11. Protected areas and forest certification

Section 1
Introduction

The disappearance of the world's forest endowment

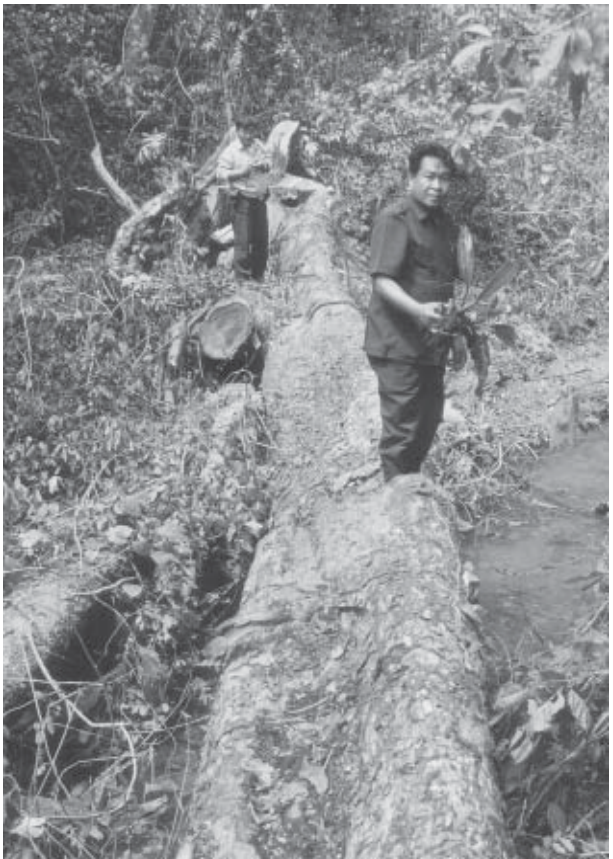
"As we examined what we thought were still vast, untouched stretches of intact forests in the world, we came to the conclusion that they are fast becoming a myth. Much of the green canopy that is left is, in reality, already crisscrossed by roads, mining and logging concessions."

John Lash, President World Resources Institute, April 2002

The world's forests continue to disappear at an ever-increasing rate. Policy-makers, non-government organisations (NGOs), concerned individuals — even some people in the timber trade, who many suggest are the root cause of the loss — are becoming increasingly anxious to find solutions. Much that has been tried over the past 30 years has failed to halt the decline in global forest health and the world is facing the disturbing reality that the world's forest endowment is finite and perishable.

"Much of the threats facing the remaining intact forests boil down to bad economics, bad management and corruption. We are rapidly moving towards a world where wilderness forests are confined primarily to islands of parks and reserves, with surrounding areas managed commercially for timber and other resources. The health of the planet's forests will depend on how well we manage and protect these remaining areas."

Dirk Bryant, Co-director, Global Forest Watch, April 2002



Despite serious global problems, there is some good news. In some parts of some countries, protection and conservation principles have been incorporated into forest planning and management approaches and forest health is stable, if not improving. Lessons are there to be learned and to inform the wider community. This chapter draws on the global experience over the past three decades and describes the key lessons relating to the role of protection and conservation in effective forest management. It reviews the way the forest sector has moved towards adopting regimes of protection (including formal protected areas) as a critical part of sector development and maintenance. Effective forest production and conservation can be achieved only through regimes of protection approaches, comprising both formal protected areas and more sensitive commercial forest management.

Section 2

From timber to people

The concept of stakeholders has changed forest planning and management systems and overall approaches to forest conservation. Until the early 1970s, the primary, almost sole, focus of forest planning and management systems (with a few enlightened exceptions) was timber: how many cubic metres were standing in a forest and how best to extract it. With the need to develop economies following World War II, international and most national level thinking saw forests as engines of growth. The revenue generated from forest harvesting and subsequent wood processing could jump-start economies, providing jobs and hard currency. Developed and restructuring economies in Europe, the U.S., Japan and elsewhere needed raw materials. Many developing countries had rich forest resources but required investment in timber extraction and wood processing industries to harvest them. Companies in rich countries were willing to oblige but needed rapid return on their significant investments. Forest planning and management systems were designed to get wood out to meet the processing capacities of the new industries, and to get it out quickly.

