated into the processes for identification of, and development of, management strategies for High Conservation Values.
2. That the CWRAT articulate clear and objective requirements for the identification of, and development of, strategies for the management of High Conservation Values such that forest managers, stakeholders and certifying bodies have clear expectations about the processes involved.
3. That the CWRAT ensure the development of clear, objective, rational and well-documented verification requirements for the application of tools in the assessment and management of High Conservation Values.
4. That the CWRAT consider increasing the threshold of large forests from 10,000 ha to 100,000 ha to better reflect the concept of large forests and their contribution to conservation management.
5. That the CWRAT refine the definition of HCV3 to better reflect the focus of the Framework on forests with outstanding conservation values, and to ensure that this category is able to be effectively interpreted by all parties .
6. That the CWRAT removes specific values such as water and carbon from the definition of HCV3, as the identification and assessment of values is dependent on the site, forest or estate specific nature of the area being assessed.
7. That the CWRAT remove HCV4 and HCV5 from the Framework as these are specifically appropriate to forest management in developing economies and are not relevant in the Australian context.
8. That the CWRAT amend the assessment levels in HCV 2 and HCV 3 to better reflect the approach for HCV 1.



Introduction

The Victorian Association of Forest Industries is pleased to have the opportunity to submit this response to the Framework for Assessing High Conservation Values in Controlled Wood Risk Assessments in Australia – Public Consultation Document.

The VAFI is the peak forestry industry body in Victoria. It was established in 1945 and represents its members' interests to governments, communities and markets. Our members include forest growers, processors and associated bodies. The VAFI is committed to promoting an economically robust, socially responsible and environmentally sustainable forestry industry. We support and encourage best practice in industry and in forest and land management.

The Association is a member of FSC Australia and is committed to the 9 principles and 56 criteria of the Forest Stewardship Council.

The Association is also committed to the fundamental importance of increasing the penetration of credible forest management certification as the main objective, regardless of which credible scheme (in the Australian case, FSC and PEFC) is applied. It is the view of the VAFI membership that the managing bodies of the two credible certification options in Australia should be moving towards mutual recognition as a matter of priority. This is in order to embed the principle of applying certification to generate forest management improvements and actively demonstrate to the market the credentials of sustainably produced Australian forest and timber products.

The application of stakeholder consultation

A principle which underpins FSC certification is the notion of stakeholder consultation. This is also a strong theme in the proposed Framework. The VAFI is highly supportive of the principle of stakeholder consultation and the use of consultation results to improve management outcomes for certified forest managers.

Noting our support of stakeholder consultation and involvement, we believe that it is critically important to establish firm guidelines and criteria as the basis for eliciting and utilising stakeholder feedback. This is so the process of consultation does not become established as a means of investing power of veto for vested interests with an alternative agenda. It is worth noting at this point that the perception of this occurring is a key criticism of the FSC process from some stakeholder groups, including the VAFI membership.

Additionally, it is important to separate the issues for which stakeholder feedback is required, as the treatment and application will vary depending which level of standard development and application is under consideration. Specifically, we believe that the issues of stakeholder involvement in the development of the Framework (and national standard) and engagement around the application of the standard to forest management operations must be treated differently as they are quite separate issues and processes.

Framework and standard development

The nature of FSC certification requires stakeholder involvement in the development of a standard or any elements of that standard. The consultation process which FSC Australia is applying to the development of the Framework, as with the broader Controlled Wood Risk Assessment Process and



the development of a National Standard, is comprehensive. The VAFI commends the Board of FSC Australia and the CWRAT expert working group on their efforts to ensure objective and wide-ranging stakeholder input into this important framework. We look forward to the opportunity to review the consolidated results of the public consultation process.

Application of the framework for controlled wood and full certification

The draft Framework outlines the proposed application of the results of stakeholder consultation. Specifically the following wording is used consistently through the draft:

“Outcomes of expert/stakeholder consultation is incorporated.....in a way that has substantial acceptance by stakeholders.”

