

New Zealand Standard Development Group – Submission of Critical Issues in the First FSC IGI Draft

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The NZ SDG submission is provided in two parts where we initially cover generic issues of process and content of the IGIs. The second part is a table where we cover some specific indicators that we consider will be very difficult to implement in the NZ context. For each we have suggested some alternative.

From a strategic perspective FSC appears to be making a move away from their locally developed performance and grassroots approach. The NZSDG is concerned that if the IGI's stay in their current format there will be perverse outcomes. For example many worthy forest owners/managers, especially smaller ones but also across the board, will be put off because FSC evolving to a bureaucratic, ISO-like, paper based approach that won't change what is happening in the field. It is about getting the balance right.

Please also note that we have included a critical issue relating to indicator 6.9.2 in the first part of our submission. This is because we are unanimous in our support for the Maori chamber whom are aggrieved by the lack of flexibility shown by FSC over what we consider to be a fundamental indigenous persons rights and social justice grievance. We urge FSC and the IGI working group to give this issue serious consideration.

We also wish to state that our submission represents only issues that the SDG could collectively agree upon. There are many other substantial concerns held by each chamber.

Timeframe

The NZ SDG operates on a very limited budget and time volunteered by the individuals or their organisations. The proposed timeframe for the transfer of the IGIs into a national standard is very short - from April 2014 to final approval by FSC by the end of December 2014. Assuming we would need our changes into FSC with at least 3 months for a decision this only allows us 5 months from the publication of the final IGIs. Given it took over 10 years to develop our standard and over 3 in the final phase we do not consider 5 months to be sufficient time.

1. Please extend the transfer process by one year to the end of 2015.

Transfer process

The NZ National Standard for Plantation Management has been approved by FSC with 3 outstanding pre-conditions (which we have responded to). As we soon expect to have a fully approved national standard we are concerned that the hierarchy for transferring the IGIs will be

problematic. We understand that the IGI's must be used unless you have (contestable?) rationale for an alternative. We expect this will place considerable pressures on the SDG to re-negotiate recently agreed indicators over a very short period.

We were also concerned that this approach was not what we considered to be the purpose of the IGI's and they are becoming the standard rather than the guide or the standard in the absence of a national standard.

We believe a more reasonable approach would be a subtle change in priority:

- 2. Existing indicators are retained in the national standard if they meet the elements of the new P&C's, and**
- 3. The IGI's are only used as a guide where existing indicators of the national standard do not meet the requirements of the new P&C's elements.**

SIR

We note that Scale, Intensity and Risk (SIR) have not been applied to the IGIs and urge that this is given foremost attention by the working group. In particular the assessment of risk will fit well with the methods used in NZ where we apply effects based decisions. FSC has asked that SDG's commence gap analysis of the draft IGIs with a view to preparation for the transfer, however as SIR has not been considered in the draft we consider it too early to undertake the transfer work when a critical component to the way NZ operates is absent.

Engagement

We note the increase in requirements to engage with all groups in the new IGIs. While we wish to encourage engagement we consider this is best undertaken on an as required basis and in particular with affected parties. Some of our concerns with the level of engagement are:

1. The certificate holder must undertake the engagement but there is no provision for communities to refuse when they may not want to, particularly if they feel pressured to engage.
 2. It seems physically impossible to consult with all groups equally and how is this achieved as some groups do have a greater prominence, representation or are affected differently.
 3. Potential for lengthy renegotiation of existing and successful protocols and agreements.
 4. Some of the engagement seems to pre-empt problems before they happen – i.e.; the disputes process.
- 4. We consider a better approach would be to ensure the communities know who the forest manager is so they may engage and are made aware of pending activity where it may affect their interest. Perhaps this would be best achieved by online forest maps and activity plans.**

Prescriptive

There are a number of indicators that contain prescriptive detail which in entirety may not be applicable to NZ. In particular several indicators contain lengthy lists, which in effect are all indicators.

