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SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP



Certification Problems Undermine Forest Stewardship Council

In September 2015, a Peruvian cargo ship dropped off 71 shipping containers of rainforest wood on the docks of Houston, Texas. At 3.8 million pounds, the shipment was an ample demonstration of the continued flow of lumber from tropical countries into the Northern Hemisphere; laid out end to end it would have covered “several football fields” and had a retail value of \$300,000, the Houston Chronicle reported.

And the wood’s fate shows the criminal practices that still haunt that trade: in early December, American customs officials blocked the import of the shipment, announcing that the wood had been cut illegally and shipped out of Peru on fraudulent permits. Peruvian police carried out further raids in the Amazonian port of Iquitos, resulting in the biggest bust of illegal wood in Peruvian history. The busts were a black mark for a system intended to marshal the power of markets to protect the world’s forests from destructive logging, among other threats. Since the early 1990s, when attempts to build a system of international law to save the world’s tropical forests collapsed, a union of thousands of civil society, environmental, and corporate groups has turned their hope to the market.

The international group they built, the Forest Stewardship Council (FSC), relies on consumer choice to protect the world’s timber market: it certifies operations as environmentally sustainable and socially responsible, with the idea that consumers will pay more for ethically sourced wood. Over the last twenty years, the FSC has grown into the pre-eminent international forest-products certification body, uniting 30,000 member companies and certifying more than 180 million hectares of forest worldwide — an area bigger than Alaska. (There are many similar certification programs, but they are either very small or generally regarded as having less rigorous standards than the FSC. All together some 439 million hectares of forest are certified under one program or another, nearly 11 percent of the world’s total.) A Forest Stewardship Council mark indicates a log has met the organization’s standards for sustainable and ethical sourcing.

The FSC’s standards rest on some of the most enlightened forestry practices in the world. In a timber industry blighted by mafia control, environmental destruction, and targeted murder, the FSC logo promises that the forest products that bear it — from logs to plywood to tissue paper — have been produced legally by free, well-compensated laborers, in accordance with environmental best practices. By creating a specific market for ethical wood, the FSC aims to create a world of ethically run and sustainable forests. But on the ground, it is not clear that the FSC’s regimen has delivered on its promises. That shipment of illegal Peruvian lumber impounded in the Houston docks? And much of the wood confiscated in Peru? According to the Peruvian paper *La Republica*, it came from an FSC-certified company — *Inversiones La Oroza* — down an FSC-certified supply chain. Had the Houston shipment not been caught, it would have ended up on the shelf of an American hardware store, stamped with the FSC logo, its price marked up in accordance with its supposedly ethical source. The Houston seizure is but the latest in a troubling series of cases where FSC-certified forestry operations have turned out not to follow FSC practices — or, in some cases, even the law.

According to environmentalist critics, this lack of consistent enforcement mars both the council’s high standards and the real positive effects of its regimen, casting serious doubt on the value of both its imprimatur and market-based solutions as a whole. A market solution to government inaction To understand the FSC’s current situation, you have to understand that the group emerged as a response to governmental failure. At the 1992 climate talks in



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Rio, attempts to craft an international treaty to protect tropical forests wrecked on historic tensions between the Northern and Southern hemispheres. Put broadly: the North wanted the South to stop cutting down the vast belt of forests that circles the equator. But attempts to get the Northern governments to put money into organizational support in return for keeping those forests standing came to nothing, and Rio passed without a forestry agreement.

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Richard P. Vlosky, Ph.D.
Director, Louisiana Forest Products Development Center
Crosby Land & Resources Endowed Professor of Forest Sector Business Development
Room 227, School of Renewable Natural Resources
Louisiana State University, Baton Rouge, LA 70803
Phone (office): (225) 578-4527; Fax: (225) 578-4251; Mobile Phone: (225) 223-1931
Web Site: www.LFPDC.lsu.edu



President-Elect, Forest Products Society; President-Elect, WoodEMA i.a.