Our interpretation of this wording is that the Framework proposes stakeholder acceptance with respect to the application of the objective elements of the standard. The VAFI considers this an inappropriate approach to stakeholder consultation and the use of its results. In our view, the appropriate approach is as follows:

1. The Framework outlines clearly the objective requirements for identifying and addressing the management of High Conservation Values.
2. The Forest Manager uses these objective requirements to develop a plan or strategy for addressing the management of High Conservation Values, taking into account the level of treatment applicable according to the Framework and the available science to support the decisions.
3. The Forest Manager identifies the appropriate affected stakeholders and undertakes stakeholder consultation in relation to the identification of and management proposals for High Conservation Values.
4. The Forest Manager incorporates relevant results of stakeholder consultation into its proposed management, in line with the objective requirements of the Framework.
5. The Forest Manager’s proposed management approach, the rational basis upon which it is based, and the stakeholder consultation process is subject to review by the Certifying Body at the time of scheduled audit.

This approach allows for meaningful consultation with affected stakeholders and relevant experts, while providing a clear and rational basis for decision-making which allows forest managers to proceed with some certainty and on a sustainable and commercial basis.

It is worthwhile that FSC Australia consider wording in respect of stakeholder consultation that has been proven to work in other jurisdictions such as North America. We draw your attention to the National Boreal Standard in Canada, which uses the following wording as the verifier for Criteria 9.2:

“The applicant provides stakeholders and other interested parties with the opportunities, through a publicized and open consultative process, to input into the identification of High Conservation Value Forests and into the development of management objectives that protect those identified values.”

Recommendations:

1. That the CWRAT amend the wording about stakeholder consultation to better reflect the intent that relevant and affected stakeholders and experts are to be consulted by forest managers and the results of stakeholder consultation are to be incorporated into the



processes for identification of and development of management strategies for High Conservation Values.

2. That the CWRAT articulates clear and objective requirements for the identification of and development of strategies for the management of High Conservation Values such that forest managers, stakeholders and certifying bodies have clear expectations about the processes involved.

The ‘Tools, not Rules’ approach

The ‘Tools, not Rules’ approach is sensible to the extent that it drives the application of process to deliver sustainable forest management outcomes, rather than specifying or prescribing the way in which forest managers must come to management conclusions and implement them. Nevertheless, we believe that it is important that the Framework provide a clear, objective, rational and well-documented basis for verifying that forest management meets the requirements of Principle 9 and each of the relevant criteria, as with each other principle. By ensuring that ambiguity is minimised or removed from the process, all actors will be able to rely on the quality of outcomes and dispute management will be enhanced because:

1. Forest Managers will understand clearly what they have to do to identify, assess and manage high conservation values;
2. Stakeholders’ expectations will be able to be managed rationally in the context of a well-documented process and about which they can be informed at the outset; and
3. Certifying bodies will have a well-documented process to compare the intent, actions and outcomes of Forest Managers with respect to High Conservation Values.

Recommendations:

3. That the CWRAT ensure the development of clear, objective, rational and well-documented verification requirements for the application of tools in the assessment and management of High Conservation Values.

Scale and Intensity of Forest Management Operations

Recognition by the CWRAT that the requirements for Small and Low Intensity Managed Forests (SLIMFs) should be lessened to reflect the generally lesser potential impact of these operations on potential High Conservation Values is appropriate. The VAFI agrees with the general approach that allows for a scaled assessment process. We have no additional views on the SLIMF issue.

We further address the issue of size in the discussion about HCV2 below.

Classes of High Conservation Value

The VAFI notes that the CWRAT has based the development of the Framework on the Pro-Forest toolkit for assessment of High Conservation Values, and then adapted it to suit the Australian forest management context. We are supportive of this approach, given that the Pro-Forest toolkit is widely and internationally recognised as best practice in relation to the FSC treatment of High Conservation Values. It is also supported by many of the stakeholders of FSC Australia.



It is important to note that the intent of Principle 9 is to identify and outline management options for outstanding conservation values to ensure they are maintained or enhanced. Accordingly, for a forest area to be recognised as possessing High Conservation Values in this context requires a significant threshold to be met. In broad terms the VAFI considers it highly unlikely that any areas where commercial forest management is undertaken in Australia, and certainly in Victoria, meet this threshold. This view reflects our position that Australia has:

- arguably the highest level of scrutiny and regulation of active forest management in the world;
- undergone several decades of comprehensive assessment of forest conservation values leading to the development of a world-class Comprehensive, Adequate and Representative forest reserve system;
- excellent governance and legislative oversight of commercial forest management at all levels of Government; and
- an operating environment of requisite continual improvement and monitoring in the context of the management of forests.