5. We believe the lists should be removed or made into separate indicators.

Plantations

The NZSDG developed a standard for plantation management in NZ and are concerned that some IGIs are written with natural forest management in mind rather than plantations. Hence they will be difficult for us to incorporate in our standard. We note indicator 10.10.5 is the only indicator where the applicability is used for plantations. We consider this could be used more through the indicators to either apply an indicator to a natural forest or make an indicator either applicable or not applicable to plantations. Some of the indicators we consider problematic for plantations are: 5.2.1, 6.2.4, 6.6.5, 6.6.6, 6.8.2 and 6.8.3.

6. An alternative would be to develop some plantation specific indicators for these Criteria.

Conversions and Maori

Maori as indigenous peoples of NZ oppose the provisions of indicator 6.9.2 and this position is supported by the NZ SDG. This is specific to the requirement for “limited portion”. To date the Maori Chamber has been unanimous in its opposition and continue to consider this Criteria directly contrary to the intent expressed in Criteria 3.1, 3.2, 3.4 and 3.5 and to FPIC. In particular there are situations where Maori owned land could not be continued to be farmed and has reverted into low ecological value natural scrub. Commercial afforestation of these significant areas of land may be the most sustainable use for the land but compliance with “limited portion” will penalise Maori from obtaining FSC recognition in this socially and environmentally responsible investment. Maori are extremely aggrieved by FSC’s Eurocentric entrenched position on this matter and do not consider FSC to be working for indigenous peoples rights as per P3.

7. The NZ SDG proposes that conversion situations with high social benefits and low ecological impacts should be permitted by exemptions of the “limited portion” requirement in Criteria 6.9. This is particularly relevant where the land subject to conversion is reverting farmland and/or with minimal ecological value. The Economic, Environmental and Social Chambers in NZ support the former position of the Maori Chamber in relation to reverting farmlands during the engagements for the NZ FSC Standard. A ‘derogation’ type process where the conversion could be assessed may be a reasonable solution and one that will prevent wholesale conversion in dissimilar situations.

Indicator Specific Comments

Indicator	Current wording	Issue	Proposed solution
2.2.2	Targets are based on <u>engagement</u> * with <u>local communities</u> *, <u>workers</u> * and contractors.	<ul style="list-style-type: none"> We expect that gender based employment targets will contravene NZ law. There is no requirement for targets in the elements. Our preference is for a neutral policy that does not discriminate and there are no unresolved complaints. 	Remove the requirement for a target and replace with: <ul style="list-style-type: none"> A policy where any form of discrimination is not practiced. There are either no unresolved complaints or unresolved complaints are subject to the dispute resolution process.
2.3.3	Records demonstrate that loss of working time due to accidents is decreasing over time and is at all times better than industry average.	While we agree there needs to be a strong focus on minimal harm the indicator is unachievable: <ul style="list-style-type: none"> In NZ over 60% by plantation forest area is certified and ideally someday all plantation forests will be certified. In either case it will be impossible to be above the industry average. Also the requirement to continually decrease incidents over time may not be achievable. The criteria or elements do not require the certificate holder to meet certain decreasing targets, but do require practices are in place using the ILO as the benchmark. 	Reword to <ul style="list-style-type: none"> <i>“Over the long term there is a downward trend in serious harm incidents, and</i> <i>Where there are increases in harm the manager has investigated and implemented a serious harm reduction plan.”</i>
2.4.5	<i>Workers</i> * are provided with assistance in negotiating wage levels both collectively and individually.	There is some concern that this is a conflict of interest – that workers given assistance by the certificate holder may be compromised by this.	Reword to <i>“workers are able to negotiate freely wage levels either collectively or individually and in doing so can engage assistance if they so choose”</i> .
4.6.1	A mutually agreed dispute resolution process is in place, developed through <u>engagement</u> * with <u>local</u>	It is difficult to pre-empt disputes and then develop through the community resolutions. The Indicator should be that there is a process in place that when a dispute arises	This indicator should revert to the existing requirement: <ul style="list-style-type: none"> <i>The forest manager has an established, publicly available</i>