By the early 1970s a worrying trend was already emerging; the theory of economic growth based on forest utilisation was proving difficult to achieve in practice. Around the globe, particularly in developing countries, industrial-scale forest developments were failing to provide the hoped-for economic boost. Indeed, these developments were causing serious negative environmental, social and economic impacts. After years of intense wood extraction, global forest health was in rapid decline and it seemed to many that the world was squandering its endowment. Forest planning and management systems were failing to conserve forests. Local people were being disenfranchised, losing forest benefits and losing their fundamental human rights because of industrial scale forest development projects.

Although international organisations recognised the problem and began to raise the alarm, national level thinking was less advanced. Individuals rather than government treasuries were making too many millions of dollars from corrupt forest industry practices to change direction. Despite mounting national and international impacts, politically powerful individuals in many countries — both developed and developing — reaped rich rewards from forest exploitation at the expense of their nations and their peoples.

Deforestation wasn't simply a result of bad logging; the reasons for it were complex. The causes of deforestation were far broader than the narrow confines of the forest sector (Romm, 1986). Economic, policy, institutional and cultural elements all contributed. Each case had its own pattern and generalisations were rarely possible (Geist and Lambin, 2002). The complexity of the problem and the continuing disappearance of forests, despite policy and institutional interventions, indicated that forest managers should not be the only people involved in forest planning and management.

The concept of stakeholders in forest planning and management emerged in the early 1970s and grew through the 1980s and 1990s. Stakeholders are people interested in, or affected by forest management

operations such as government agencies, local communities, employees, investors, environmental interest groups, customers and the general public (Higman et al. 1999). Today, involving stakeholders is a necessary part of good forest management because such involvement generates the greatest likelihood of long-term forest conservation. Some stakeholders want to see forests completely protected in their natural state with no human interference while others support various levels of commercial exploitation. Involving stakeholders has completely changed the process by which decisions are made and forests are conserved. From its earlier focus on the technical complexities of timber extraction, good forest planning and management now requires far more complex systems to resolve conflicting views. Planning through consensus is the task of today's most forward-thinking forest managers. Management systems that conserve forests make stakeholders a critical partner in forest use and protection. People have replaced timber at the centre of good forest planning and management systems.

Section 3

Conserving forests through regimes of protection

Good forest management is practised in only limited ways. It is more common in richer developed countries and has much further to go in developing countries, with some significant exceptions (e.g. community managed forests in Nepal and Central America).

Involving stakeholders costs more in the short term and takes more time to implement than a simple focus on technical issues. In developing countries this process can be particularly complex. Generally, poor countries do not have the funds or the trained staff. Also, in many cases forest conservation systems that work in the developed world have little success in the different context of developing countries. It has taken time for such lessons to be learned and for new, more appropriate systems to evolve. Through the 1970s and into the 1990s forest protection activity focused on taking forests out of production and placing them under formal protection, whereby timber exploitation — commercial or otherwise — was totally excluded. Under this approach, often catalysed by popular protest, both the number of protected areas and the area of forests formally protected have dramatically increased around the globe, first in developed countries, but through the 1990s in other regions. Now some of the largest systems are found in developing countries. Cambodia, Lao PDR and Thailand all have protected areas systems covering more than 20 per cent of national area. Australia's protected areas cover only three per cent of the continent.

There were two reasons for this shift from production to protection:

- a mistrust of forest industries — people had seen too many forests destroyed or dramatically altered to believe that foresters were good guardians of national forest heritage; and
- public awareness had also increased, often through bitter experience of floods, droughts and failed agricultural crops or by witnessing these experiences via global media.

