the ecologist

Saving the wood

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Certified tropical timber has been hailed by loggers and environmentalists alike as the best way to protect the rainforests. But is it? Klemens Laschefski and Nicole Freris have problems with it. Here, they explain why.

'If it's good enough for James Bond, it's good enough for you. It's also good enough for the world's fast disappearing rainforests.' This, it seems, is the message behind a glossy advert on behalf of the Forest Stewardship Council (FSC) which recently appeared in magazines and newspapers across the land. 'You don't have to be a movie star to be an action hero', it reads, beneath a picture of a smouldering Pierce Brosnan. 'Help conserve the world's forests. Look for and purchase [wood] products carrying the FSC logo.' It's reassuring stuff, with some heavyweight backing: 'WWF, Friends of the Earth, Greenpeace and the Woodland Trust are all proud and active supporters of the FSC.'

Some readers might do a double take. Haven't environmental organisations been running campaigns for decades against a tropical timber industry which is devastating the world's shrinking forests? Weren't tropical timber products deemed unnecessary luxuries for uninformed consumers? Wasn't a complete boycott of tropical timber encouraged by the same groups who now support the FSC? And didn't those boycotts cause significant sales slumps for targeted timber importers?

Yes, is the answer to all those questions. Yet now, suddenly the consumer is redeemed, empowered to save the rainforests by shopping. We are encouraged not to boycott but to buy tropical timber – with the important proviso that it carries an FSC stamp.

What is the FSC?
The FSC was founded in 1993, with the WWF as its main champion, in a bid to resolve the impasse between the timber industry and environmentalists. It brought together environmental, social and economic interest groups, and has been responsible for defining a set of global criteria for 'well managed' forests, including 'ecological' management, involvement of local people and good employment practice. Based on these guidelines, privately run certifying bodies carry out FSC-certification of logging operations. The 'responsibly' harvested wood is then sold with an FSC logo.

It sounds like a good idea, and a lot of heavyweight greens are certainly convinced. But is it?

The change in emphasis of the tropical timber campaigns of many environmental groups is symptomatic of a shift in the method – and arguably the ideology – of the environmental movement, from 'radicalism' to 'pragmatism'. Campaign successes have brought environmentalists to the negotiating table. Gradually, a critique of the ideological foundations of the present environmental and social crisis has been replaced by a search for technical solutions in collaboration with government and industry.1

The rise of the FSC is a symptom of this shift. 'Buyers' Groups' for FSC certified timber include some of the largest tropical timber retailers, most of which are former targets of boycott campaigns. Their demand is an important factor in the recent expansion of FSC certified forests. Having surpassed their ambitious target of 25 million hectares of certified forests world-wide, the WWF in alliance with the World Bank, is now aiming for 200 million hectares of certified forests by 2005.

Precious Woods
Because of this apparent success story, certification of primary forests is now enthusiastically promoted by environmental heavyweights. Certification occupies, for example, the heart of the Greenpeace Amazon campaign. While denouncing illegal logging in the region, Greenpeace has sought alternatives for the logging industry. They found what they thought was needed in the company 'Precious Woods Amazon', which received FSC certification in 1997.

This Swiss-owned company was founded in 1994, with the intention of proving that sustainable logging in tropical regions is economically viable. In mainstream forestry circles, the project is recognised as one of the best

examples of planned logging in primary forests. Their example has now been followed by Gethal, the largest foreign logging company in Brazil's Amazon state, which was certified last year. Certification of Gethal has been claimed as a landmark victory, proving how predatory loggers can be persuaded into good behaviour. Greenpeace is now negotiating the certification of WTK,2 a Malaysian company with an appalling history of environmental and social abuses.

This 'conversion' of predatory logging companies is being celebrated with evangelical fervour by supporters of the FSC. But if certified logging of the disappearing rainforests is the answer, perhaps we have forgotten what the question was. For the story of the FSC's success raises many questions which, until now, environmentalists have avoided asking, let alone trying to answer. What sort of development for the region is certification really promoting? Who benefits from this development model? What impact does certified timber extraction have on native forests? Does buying certified
timber products really contribute to saving the rainforests?

These are not easy questions to answer, but answer them we must. In this article, using the example of Precious Woods Amazon and the Brazilian rainforest to illustrate wider points, we aim to determine the truth behind some of the myths of tropical timber certification.

