

## **Launch of Forest Stewardship Council**

**Comments by Andrew Hewett**

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**Oxfam Australia**

Thank you for the opportunity to speak to you this afternoon.

it is a pleasure to be part of this important occasion to launch an Australian FSC Initiative.

It is not only important for Australia's forests, but for forests in the Asia Pacific Region and the markets that supply Australia with wood products.

I will return to that in a moment.

First let me tell you a bit about Oxfam.

Oxfam Australia is the Australian member of the Oxfam International network. We're a development agency which works in partnership with local community based non government organisations throughout the developing world. Collectively the Oxfams work in over 100 countries.

Adopting a rights based approach to development we work for global social justice through long term development programming, responding to humanitarian emergencies and through advocacy

and campaigning to achieve changes in the policies and practices of governments, corporations or multilateral organisations.

Oxfam Australia's vision is of a fair world in which people control their own lives, their basic rights are achieved and the environment is sustained.

We aim to increase the number of people who have a sustainable livelihood, access to social services, an effective voice in decisions, safety from conflict and disaster, and equal rights and status.

So what has all this got to do with forests?

A fairly simple static sums it up:

More than 90 percent of the 1.2 billion people living in extreme poverty in the world today depend on forests for some part of their livelihoods. (World Bank figures)

Poverty and forestry are linked.

You can't look at poverty and not see the relationship poor people have with forests.

At the same time, you can't look at forests and not see their relationship they have with the world's rural poor.

According to the Centre for International Forestry Research (CIFOR), poor rural families depend heavily on what they call *wild* resources.

- They use them to get fuels, foods, medicines, construction materials, fertilizers and cash
- It is common for them to obtain 10 to 30 percent of their income from these sources
- Reliance on these resources often increases in time of personal, family or social hardship

And like in so many areas, when it comes to forests the rich and powerful get richer at the expense of the poor. According to CIFOR:

- Many governments essentially expropriate villagers' rights over local forests.
- Governments give logging companies and large farmers preferential access to publicly owned forests
- Governments subsidise large scale logging operations
- Corrupt officials often demand bribes from small-scale informal harvesters and traders, and
- Conservation policies – if not handled properly – can deprive the poor of access to forest resources.

So for those reasons alone, the balance FSC provides to social and community issues in its processes is important to ensuring the interests of the poor and of communities are part of the equation.

FSC standards for responsible forest management need to be arrived at through inclusive processes based on reaching consensus between all relevant stakeholders.

And FSC Principles and Criteria – the basis for the whole system – provide recognition to issues such as:

- Customary tenure over land
- Indigenous peoples' rights
- Community relations and workers rights
- And recognition of the full range of economic, social and environmental benefits from forests

These issues are important to ensuring balance in how decisions are made about forests and in recognising both the place and the rights of local communities who, as we have noted, include the world's poorest people.

But FSC can do more than just passively ensuring everyone is recognised.

FSC can provide a strong incentive for poor communities to manage their forests responsibly – in line with FSC standards – rather than give-in to the bribes or threats of loggers who are contributing to deforestation.

FSC encourages communities to see their forests as assets that have a real value and need to be managed for the benefit of their children and their children's children.

In some parts of the world, communities adopting FSC standards receive substantial premiums for their wood. Enough to provide a very strong incentive for others to enter the FSC system.

In this respect there can be a strong link between dealing with poverty and dealing with deforestation - through managing the world's forests responsibly.

There is another important role for FSC that I would like to touch on briefly and that is the role FSC can play in tackling the insidious trade in illegal wood.

Unfortunately, our governments seem moribund when it comes to tackling this trade that robs the world's poorest of their resources, deprives governments in developing countries of income and promotes corruption.

Forests threatened by illegal logging are home to an estimated fifty million indigenous people and play an important cultural and social role in many countries.

They support positive development opportunities such as eco-tourism and non-timber product markets.

The World Bank estimates billions of dollars of revenue are being lost to governments in the world's poorest countries because of this trade.

It was estimated that Australia's share of this trade is at least \$400 million a year.

FSC offers consumers a simple tool to 'say no' to this trade.

In the same way FSC empowers consumers to make choices about the local wood they buy, FSC empowers consumers to do their bit to stop the trade by not buying that outdoor setting for instance - unless it has an FSC label.

There are alternatives to the bad forestry that is going on in these countries.

Oxfam works with forest communities in the Pacific and elsewhere.

In the Solomon Islands, for instance, we're supporting the Solomon Islands Development Trust's **Eco-Forestry Program**. This Program works in five provinces to promote the conservation and sustainable use of forest resources. Community forums increase awareness of the value of forests and the potential long-term negative impacts of large-scale commercial logging. The program also works with interested communities to establish community-based eco-forestry enterprises, which provide a

sustainable means of generating cash flows whilst protecting the environment.

Other development and environment agencies, including some which are represented here today, support similar programs which aim to advance the rights of people dependant upon forests for their livelihoods

It is important that we support communities who are dependent on forests.

FSC gives us the ability to discriminate between the illegal and unsustainably harvested product and the product that is helping to promote development and protect the rights of people in the world's poorest countries.

In that respect I commend FSC Australia for not limiting its sights to just Australia but for accepting it has a role in promoting responsible forest management in countries supplying the Australian market.

So in summary let me just reiterate my main points:

- FSC is important because of the recognition it provides to communities, indigenous people and workers in deciding how to implement responsible forest management

- It can provide a place where community development and environment protection share a common purpose in addressing one of the world most important problems – deforestation
- Finally, it provides consumers with an important tool to discriminate between responsible forestry and illegal unsustainable forestry and ‘vote with their pocket’ for the type of forestry they want to support.

In conclusions can I congratulate everyone associated with this initiative, wish the initiative well and look forward to working with you all in the future to address our mutual interests in communities and the environment.

Thank you