It became evident that maintaining forest in its natural state was critical to maintaining downstream agricultural production and water cycles. In some countries there have been calls to place all native forest in formal protected areas. This has occurred in New Zealand, where there is sufficient land and few people. In Thailand, the logging of natural forest was banned, although in practice it has continued at much reduced levels. In Vietnam, logging was banned in early 1997 but resumed later that year, though again at much reduced levels and with much stricter government control. In Cambodia, logging is currently banned as forest concessionaires and the government work through a process to introduce better and more careful management prescriptions. Despite mistrust, it was often the forestry agencies themselves who were given the responsibility for managing the protected areas systems. This increasing the momentum of change from within.

In many countries, the past two decades have seen intense social debates and conflicts over land-use decisions to protect forests. In most developed countries, deep social conflict attended the process by which forests were removed from production and placed into formal protected areas. Neither forest planning and management systems nor the political context in which they operated could cope with the call to conserve forests. Timber industries found their previously powerful positions under siege as governments recognised the widening political constituency that favoured the formal protection of forests. Positions became deeply polarised and forest managers struggled to develop systems that could handle the conflict and produce management plans that satisfied all of the interested groups in the community.

In developing countries, where industrial-scale forest exploitation for timber production has driven extensive clearance and degradation of important watersheds, decisions to declare protected areas have commonly been made by central government planners. Although they understood the need to conserve representative forest systems, they didn't understand the need for consultation with the people who live in or near forests. Consequently, rapidly increasing populations of rural poor are degrading protected areas, on which they depend for food, shelter, medicinal plants and a range of other goods and services important to sustaining their way of life.

Of greater concern, many formally gazetted protected areas are affected by roads, illegal commercial forestry activities, hydropower and other large-scale development. Rampant illegal timber harvesting by outsiders, in some cases linked to corrupt central government planners, is having a devastating impact on an increasingly global scale. Such harvesting generally involves opening up a network of badly constructed roads into parks to extract the timber. When the illegal loggers move out, poor people, who need land to grow food, move in and, often within a year or two, complete the conversion of forest to degraded agricultural land. The appetite of the international wood trade for illegal timber and the growing need of local people for agricultural land means that, in the developing world, some 14.6 million hectares of forest in formal protected areas and in forested areas set aside for managed commercial exploitation is lost each year (FAO 2002).

This large-scale destruction is having severe impacts on downstream agricultural production, the quality of life in many communities, and on global, national and local biodiversity. Developing countries are facing an increasing dilemma: they must balance the food needs of their people with the long-term costs of failing to protect their forest endowments

As protected area systems expanded, the pressure for adequate protection of remaining production forest increased. Timber harvesting could continue in forests outside protected areas but in such a way that the ecological functions were not altered. Concepts of "sustainable forest management" (SFM) began to evolve and through the 1990s much work has been done to define exactly what this means.

Governments, foresters, planners, industry and concerned individuals are beginning to understand that trying to stop people from using forests means losing them through uncontrolled and careless exploitation. Protecting forests requires giving value to them, and to the ecosystem services and products they sustain. Understanding this and effectively implanting it are two different things, however. A multitude of approaches and solutions is slowly being developed, but any successful approach will involve working through a consultative process to identify a mixture of permitted land uses within different regimes of forest protection.

Section 4
Forest certification

Turning the forces of forest loss into agents for forest conservation

Forest certification is a process whereby forest management practices are assessed against an agreed standard. If they meet the standard they can be "certified" as having done so. Forest certification started as a serious endeavour in the early 1990s, when environmental and social NGOs, particularly in Europe, accused wood-trading companies of using illegal wood or wood harvested by destructive practices. Major retailers were accused of driving global forest loss by selling increasing volumes of wood products to a public unaware that their buying decisions were linked to poor forest management practices.

Leading retailers, such as British retailer B&Q, sought a process by which they could be assured that the wood products they traded did not come from poorly managed forests. At that time, no such process existed. A multi-stakeholder consultation process was initiated with the World Wide Fund for Nature (WWF), forest managers, the wood processing industries, NGOs and others that sought to bring together the world's most advanced thinking on what defined SFM or at least what was meant by the term "well managed forest". A rigorous forest management standard was developed. It was intended to be practical rather than theoretical; a workable mechanism was needed by which assessors could go to the field and audit forest management practices against the standard.

