



Australian
Forest
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Association

AUSTRALIAN FOREST PRODUCTS ASSOCIATION

Public consultation submission on revised FSC
National Risk Assessment and associated High
Conservation Value Evaluation Framework
March 2023



3 March 2023

Stefan Jensen
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Dear Stefan

Public consultation submission on revised FSC National Risk Assessment and associated High Conservation Value Evaluation Framework

AFPA welcomes the opportunity to provide feedback on the revised Australian FSC National Risk Assessment for Controlled Wood (NRA) and the associated High Conservation Value Evaluation Framework (HCV Framework).

As a member of the economic chamber of FSC Australia, we have a number of concerns regarding the reasoning behind the need for an urgent review, as well as with the changes proposed. Please find our concerns set out below.

About Australian Forest Products Association

The Australian Forest Products Association (AFPA) is an economic chamber member of FSC Australia. AFPA is the peak national industry body representing the Australian forest, wood and paper products industry's interests to governments, the general public and other stakeholders on matters relating to the sustainable development and use of Australia's forests and associated manufacturing and marketing of wood and paper products in Australia.

All of AFPA's tree growing members are certified by either FSC or PEFC and our sector is carbon positive with our plantations storing an estimated 258 million tonnes of carbon. Our Industry plants around 70 million plantation trees every year and supports the Federal Government's ambition to plant an additional one billion plantation trees, which will contribute over 500MT CO₂-e by 2050.

Australia's Forest Industries directly employ approximately 80,000 people and another 100,000 indirect employees and is a major employer in many regional towns. Australian Forest Industries contribute \$24 billion to the Australian economy each year. The Australian economy has a trade deficit of timber and forest products of over \$2 billion every year, meaning Australia imports significantly more timber, wood and paper products than we export.

Rationale underpinning review

Our understanding is that an urgent review by the FSC Australia Board was prompted by 'clear and undisputable evidence' of a change in risk determination. The basis of such evidence, was:

- a) changes in legislation, and
- b) complaints handled at the international level.

It is AFPA's view that neither of these elements are substantiated as outlined below.

Justification of process

It is AFPA's view that standards need to be reliable and certificate holders need confidence that rules don't change regularly. Rule changes create business uncertainty.

There was also no 'clear and indisputable evidence' which showed the need for:

- The stakeholder consultation component of the NRA to be updated urgently.
- A change to remnant management requirements. We understand (although we have not reviewed the ASI report) that there was reference to remnant management in the (now withdrawn) ASI report. How can evidence contained within a report be 'clear and undisputable'? in addition, AFPA understands that there were no recommendations regarding remnant management in the report.

Conflict of interest

AFPA also has concerns about inconsistent application of 'conflict of interest' claims. Ms Suzette Weeding has just been vetoed by FSC International from participating as an economic chamber member on the Forest Management Standards Development Group due to her membership of the PEFC international Board. However, on this urgent review panel, the representative from the environment chamber is the brother of a regular complainant regarding remnant vegetation, which is one of the subjects of this urgent revision process. In addition, we understand that this representative has also directly made complaints on this issue previously. We believe this is a clear conflict of interest, where there is at least a perception of partiality. AFPA questions why this conflict of interest was not addressed by FSC Australia by seeking another environment chamber representative for the panel.

Hardwood risk rating

AFPA believes there was insufficient basis for the urgent review. An urgent review can be called if there is 'clear and undisputable evidence' that requires an update to the National Risk Assessment or High Conservation Value Framework.

One of the justifications of the urgent review was the uplisting of koalas and greater gliders on the threatened species list (legislative instrument) of the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC). While a number of changes have been made to the EPBC list since the establishment of the standard, this is the first time a change has been used as a justification of an urgent revision to a FSC Australia document. We are concerned that this establishes an unworkable precedent given that species are added to this list regularly, as well as conservation status' of species changing.

Whilst the koala has recently been uplisted under the EPBC Act threatened species list for NSW, QLD and the ACT, the proposed adjustments to the control measure affects all hardwood plantations across the country, including areas beyond the range of the koala. Importantly AFPA questions why an urgent revision was required on this basis given that a specified risk rating was already in place for NSW and QLD plantations for koalas.

This represents significant scope creep and is not justified.

Subsequently, under the proposed new risk rating, all hardwood plantations which have had an endangered or critically endangered species recorded in the past 5 years will have to use HCV 1 Guidelines and mandatory control measures.

This will mean that an assessment is required of endangered or critically endangered species even if it is very unlikely that these species reside in the plantations. This new requirement would represent a significant increase in the amount of resources – cost and time required to conform with the standard.

The justification given for this change was:

‘growing stakeholder concern that koalas, which are listed as endangered in NSW, QLD and ACT, could be using hardwood plantations in these jurisdictions. Similarly there is stakeholder concern that other endangered and critically endangered species could be using hardwood plantations across the country’.