In saying this, the VAFI is not suggesting that action should not be taken with respect to the ongoing identification and management of High Conservation Values, or any other conservation values. However, we strongly oppose any proposed framework or standard which exceeds that established for national standards applicable in other parts of the world, particularly where the existing conservation management framework is not equivalent to the level extant in Australian jurisdictions.

The Framework proposes five classes of High Conservation Value for application in the Australian context:

- HCV1:** Forest areas containing habitat for national or state-listed threatened species or ecosystems or species or ecosystems of high significance at the bioregional level (defined as IBRA).
- HCV2:** Forest areas containing globally (includes World Heritage), nationally or bioregionally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution or abundance.
- HCV3:** Forest areas that provide basic services of nature in critical situations.
- HCV4:** Forest areas fundamental to meeting the basic needs of local communities.
- HCV5:** Forest areas critical to local communities' traditional cultural identity (both indigenous and post colonisation).

The VAFI's comments on the definition and relevance of each of these categories is discussed below:

HCV1

The VAFI considers this category to be appropriately defined and described. The category is applicable to forest management in Australia. In the context of our comments in the section above, we note that, given current knowledge, the requirements for HCV1 in Australia are readily met through the existing legislated and regulatory requirements at the state and Federal level. Nevertheless, in the instance where new information becomes available regarding emerging species, habitat or ecosystem conservation requirements, that the HCV1 category provides adequately for them.

HCV2

The VAFI considers this category to be appropriately defined and described. It is clearly a relevant category. We note that the CWRAT has defined significant large landscape level forests as greater than 10,000 hectares (ha) for intact forest landscapes and that this may include mosaics and refugia under 10,000 ha. There are points in relation to this that require clarification in order to improve their general application:

1. It is not clear to the VAFI what basis has been used to determine 10,000 ha as the cut-off point. We understand that the original intent of this category, in an international context, was to recognise forests of a much larger scale (100,000 ha or more) and their role in conservation management. We recommend that the CWRAT review this size definition in reference to its application for other National Standards around the world.
2. The inclusion of mosaics and refugia under 10,000 ha requires the development of clear rules about how to determine:
 - a. What minimum size and area configuration (area to perimeter) of discrete forest is required for inclusion;
 - b. What maximum distance between mosaics and refugia is required for inclusion, and does this relate to the size and shape of the refugia;
 - c. What is the gross to net area ratio for mosaics and refugia that generates inclusion?

Given that the answers to these three questions will vary depending on the forest types in question, the characteristics of the High Conservation Values being managed and the external environmental factors influencing the management of those values, it is clear that guidance for this issue is more appropriate than prescription.

HCV3

The VAFI supports the basic intent of HCV3, but is concerned that the wording and interpretation leave the scope of application too wide. In its current form, this category could feasibly be interpreted to cover all native forests and a large proportion of plantation forests in Australia. This interpretation would be at odds with the general principle of High Conservation Value, which represents values of outstanding significance. We consider that the interpretative text for this category needs to be refined and clearly defined so that forest managers, stakeholders and certifying bodies have a clear and objective understanding about what is intended for the application of the category.

The description provided for this category also covers carbon services. While it is the view of the VAFI that the FSC national standard for Australia should address the issue of carbon and forests, we do not consider that Principle 9 is the appropriate area for that. In our view, the contribution of forests to the management of carbon is ubiquitous. There is currently no credible research or academic work that supports the discrimination between forest types on the basis of carbon services in the context of carbon as a conservation value. It is the VAFI's opinion that active forest management for commercial and environmental purposes contributes significantly to the value of forests with respect to carbon sequestration. Growing trees and wood stored in harvested wood products are demonstrated to be the most effective carbon sequestration method available. In addition, there is currently no mechanism available for effectively incorporating it into the FSC standard because:

1. there is not yet an international FSC position on carbon and forestry; and



2. the Australian framework for recognising and accounting for carbon values in forestry is still the subject of review ahead of any relevant legislation being put in place.