In 1993, the Forest Stewardship Council (FSC) was established. It was intended to become the world's preeminent global forest management standard-setting organisation. Its standard comprised ten principles and criteria[1] developed through a multi-stakeholder consultation process and defined globally accepted principles of environmentally appropriate, socially beneficial and economically viable forest management.

From a forest conservation perspective, the FSC standard and its acceptance by a range of stakeholders was a critically important breakthrough. Although not always an easy partnership, through it past conflicts were set aside to reach agreement on a mechanism by which forest could be managed according to a globally accepted standard.

The FSC standard demands, under Principle 6 (Environmental Impact), that "forest management shall conserve biological diversity and its associated values, water resources, soils and unique and fragile ecosystems and landscapes and, by so doing, maintain the ecological functions and the integrity of the forest" (FSC, 1999). The standard identifies ten criteria under Principle 6 by which this should be achieved, including the following:

- an Environmental Impact Assessment should be completed appropriate to the scale and intensity of forest management and uniqueness of the affected resources (Criteria 6.1);
- safeguards shall exist which protect rare, threatened and endangered species and their habitats. Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources (Criteria 6.2);
- ecological functions and values shall be maintained intact, enhanced, or restored (Criteria 6.3); and
- representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources (Criteria 6.4)

Under Principle 9 (Maintenance of High Conservation Value Forest), the standard defines a further four criteria by which "management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of the precautionary approach" (FSC, 1999).

These are critical attributes of the FSC standard because they enshrine the latest thinking on regimes of protection. They provide the greatest opportunity for commercially managed forest to continue to contribute as part of an overall conservation framework that includes formal protected areas. The FSC standard also defines a range of principles to ensure that indigenous and local people continue to have use and access rights to these forests (Principles 2, 3, 4 and 5). This ensures that people's livelihoods are sustained and, more importantly, that they are formally involved and consulted in the forest management decision-making process. Failure to follow these principles means the forest operation would not achieve FSC certification.

Probably the most significant aspect of certification is that forests can be conserved, people can be empowered and companies can make profits, but with relatively few claims on government budgets. Ultimately certification is intended to be a voluntary system paid for by the private sector. It is therefore useful for countries that cannot afford the costs associated with managing and enforcing forest conservation. The private sector, so long an agent of forest loss, can pay for forest conservation because it can recognise the overriding benefits of doing so.

For the system to work, there must be benefits to the companies that implement it. These benefits must come in terms of hard currency; if FSC certification doesn't lead to increased financial returns there will be no business incentive for managing forest according to the standard.

Since the FSC was established in 1993, more than 27 million hectares of forest have been certified as meeting the FSC standard. Like so much that has gone before in forestry, however, there has been a marked bias toward developed countries. Most of the forest certified under the FSC scheme is in temperate, developed countries; over 9 million hectares is in Sweden alone. The UK, other parts of Europe and the U.S. comprise the other major centres for FSC certified forest management. Less than two million hectares of natural forest have been certified in tropical developing countries, more than half in Bolivia. There are no certified natural forests in tropical Africa, only three in Asia and very few in Latin and Central America (outside of Bolivia). Again, this is principally due to a lack of resources, institutional systems and adequately trained staff, and of political lobbyists for more sustainable use of forests.

Despite this bias, forest certification does offer a practical opportunity to transform the traditional drivers of forest loss — principally those in the private sector who have invested in and benefited from ecologically unsustainable wood processing industries — into forces for forest conservation. Wood markets in Europe and, increasingly, in the U.S., are demanding that the wood products they trade originate in FSC certified forests. If tropical forest managers want to maintain access to these valuable markets they must look closely at the FSC forest management standard and adopt their management practices to meet it.

Securing access to European and U.S. markets is an economic lifeline for tropical forest management and wood products trading companies, particularly as the price for wood declines in other major markets, such as China, that are not concerned whether the wood is FSC certified. This pushes tropical developing countries to learn more about FSC certification. More and more tropical forest managers are committing themselves to achieving it; failure to do so means loss of market access and a bleak future for their businesses.