It is not clear when the ‘stakeholder concern’ was raised, or on what basis it was raised.

It is AFPAs understanding that the uplisting of the koala was not due to plantation management practices. Given the significant increase in workload required by this change, AFPA believes there should be a more considered reason for a blanket change of risk rating, for an urgent review based in science or fact, than ‘*stakeholder concern*’ that other relevant species ‘*could*’ be using hardwood plantations across the country.

Stakeholder consultation

- The proposed changes also require the use of the *Ask First Guide*, a non FSC document, when working with indigenous groups. The document is more than 20 years old, and certificate holders may have established better, more modern processes with local indigenous stakeholders outside processes set out in this document.

AFPA is of the view that it should not be the remit of an urgent review to add such statements and requirements.

Remnant vegetation

The proposed new definition and controls sets a very low bar for what “HCV remnant vegetation” is. If this change was accepted by FSC Australia, there would be two sets of interpretation for what forests are considered to FSC defined High Conservation Values in Australia. There is the detailed definition in Annexe G in The FSC National Forest Stewardship Standard of Australia (FSC-STD-AUS-01-2018 EN) and the interpretations in the National Risk Assessment. This lack of clarity undermines the confidence of the users of the system.

Under the new definition, one piece of vegetation, e.g. one tree or ground cover plant could constitute ‘remnant vegetation’. The proposed control measure for this remnant vegetation is protection of all remnant vegetation (and vegetation which eventually grows underneath), irrespective of whether it is high conservation value, and without any consideration of the landscape around it.

The justification for the new threat assessment was ‘there are concerns that native forest remnants within or adjacent to all plantation types may be converted into plantations’. Whilst there have been a number of complaints that native forest remnants are being cleared during plantation management operations, AFPA understands that these complaints have been by a single stakeholder and that none of these complaints have been verified once independently audited.

It is AFPA’s view that such unfounded claims should not be rewarded with an out-of cycle “urgent” change in the NRA. AFPA is of the view that this change is not backed by scientific evidence, but is based on a small number of people making complaints (which have been unfounded). If this change was to be accepted by FSC Australia it would encourage further frivolous complaints to FSC Australia staff, the FSC Australia board, and also outside the established complaints process to ASI directly.

Beyond scope

It is AFPA's view that there was not a sufficient basis for an urgent review of the National Risk Assessment. However, if the view of the Board was that the review was founded, AFPA is of the view that the review has gone significantly beyond its original scope. As such we believe anything broader than the original remit should be left for the scheduled review of the NRA.

Vexatious claims

AFPA notes that FSC does not have a 'vexatious claimant' policy where, a stakeholder repeatedly proven to be incorrect in their complaints can be excluded from the process. This makes FSC incredibly vulnerable to rapid surges in workload due to unfounded claims. AFPA also notes that the costs of complaints being reviewed by certifying bodies is borne by the certificate holder, with no penalty upon the complainant if it is proven false. The concern arises where a stakeholder lodges the same or very similar complaints in bad faith as the cost is borne by certificate holders to refute complaints which have no merit and were not made in good faith.

AFPA notes that Australian courts have a 'vexatious litigant' process. The courts can declare a person to be a 'vexatious litigant' where a person persistently begins legal actions but doesn't have sufficient grounds for doing so. Vexatious proceedings include cases that are started or pursued:

- to abuse the process of a court or tribunal
- to harass or annoy, to cause delay or detriment, or for another wrongful purpose
- without fair or reasonable grounds.

AFPA strongly recommends FSC Australia investigate the implementation of a vexatious claimant process.

Overlooked considerations

Under the EPBC Act, the following are listed as key threatening processes to biodiversity:

- Aggressive exclusion of birds from potential woodland and forest habitat by over-abundant noisy miners
- Competition and land degradation by rabbits
- Competition and land degradation by unmanaged goats
- Dieback caused by the root-rot fungus (*Phytophthora cinnamomi*)
- Fire regimes that cause declines in biodiversity
- Incidental catch (bycatch) of Sea Turtle during coastal otter-trawling operations within Australian waters north of 28 degrees South
- Incidental catch (or bycatch) of seabirds during oceanic longline fishing operations
- Infection of amphibians with chytrid fungus resulting in chytridiomycosis 23-Jul-2002
- Injury and fatality to vertebrate marine life caused by ingestion of, or entanglement in, harmful marine debris
- Invasion of northern Australia by Gamba Grass and other introduced grasses
- Land clearance
- Loss and degradation of native plant and animal habitat by invasion of escaped garden plants, including aquatic plants
- Loss of biodiversity and ecosystem integrity following invasion by the Yellow Crazy Ant (*Anoplolepis gracilipes*) on Christmas Island, Indian Ocean
- Loss of climatic habitat caused by anthropogenic emissions of greenhouse gases
- Novel biota and their impact on biodiversity
- Predation by European red fox
- Predation by exotic rats on Australian offshore islands of less than 1000 km² (100,000 ha)
- Predation by feral cats
- Predation, Habitat Degradation, Competition and Disease Transmission by Feral Pigs
- Psittacine Circoviral (beak and feather) Disease affecting endangered psittacine species
- The biological effects, including lethal toxic ingestion, caused by Cane Toads (*Bufo marinus*)
- The reduction in the biodiversity of Australian native fauna and flora due to the red imported fire ant, *Solenopsis invicta* (fire ant)

Relevantly, sustainable forest management, where species are replanted/regenerated after harvest, is not listed as a key threatening process to biodiversity under the EPBC Act.