HCV4

The VAFI does not consider that HCV4 has any practical application as a conservation category in southern Australia. In broad terms this category is more appropriate to the needs of forest dependent communities in developing economies, where active commercial forestry has the potential to directly and negatively affect the living standards and lifestyles of those communities.

In southern Australia, the reality is that firewood is probably the only product for which this category could apply, and in that instance it is not relevant, as firewood availability for rural and regional communities is exclusively from the commercial forest estate, and specifically excluded from the conservation forest estate.

In tropical Australian forests, there is practically no commercial forestry undertaken at any scale which could be considered a negative impact on the basic needs of rural, regional and indigenous communities. In fact it is far more likely that these communities will be affected by their exclusion from undertaking activities in the conservation forest estate.

For these reasons the VAFI considers the HCV4 category inappropriate for inclusion in the draft Framework for Australia. Moreover, the issues potentially addressed by this category are more effectively dealt with through other FSC principles.

HCV5

As with HCV4, the VAFI considers this category to be inappropriate for inclusion in the draft High Conservation Value Framework. This is for two reasons. First, the issues addressed by this category of proposed conservation are better dealt with through the application of other FSC principles and criteria. Secondly, given the generally better community access afforded by the commercial forest estate than the conservation forest estate, it is more likely that these needs will be met by maintaining active forest management.

Recommendations:

4. That the CWRAT consider increasing the threshold of large forests from 10,000 ha to 100,000 ha to better reflect the concept of large forests and their contribution to conservation management.
5. That the CWRAT refine the definition of HCV3 to better reflect the focus of the Framework on forests with outstanding conservation values, and to ensure that this category is able to be effectively interpreted by all parties .
6. That the CWRAT removes specific values such as water and carbon from the definition of HCV3, as the identification and assessment of values is dependent on the site, forest or estate specific nature of the area being assessed.
7. That the CWRAT remove HCV4 and HCV5 from the Framework as these are specifically appropriate to forest management in developing economies and are not relevant in the Australian context



The High Conservation Value Assessment Framework

General

The management of forest-based conservation values in Australia is clearly contentious, with quite polarised views and strong vested interests involved in a long-running debate about the issue. In our submission we have touched regularly on the need for an objective, rational and clear basis for identifying, assessing, consulting about and developing management strategies for dealing with affected Values.

The VAFI cannot emphasise strongly enough the necessity for this approach to underpin the success of the proposed Framework and, ultimately, a National Standard for FSC in Australia. Without addressing this fundamental requirement, the Framework and Standard are likely to be resisted by forest managers that already operate within an onerous and costly regulatory regime, in the context of commercial constraints when viewed against benchmarks of international competitiveness. From our perspective as a committed member of FSC Australia, it is our view that the success of the enterprise is dependent on effectively addressing this issue.

The other key issue relates to the interpretation of how the results of stakeholder consultation are used. As mentioned previously in this submission, it is our view that stakeholder consultation is important and, where relevant and appropriate, the results of stakeholder consultation should be incorporated into the identification and management of High Conservation Values. However, substantial stakeholder support (the current terminology) is not a surrogate for sound science, objective and rationally based decision-making. Decision-making should not be required to elicit stakeholder support where this is not relevant to meeting the requirements of the standard.

Structure

The Framework has been developed with a tiered structure for verification of requirements which is nominally dependent on the amount of information available about the specific High Conservation Value and/or the potential level of contention with which that Value might be perceived.

In general, the VAFI is supportive of this tiered approach as it provides a basis for recognising existing knowledge and conservation management arrangements for Australian forests. However, the approach as it is currently structured seems to have practical application to the HCV1 category only. This specific issue is addressed in detail in the section below.

The VAFI is also concerned that the level of contention about a specific High Conservation Value should be used as a basis for determining the level of assessment detail required for a specific Value. The selection of which tier of assessment to apply to a specific value should be based on clear, objective and easy to understand criteria. This provides forest managers, stakeholders and certifying bodies with a firm expectation about how the process will be dealt with. If subjective, emotive or opinion-based criteria are used as the basis for determining what approach to use, then it is much more likely that forest managers will be forced into a situation of taking the most onerous and comprehensive approach for each Value, regardless of whether it is justified by science.