The process holds great promise but it will take time before it begins to have a broad influence on forestry. Certification is a relatively new process in the international wood trade, a traditionally conservative industry still beset by corrupt practices that result in poor forest management. There is resistance to change. Yet, there is a strong feeling in the wood industry that a watershed is being approached and, in the not-too-distant future, failure to achieve FSC certification will mean loss of business. Having gained acceptance, it will take even longer (the standard is very rigorous) to actually improve forest management practices to the point where they can achieve certification. So while this development process is building a critical mass,

the world's forests continue to disappear. Certification is not an instant panacea — it is complex, difficult and most critically costly to achieve — but it does offer hope of a brighter future.

Section 5

Key achievements and challenges

Achievements:

The FSC standard and certification system

A global standard for off-reserve forest management is now in place, which incorporates protected area management, conservation principles and socially beneficial management as fundamental elements of forest planning and management. The system is gaining momentum, with more than 27 million hectares certified, and though tropical developing countries lag behind, there is growing awareness of the benefits of certification and a number of pilot projects are in place. The most important achievement in this respect is that the private sector, so long an agent for global forest loss, is participating in the certification process and showing the potential to become a major force for forest conservation.

Support is growing to assist tropical forest managers achieve the FSC standard:

Key individuals and companies in the private sector, government donors and NGOs understand that for certification to have a positive impact on forest conservation it must be good for business. New partnerships are forming a powerful "forest certification community" that is developing significant momentum aimed at getting more natural tropical forests FSC certified.

The Tropical Forest Trust (TFT) is one initiative that seeks to link the private sector with responsible forest management. The TFT uses investment funds from businesses to provide advice and guidance to tropical forest managers. It does so in partnership with NGOs, governments and industry. The businesses gain a return on their investment by securing supplies of FSC wood. On July 1st, 2002, after two years of collaboration with the TFT, Perak Integrated Timber Complex (PITC), a forest management company in Malaysia, achieved FSC certification, the first such achievement in Peninsular Malaysia.

As part of the certification process for PITC, the TFT funded a biodiversity assessment by WWF Malaysia. As a result of the study and in adherence to FSC Principles 6 and 9, PITC has set aside over 40 per cent of the forest area in either formal protected areas or areas that will not be harvested. This was done to maintain the forest's high conservation value. Specific vulnerable species were discovered in the forest and protected areas were established to maintain breeding areas and habitat.

In Lao PDR, Vietnam and Cambodia, donors, NGOs and governments increasing collaborate to reverse disturbing trends of serious forest loss and establish new initiatives for forest conservation through sensitive, FSC-style management. The Finnish government is supporting a village forestry scheme in Lao PDR that involves FSC certification. When this is achieved, it will be a model for the region. In Vietnam, WWF, Birdlife International and a range of donors are working with the government and the TFT to identify areas where FSC certification could be introduced and could include an extension of the protected area system. In Cambodia, extensive illegal logging during the 1990s, following years of civil war, resulted in major forest loss. The World Bank and Global Witness, an NGO from the UK, have worked collaboratively with the government to halt all logging until better, FSC-style practices can be implemented. The basis for that system is now being set in place for all forestry concessions.

A "use it or lose it" conservation approach is being adopted

Approaches to formal protected area management in poor developing countries recognise the "use it or lose it" principle, which attempts to ensure forest conservation without disenfranchising local/indigenous people or overriding their rights and needs to secure sustainable livelihoods. The FSC process is becoming an essential part of this approach; buffer zone forests are managed according to FSC Principles, thereby complementing on-reserve management. In Vietnam, for example, Birdlife International has proposed a project to the Global Environment Facility (GEF) that aims to raise management capacity in two protected areas. The GEF agreed to provide around US$1 million to support the project if the TFT contributes cash, advice and guidance to assist two buffer zone production forests in achieving FSC certification. This will establish a 100,000 hectare contiguous forest block, managed sensitively for conservation, and provide social and economic benefits.