Myth 1: Certified logging of primary tropical forests has minimal impact on forest ecosystems.
The logging system employed by Precious Woods Amazon involves a 100 per cent tree inventory and carefully planned infrastructure based on satellite images. Five per cent of the 'management area' is clear-cut for roads, skid trails and stocking areas. After felling, this results in around 20 per cent of the forest canopy being opened.3

The result of this is that the 'managed' forest ends up criss-crossed with 400km of permanent and 5,000km of secondary access roads,4 maintained in better conditions than most public roads. These allow the invasion of wildlife poachers, who prove difficult for the
company to control. If Precious Woods Amazon moves on from this area, the road access will remain, inviting farmers, settlers and other logging companies to wreak a second wave of damage.

Silviculture techniques are adopted to encourage the growth of commercially lucrative species. First, large diameter, mature, target species are felled and removed. Then, a ring of bark is cut from around the trunk of nearby trees with no market value, which are left to die standing. This causes drying of the forest floor, increasing the danger of forest fires. Silviculture techniques profoundly alter the species composition and the age of the forest. With time, an ancient ecosystem is transformed into an artificial land use system.

The environmental sector of the FSC uses its influence to progressively tighten the criteria for certification, reducing the volume of wood extracted per hectare. But for certified companies to be economically viable, production quotas need to be maintained. This necessitates opening up new areas of undisturbed primary rainforest. In other words, certified logging is creating a new forest frontier; the infrastructure required for certified management is opening up ever remoter regions of forest.

Myth 2: By increasing the market value of tropical
timber, FSC certification puts economic value on forests. This creates a disincentive for more damaging land use, such as clearcutting for agriculture.
Recent figures seem to support this myth, showing that planned timber extraction yields a 33 per cent interest return on investment per unit area, whereas cattle ranching, for example, yields only 8-14 per cent.5 But in reality, areas suitable for forest clearance for
agriculture and selective timber extraction rarely compete as economic alternatives.

Brazilian farmers and landowners simply do not feel the need to include 'percentage interest return' or 'land productivity' in their calculations. The expansion of the agricultural frontier is promoted through access to land made cheap through subsidies and special tax regulations.6 This encourages short-term profits from transforming forest into pasture rather than investing in new methods of forest use. The political clout of the farming industry ensures that the incentives that consider natural forest as 'non-productive' remain in place. This predisposition is further exaggerated by the extreme wealth concentration in Brazil. For the few who have capital, land scarcity is not an issue. Under these circumstances, the FSC provides no meaningful incentive to turn cattle ranchers and soya farmers into foresters.

However, certification certainly is providing a survival option for a growing number of the large logging companies. Many were facing bankruptcy due to pressure from state environmental agency and international boycotts. The new 'green' markets overseas are perceived as a lifeline,7 as are the institutional support and international funds available after taking the FSC vows.

Certification does provide an incentive for better planned-logging, but is merely a voluntary marketing tool and not a long term obligation. As such, it will only work as long as it guarantees maximum profit for the logging company. If certified timber loses its commercial advantage, companies will drop certified management and revert to more

predatory practices.8 There is nothing whatever to stop them doing so.

Myth 3: With so many trees, and a growing global demand for wood, logging is inevitable in the Amazon.
Logging in the Amazon has been defined as 'unavoidable' by the political, economic and academic beneficiaries of the timber industry. Forestry is even considered to be a 'science' that justifies our interference with forest ecosystems. Increasingly, foresters are employed by research institutes, environmental NGOs and international funding agencies, and their expertise is sought on all issues related to forests. Yet foresters are trained almost exclusively in how to cut down trees. Faced with a forest, they are conditioned see wood not trees – marketable cubic metres of timber, not ecosystems.

One example of the monopoly of the foresters' perspective is 'Promanejo', a joint project between international development agencies and the Brazilian government. Promanejo is part of the Pilot Project for the Preservation of Tropical Rainforests of the G7 countries, established to develop sustainable use of tropical forest resources. Promanejo interprets 'forest resources' exclusively as 'timber'. Both Gethal and Precious Woods have benefited from these funds; Gethal recently receiving $382,000 for personnel training and Precious Woods Amazon $238,000 for an education centre designed to promote their forest management system.

In contrast, land use systems of indigenous peoples and riverside dwellers continue to be marginalised. The range of non-timber economic alternatives includes brazil nuts, tree oils and essences, guarana, medicinal plants, babassu, honey, art work and an endless list of exotic fruits, all with well established markets. These local economies are collectively of a scale easily competing with the logging industry in terms of economic returns. But they are left
unexplored as the trees come down.