In this context it is our view that the articulation of requirements should state the clear intention that the process is not intended to impose unnecessary or unjustified management costs on Australian forest managers that are seeking to pursue FSC certification.

Application of the tool to each class of High Conservation Value

High Conservation Value 1

The levels of assessment outlined for this category appear well thought out and reflect an appropriate distribution of effort depending on the level of knowledge about and importance of the relevant Value.

The Framework would benefit from more detailed guidance for forest managers so that they can better determine the tipping point between the four levels of assessment.

High Conservation Value 2

The levels of assessment for this category are not yet well defined and more effort is required to bring this into line with the levels for HCV1. Also, the starting point of level 1 is too onerous in the context of the Australian situation, where in most cases there is good knowledge already available about these relevant values. We suggest a similar approach to HCV 1, as outlined below:

Example of Assessment Tool
Level 1 – Expert/stakeholder elicitation methods. Use when relevant forest areas are well recorded and described and there is a low likelihood of threats from proposed management activities
Level 2 – Interrogation of available datasets, descriptions and published work. Use when relevant forest areas are well recorded and described and there is uncertainty about the likely impacts of proposed management activities.
Level 3 – Regional surveys. Use when the relevant forest areas are less well understood and there is uncertainty about the likely impacts from proposed management activities.
Level 4 – Detailed mapping, modelling and analysis and scenario evaluation. Use when the relevant forest areas are poorly understood and there is a higher likelihood of impacts from proposed management activities.

High Conservation Value 3

The first level of tools for application for HCV3 refers to Code of Practice compliance as the main verifier. The VAFI considers that where compliance with Code of Practice requirements is sufficient to address the relevant Values, as is the case in Victorian forests, that the Value is not likely to have outstanding significance that warrants its recognition as a High Conservation Value.

The second issue with the application of this level is that the second level specifies which values ought be considered. In our view the Framework should not be this specific or prescriptive.

Thirdly, the levels defined should reflect the approach taken for HCV 1, as outlined below:

Example of Assessment Tool
Level 1 – Expert/stakeholder elicitation methods. Use at the management unit level when relevant values in the target forest areas are well recorded and described and there is a low likelihood of threats from proposed management activities
Level 2 – Interrogation of available datasets, descriptions and published work. Use at the management unit level when relevant values in the target forest areas are well recorded and described and there is uncertainty about the likely impacts of proposed management activities.
Level 3 – Site specific modelling, monitoring and reporting. Use at the management unit level when the relevant values in the target forest areas are less well understood and there is uncertainty about the likely impacts from proposed management activities.
Level 4 – Estate level mapping, modelling and analysis and scenario evaluation. Use at the estate level when the relevant values in the target forest areas are poorly understood and there is a higher likelihood of impacts from proposed management activities.

High Conservation Values 4 and 5

The VAFI considers that these two HCV categories are not relevant in the context of Australian forestry.

Recommendations:

8. That the CWRAT amend the assessment levels in HCV 2 and HCV 3 to better reflect the approach for HCV 1, as described in the tables above.

Additional issues

Recognition of active management for High Conservation Values

Active forest management can be an important tool in managing forests for high conservation values. Active management can offer broad and specific conservation management advantages through, for example:

1. enabling the active elimination of pest plants and animals
2. facilitating the maintenance of site specific values
3. maintaining a mosaic of seral stages and forest vegetation structures through the landscape
4. mitigating the risk of too frequent, intense and large wildfires
5. creating specific habitat opportunities for species with particular needs
6. encouraging improved distribution of food resources for particular species

The VAFI commends the CWRAT for recognising the importance of active management for High Conservation Values. The Framework should provide guidance for forest managers about how to identify and describe active forest management needs for specific values. This guidance should not be prescriptive, but should provide clarity for forest managers about how to approach this issue.

Dispute resolution

The Framework describes a dispute resolution mechanism for application during the Controlled Wood assessment or Certification processes, in relation to High Conservation Values.

Dispute resolution is a critical aspect of any process that involves a high level of stakeholder consultation and input. It is important that the dispute resolution process for this Framework (and for the broader Australian Standard) are well defined and provide clear guidance about triggers for escalation to the next level, to ensure that the process remains relevant and credible.