Climate Change

A relevant threatening process that is listed under the EPBC Act is 'loss of climatic habitat caused by anthropogenic emissions of greenhouse gases.'

The Federal Government is committed to achieving a net zero by 2050 target. In addition, it is committed to achieving 43% reduction of 2005 levels by 2030.

Unlike any other industry, forest and forest products industries provide real and material solutions for both sides of the carbon ledger. Working forests actively draw carbon from the atmosphere, and then store it securely in forms that are useful and valuable, like in the built environment. Nature has provided us with a proven approach which we can sustainably leverage for the benefit of all Australians. Forests are the most economically and physically effective carbon capture and storage process currently available. When trees are harvested and replanted, that forest continues to operate as a carbon sink while the harvested wood products store the captured carbon.

The forestry industry will have a strong part to play in Australia achieving its 46% by 2030 target.

Chubb review

In July 2022, Hon Chris Bowen, Minister for Climate Change and Energy [announced](#) an independent review of Australian Carbon Credit Units (ACCUs). The review was headed up by Professor Ian Chubb AC.

On 9 January 2023 the final ACCU Report was released, in the report Professor Chubb says:

“After experimentation and speculation for decades, the only pathway known to science that has the immediate capacity to remove [Greenhouse gases] (CO₂) from the atmosphere at scale is [photosynthesis](#): the mechanism by which plants and some other organisms use light, CO₂ and water to create energy (stored as sugars) to fuel cellular activity and growth.

Science and technology may well develop effective and scalable options to meet the twin challenges of GHG removal and secure long-term (millennial) storage. But to start at scale well before 2050, [the land sector](#) will have to carry much of the immediate load, starting now.”

Photosynthesis is the only carbon capture and storage mechanism available currently, at scale, to the Federal Government. Due to its sequestration capacity, and storage in its products, forestry has a clear role to play in achieving Australia's net zero by 2050 goal. The ACCUs created by plantation forestry sequestering carbon constitute high value credits, and also have the potential to diversify farmer income. This opportunity has been recognised by the Federal Government.

Plantation Establishment Grants

AFPA believes that the proposed change to the FSC Australia National Risk Assessment in relation to remnant vegetation will discourage farmers from participating in FSC certification.

The Federal Labor Government has announced that it will be rolling out an \$86.2 million grant program to encourage the expansion of plantation estate in Australia.

Senator the Hon. Murray Watt, Minister for Agriculture, Fisheries, Forestry and Emergency Management has announced that the intention is for the program to launch in April 2023.

A key focus of the program will be to encourage farmers to adopt farm forestry, planting plantation forestry over existing marginal farmland, increasing forest cover and increasing sustainable timber supply to the Australian market.

It would be disappointing if non-scientific or fact based requirements , such as that proposed in relation to native remnant vegetation, or in relation to the hardwood plantation risk rating, would:

- a) cripple Australia's capacity to respond promptly to the global threat of climate change, or
- b) result in Australian farmers avoiding FSC certification of their new plantations established under the Federal Government's Plantation Establishment Grants.

Concluding comments

It is AFPA's preference that the urgent review be reconsidered and cease, given:

- a) tenuous, 'clear and undisputed evidence' put forward as the basis for it,
- b) the conflict of interest posed by the environmental chamber representative on the review panel,
- c) the concurrent FSC International review of the Controlled Wood Risk Assessment Framework, which will trigger a full review of the NRA anyway (hopefully to be conducted by a more balanced review team, including technical experts), and
- d) The proposed changes that are not based in science are likely to have the real impact of reducing Australia's capacity to respond to the climate change challenge, and run contrary to Australian Government Policy.

Thank you for providing AFPA with the opportunity to provide feedback on the revised Australian FSC National Risk Assessment for Controlled Wood and the associated HCV Evaluation Framework. If you have any queries regarding this submission, please contact Sara Bray, Senior Policy Manager sara.bray@ausfpa.com.au.



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AFPA is the peak national industry body representing the resources, processing, and pulp and paper industries covering the forest products value chain.

AFPA represents all elements of the value chain from the sustainable harvesting of plantations and multiple use natural forest resource including forest establishment and management, harvesting and haulage, processing of timber resources and manufacture of pulp and paper.