Myth 4: Planned logging by FSC-certified companies
stimulates the local economy, offers job opportunities for local people and provides an alternative to the traditional land use systems which intensify deforestation.

The logging industry is unstable in the extreme, and exacerbates a boom-bust economy. Periods of expansion intensify migration, as local people are drawn to cities by the prospect of a job in the sawmills. Crises in the industry are common, caused by fluctuating demand from unstable markets, control by environmental agencies, international timber boycotts and supply problems due to species scarcity and transport difficulties. Having stimulated expansion of the urban population, such downturns in the logging economy then intensify unemployment.

Precious Woods Amazon is based in Itacoatiara, the principal logging centre of the Amazon state, 200 km from Manaus. Arriving in the 1990s at a time when the timber industry was in an economic trough, it was easy to find unemployed workers already living in the town. The creation of 300 jobs at Precious Woods Amazon was welcome, but has hardly dented the local employment crisis. Instead, its presence has helped maintain local economic dependence on
foreign capital and external markets. This precarious economy is reflected in the unstable internal situation of the company, whose management area in Itacoatiara is proving unable to guarantee the profit required to demonstrate economic viability.

Seeking a larger area of undisturbed forest with a higher concentration of valuable tree species, Precious Woods recently acquired an area of 179,000 hectares of rainforest in the neighbouring state of Pará. If its operations transfer to Pará, the company will leave the economy of Itacoatiara as precarious as they found it.

On the positive side, Precious Woods Amazon has a fairly good record with wages, working conditions, job security and union rights, and is creating pressure on other companies to follow suit.9 However, a worker's monthly salary at Precious Woods Amazon is only 20 Real higher than the minimum wage of 151 Real (US$79) – inadequate to support the average Amazonian family.

The environmental consequences of Precious Woods Amazon's operations might be evaluated by comparing its impact as a local employee with the subsistence land use of local peoples. Rural families use an average of five hectares to plant basic food crops in rotation.10 Precious Woods Amazon transforms 2,700 hectares inside the managed areas into transport infrastructure. This is equivalent to an area required for the subsistence of 540 traditional families. In addition, every day, 300 workers eat food from the company canteen provided by farms and cattle ranches along the road between Itacoatiara and Manaus. The ecological impact of these urban consumption patterns can be seen in the widening strip of deforestation clearly demonstrated on the satellite image.

The recently certified logging operations of Gethal provide another clear example of how certified companies compete with lower impact and more socially just local land use systems. Within their 40,000 hectare management area live 1,200 local people in seven riverside communities. They have no land rights, but depend on the land. With approval of the certified management plan, these communities are legally prohibited from practising their subsistence activities, such as collecting brazil nuts, without Gethal's permission.11

The communities, with the support of the local church, have denounced this injustice.12 They also complain that the road building for the logging is making access to the brazil nut trees difficult, and hunting scarce. In sum, as a direct result of the certified management plan, the subsistence of 1,200 local people is threatened.

Myth 5: Certified logging companies are committed to transparency. Their activities are monitored by certifying bodies, whose role is to ensure that high standards
are maintained.

Given the chaos and illegality of the Brazilian logging industry, certification seems, at first sight, to offer the incentives and penalties required to lever companies into better behaviour. Certainly,
companies will be less willing to lose their ecological niche markets by engaging in illegal activities. But when it is a question of profit, such constraints have not stopped 'model' companies engaging in dubious practices.

The case of acuariquara shipments from Precious Woods Amazon is one example. Acuariquara is a durable species of tropical timber with insignificant local markets. International demand for the species was created when the German municipality of Rostock decided to use certified acuariquara for coastline construction work. The contract was celebrated as a new transatlantic partnership to preserve the
rainforest. But Precious Woods Amazon had insufficient acuariquara to respond to the demand. To complete the shipments, wood was bought through an Austrian company, MW Florestal, from local loggers, in unmanaged areas.12

At the same time, a series of illegal logging incidents involving acuariquara took place in the neighbourhood of Precious Woods Amazon. In one case, authorisation to clear-cut a small plot for agriculture was used to rip out hundreds of acuariquara trees using the company's tractors and personnel.13 In another incident, at an FSC meeting, a local mayor denounced the company for illegally removing acuariquara within his municipality.14 Beyond the possible explicit involvement in illegal logging, opening the market for acuariquara helped stimulate a local boom in illegal logging of acuariquara.15 Clearly, it is difficult to neatly contain the economic incentive for logging to a management plan area.