The British government has recently signed a Memorandum of Understanding (MOU) with the Indonesia government to exclude illegally harvested Indonesian wood products from British markets. The British government is now developing an aid program to support implementation of the MOU. The U.S. government has granted The Nature Conservancy (TNC) and WWF Indonesia (in association with the TFT and others) a US$2.4 million grant over 12 months to make a major push in implementing FSC style management in Indonesia's remaining natural forests while linking and reinforcing the protected area network.

Challenges

There is still only a very small area of FSC-certified forest in the tropics.

Expanding this area should be a high priority of governments, donors and the private sector. Certification provides a practical mechanism to combine regimes of protection that will ensure conservation of forested landscapes. In most tropical countries, it has yet to take hold. In Indonesia, forests are being illegally logged; estimates suggest that the nation's natural forests will be gone in little more than ten years. Such bleak forecasts abound in tropical countries. More money and effort needs to be directed to turning this situation around.

Controlling illegal logging through bilateral agreement backed by aid

The UK Government's MOU with Indonesia makes a strong and clear statement that, from a public policy perspective, it is unacceptable to trade in illegal timber. More governments should follow this lead.

Raising awareness of the FSC scheme amongst all stakeholders

There is a critical lack of awareness of the FSC scheme in tropical countries. Government officials who have been to international meetings and workshops may know of it, but getting that knowledge out into the forest is urgently required. Practical initiatives like the TFT that work in the forest must be supported to transfer this technology to where it is most needed.

At the same time, it is absolutely critical that markets demand more strongly that forests be managed according to FSC principles. Businesses will only do this if there are financial benefits, and they will only see these benefits if their customers demand FSC certified products. More must be done to raise awareness of the FSC at all stages of the supply chain. Initiatives like WWF's Forest and Trade Networks that raise awareness of the FSC must be supported to further develop the demand for FSC certified products.

Getting the private sector involved

In spite of all the work of donors and NGOs, FSC certification will not work unless the private sector is fully involved. Key players in the private sector have made commitments to purchase FSC wood but are struggling to do so due to a critical lack of supply, particularly from tropical countries. Much more could be done if the private sector were to collaborate to make powerful purchasing decisions that will have an impact on forest management. Private sector associations like the World Business Council for Sustainable Development must be encouraged to create collaborative frameworks for companies so that they can increase their influence on forest managers in source countries and not lose money in the meantime.

In line with the approach taken by the TFT, private sector companies could be more proactive about getting forests certified. Many companies have committed to buying FSC wood when it's available, yet only a very small number have committed real money to going out into the field to work with forest managers to get their forests certified. If more companies took this approach, either through the TFT or some other collaborative initiative, the number of tropical forests certified would increase quickly and substantially.

Section 6

Conclusions

The world's forests are disappearing at increasing rates. The United Nations and other international organisations rightly paint a bleak picture of the state of the world's forests. The evolution in thinking in forest management over the past 30 years has been slow. Nevertheless, there is cause for optimism that something can and is being done to turn the situation around. The FSC certification scheme exists and offers a process by which regimes of forest protection can be incorporated into forest planning and management systems that allow for socially beneficial outcomes through stakeholder consultation and economically viable business.

The environmental movement is often ahead of government decision-making, which tends to make important policy changes once the scientific community has demonstrated the need to do so (Caldwell, 1990). Since FSC's inception in the early 1990s, NGOs have supported certification and the scientific community is now strongly behind the scheme. Through the efforts of key donors, an increasing number of governments seem ready to make a major policy shift toward better forest management. This will require forest managers to keep an intensive focus on the FSC process while working closely with formal protected areas. How successfully they do this may determine the future of the world's forests.

Endnote

1. Information on the FSC standard and principles can be found at www.fscoax.org. It is recognised as the world's best definition of "well managed" forest and it comprises social, environmental and economic criteria. It is truly holistic and is constantly being developed and redefined as new information comes to hand.

Section 7

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