	<u>communities*</u> .	all parties try to agree a dispute process in good faith. Otherwise this should be the role of the "elected" local governance	<i>disputes resolution process that it implements in times of dispute and follows through.</i> The CB should audit to check that such a process is in place, is structured around basic principles of fairness and transparency and is used.
5.2.3	Actual annual harvest rates for timber throughout the <u>Management Unit*</u> and within subunits of large <u>Management Units*</u> do not exceed 150% of the allowable annual cut in any one year.	<ul style="list-style-type: none"> • We anticipate this will be problematic for smaller or even aged forests meeting market demands. i.e. if a 10 ha woodlot harvests 2 years before their "planned" harvest. • It is also too short term and a longer term (ie permanent) requirement that allows more flexibility should used instead. • We also consider this will be difficult for NZ plantations that may have other reasons to vary the yield from time to time. • Does not cater for catastrophic event recovery. 	Provide more flexibility for SLIMF and plantations through longer term requirements: <ul style="list-style-type: none"> • Apply this indicator to Large (non SLIMF) forest only. • For plantations "<i>the 20 year rolling average should not exceed the allowable cut by more than 50% across the entire FMU</i>"
5.2.5	Annual harvest projections for timber throughout the <u>Management Unit*</u> and within subunits of large <u>Management Units*</u> , averaged over the next ten years, do not exceed the cumulative annual allowable cut for the ten-year period.	As for 5.2.3	As for 5.2.3
6.1.9	Assessment of atmosphere values identifies, at a minimum, the role of the <u>forest*</u> in regulating climatic conditions and air quality.	We are not sure of the value of this requirement applied to the forest level. Climate issues are a more national / global issue and should be assessed and monitored at that point. Deforestation which affects climate is	Delete

6.5.2	<p>Existing representatives of natural <i>native ecosystems</i>* that are protected within the <i>Management Unit</i>* and the surrounding <i>landscapes</i>*, and that are of sufficient size and condition to function as natural <i>ecosystems</i>*, are identified and mapped.</p> <p>Guidance: Only areas that are protected, and that are sufficiently large to function as a natural <i>ecosystem</i>*, and that are sufficiently intact (not degraded) to function as a natural <i>ecosystem</i>* can be included as contributing to the “representative sample areas”. Very small areas and areas that are degraded so that they can no longer function as natural <i>ecosystems</i>* are not included in the identification of the “existing representatives”.</p>	<p>covered in other Criteria.</p> <ul style="list-style-type: none"> • Our key issue is the guidance that suggests only large areas should be protected. • We wish to point out that some very small areas such as wetlands, geothermal vegetation and orchid areas less than 1 ha can be viable and important areas to protect. • For example geothermal vegetation can be as small as a few square metres around a sinter hole. • But due to this very rare. 	<p>Please reword the guidance so that small but viable areas are also protected.</p>
6.5.9	<p>The total area under <i>protection</i>* as representative sample areas is greater than 10% of the total area of the <i>Management Unit</i>* and each area is large enough to represent the identified natural <i>native ecosystems</i>* and is situated adjacent to associated natural <i>native</i></p>	<ul style="list-style-type: none"> • The NZ SDG took over 10 years to address this particular indicator, which was resolved by permitting the forest manager to make up their 10% through additional projects on the FMU or by managing conservation areas outside (by nearby) the FMU. • The rationale for NZ was primarily based on the acceptance that FSC certification comes with conservation 	<p>Please provide flexibility in meeting the 10% through allowing additional conservation (above the standard) on the FMU or managing conservation areas outside the FMU.</p>

*ecosystems** where possible.

commitments, but in 1987 many of the plantations had their conservation areas annexed and transferred to the Government conservation authority – the 10% requirement without some flexibility penalises this foresight.

- For example plantations (some have been so for over 100 years and certified for over 15) with less than 10% would have to convert plantation forest into conservation areas at considerable cost (estimated at \$US20,000 per ha), and rather than waste such resources on a program with limited conservation outcomes their resources would be best spent on projects with a high degree of conservation success.