Following these incidents, ranks were quickly closed around Precious Woods Amazon, and it was left to small, under-funded environmental groups and concerned individuals to investigate and lobby. This reflects a murky constellation of interests within the FSC, where those responsible for monitoring operations are also those with vested interests in the FSC's success. The certifier, simply put, is on the logging company's payroll.

For the dominant environmental groups, such as Greenpeace, WWF and Friends of the Earth, FCS certification is their negotiating card with industry and is at the heart of the forest campaigns. With the growing alliance between the industry and environmental groups, and their mutual investment in the success of this model, voices of dissent are not welcome, and are thus rarely heard.

Myth 6: Many consumers are willing to pay more for
products with 'green' labels. The economic reality is
that certification is an essential tool for environmental preservation.

Traders in the FSC buyers' groups have created the impression of huge, ecologically-sensitive markets. This mirage is convenient for governments and industries keen to find ecological solutions which leave unquestioned the economic foundations of the present environmental crisis. The cause of our social and ecological malaise has become the cure – the world can be saved by 'ethical' shopping.

The issue of certification was discussed at an expert working group for the UN Commission on Sustainable Development in 1996.16 As bans and boycotts are considered incompatible with the rules of the World Trade Organisation, certification was accepted under three conditions: first, there should be a open market for all certification schemes, the market defining the best initiative; second, there should be no political action to diminish the trade in uncertified products; third, the origin of the timber should not be included on the product label, to avoid 'discriminatory' actions against specific regions.17

At one fell swoop, these conditions ensure that markets remain open for products from predatory and illegal sources. Responsibility for combating environmental and social crime is transferred from governments into the hands of consumers faced with hundreds of eco-labels, the vast majority of which are a result of opportunistic marketing. Environmental organisations are now engaged in campaigns to defend the FSC as the only 'trustworthy' ecolabel. This has been at the cost of political action directed at the underlying causes of forest destruction.

Research indicates that markets for 'green products' are actually very limited. Half of German consumers, for example, pay attention to eco-labelled products, but only a third would pay even five per cent more for them. This is inadequate to effect the big changes required for sustainable forest use.18 Consumer behaviour is notoriously

fickle and these statistics do not reflect real life situations where even ecologically aware consumers with limited finances may opt for a cheaper uncertified product.

And ultimately, certified tropical timber sold to an ecologically conscious elite in the rich world has little influence on the global dynamics of the logging industry. Within Brazil, 85 per cent of timber from the Amazon is consumed in internal markets.19 It is these markets that help sustain illegal logging in the region, currently estimated at 80 per cent. Low-income Brazilian consumers do not have the luxury of 'consumer choice' offered by certification.

What can be done?
Many people have supported the FSC in the hope that through valuing tropical timber, the forests would be preserved. Many thought the FSC would empower local people in small, community based initiatives, offering an alternative to more destructive land use. In reality, though, the FSC is supporting industrial-scale logging of the world's remaining primary forests. Presently, 96 per cent of certified forests are accounted for by industrial or government forest owners, with 85 per cent being in holdings of more than 100,000 hectares. Only 34 per cent of the total number of certificates, covering a paltry three per cent of the certified land area, are accounted for by communal groups and non-industrial users.20

It is probable that certification has insignificant impact in halting predatory logging practices in tropical forests. Meanwhile, the FSC is levering open tropical timber markets in Europe and the US which were closed by the boycott campaigns of the 1990s. It is offering a survival option for logging companies and attracting new international investment for logging of primary forests.

The investment, support and marketing of certification is helping to create an economic, academic and environmental culture supporting the logging industry. Massive financial and human resources are being invested in certified logging; resources which should be spent on more meaningful forms of forest preservation. In the final analysis, by buying FSC timber, consumers are supporting the exploitation of a rare raw material from a developing country by multinational companies.

Rather than buying into the myths, individuals and organisations wanting to contribute to the preservation of the worlds remaining tropical forests could adopt seven very simple principles, which may better serve to protect the world's primary forests from the rapacious appetite of the Western consumer:

1. End certification schemes for tropical timber from primary forests.
2. Boycott all tropical timber in Europe and North America.
3. Support fair trade initiatives of non-timber forest products with direct links to local communities.
4. When absolutely necessary, buy timber produced locally from secondary forests
5. Invest in improving governmental control of illegal logging and tightening of regulations for legal logging.
6. Invest in community-based, non-timber forest products as economic alternatives.
7. Invest in reforestation schemes in degraded areas. x

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