



Foods, Forests, Fibre & Fish in the 21st century

From source to shop floor...?





Crisis in Confidence

- Forestry, fishing and agriculture can have a huge impact on the environment and biodiversity
 - loss of habitat
 - environmentally destructive practices leading to soil erosion and pollution of waterways
- Social and economic impact of poor natural resource management of great concern
 - doubts over sustainability of the resource base, eg marine fisheries, tropical forests
 - impact on local communities, eg social dislocation



The Rise of Market Awareness

- Market Awareness
 - Growing awareness of, and sensitivity to, the environmental impact “footprint” of natural resource commodities such as timber & fish
 - Global concern about unsustainable agricultural practices
- Key Question
 - How do you demonstrate natural resources are being managed responsibly?
- Response
 - Development of certification schemes to demonstrate responsible natural resource management linked to the market demand for commodities from well-managed sources



Linking Sources with Markets

- Key attributes of Credible Certification Schemes
 - based on broadly supported performance standards for resource management
 - multi-stakeholder participation in the development of standards
 - independently audited
 - Chain-of-custody audit
 - logo and global recognition
- Case Study
 - Forest Stewardship Council and WWF's Global Forest & Trade Network



The world's forest estate is threatened

- Half of the world's forest has already been lost
- Deforestation continues in environmentally and socially sensitive areas
- Illegal logging and poor practice are widespread



Forest Certification

The Forest Stewardship Council

- Membership based organisation with economic, social and environmental interests
- 10 Principles and Criteria for Forest Stewardship
- FSC certification encompasses environmental, social and economic issues to encourage sustainable forest management worldwide
- Certification to broadly supported standards undertaken by FSC accredited certification organisations
- Chain-of-custody audit
- On-product logo





Forest Certification

Forest Stewardship Council

- 20 million hectares FSC certified in a diverse range of developed and developing countries
- A range of forest types - tropical, temperate and plantations
- 700 companies globally committed to the supply and/or purchase of certified timber

From certified forest...
...to environmentally and socially responsible products



Who are the leaders of change?

WWF research has shown that the world's forest industry is dominated by a few companies.

- **The Big Processors**
 - 50 companies process 43% of the world's annual wood harvest.
- **The Big Buyers (excluding processors)**
 - 50 companies purchase 10% of the annual wood harvest
- However, no company can develop solutions working alone.



Environmental Claims

- Industry are not the leaders when it comes to trust on environmental issues. Public is sceptical of environmental claims based on self-assessment.
- For environmental claims to be credible, they must be **broadly supported** and **independently verified**



The Global Forest and Trade Network

Leaders for responsible forestry

- A partnership between industry and environmental & social groups that is committed to:
 - producing and purchasing forest products from well-managed forests
 - supporting independent certification such as the FSC
- A network of about 700 companies including
 - forest product companies
 - manufacturers
 - wholesalers
 - financial institutions, consultants & specifiers
 - retailers and hardware



The Global Forest and Trade Network

Leaders for responsible forestry

- The membership of the Global Forest & Trade Network:
 - have a combined total annual sales turnover of US\$180 billion
 - represent 7% of world industrial wood consumption
- Why are companies joining the Network?
 - Demonstrate corporate responsibility to stakeholders on an important environmental issue
 - Enable product differentiation on the basis on environmental credentials
 - Access and retention of environmentally sensitive markets
 - Increasing market share and product differentiation
 - Continuity of supply of a key commodity
 - Better management of environmental risks



3.3 million
hectares

Europe's Largest Forest Owner



FSC certified

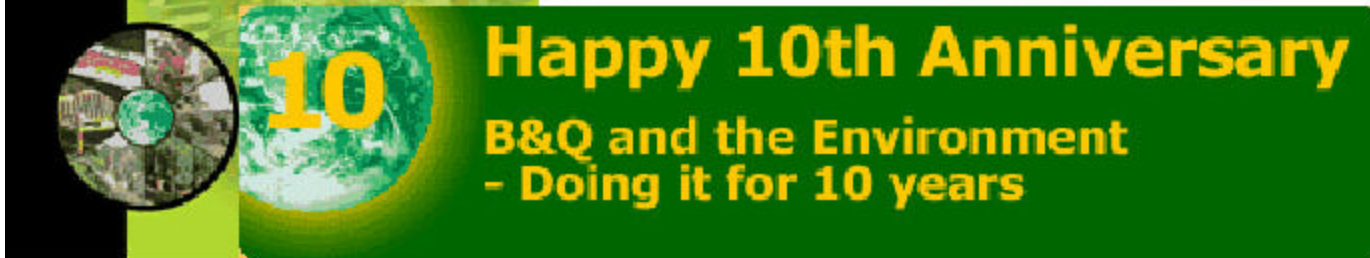


“At AssiDomän, we are certain that the market for certified forestry products will increase in line with the growing environmental awareness. We already sell FSC-certified timber to England, Holland, Belgium and Germany.”





Members include leaders in Europe's DIY sector





The UK's Largest Hardwood Importer



“....., in late 1999, the company took the significant decision to join the WWF 95 Plus Group and commit to sourcing 50% of all timber purchases from forests independently certified by the Forest Stewardship Council by 2005.”





The Paper and Panel Products Sector

Paper mills, printers, publishers,
stationer's and retailers



kronospan
SWITZERLAND

Panel products from
Brazil to Switzerland



The World's Largest DIY store



“over 1000 stores in the United States, Canada, Puerto Rico, Chile and Argentina”



“Over the last six years, we have introduced new FSC-certified products
Rest assured, as more of these products become available, The Home Depot will carry them.”



Agriculture & Food

- Marine Stewardship Council (MSC)
 - launched as a partnership between WWF and Unilever
 - Independent certification of marine fisheries against the MSC's Principles for Sustainable Fisheries Management
 - First few fisheries recently certified, including the Western Rock Lobster Fishery (WA) and Hoki Fishery (NZ)
- Unilever's Sustainable Agriculture Project
 - Under development
 - Two thirds of Unilever's raw materials come from agriculture
 - Developed 10 sustainability indicators
 - Five crops - palm oil, tea, tomatoes, peas & spinach - are being evaluated against these indicators
 - Recognition of the critical importance of sustainable agricultural systems



Agriculture & Food

Applicability of Certification?

- Urgent need for mechanism to demonstrate responsible production of all food and agricultural products
- Agriculture & Pastoralism cover 70% of Australia
 - Agriculture is considered a threatening process for biodiversity in 35% of Australia's bio-geographic regions and grazing in 50%
 - 20% of Australia's bio-geographic regions are now largely modified with natural ecosystems occupying a very small proportion of the regions.
 - Predicted increase of dryland salinity in Australia from 1.8 million hectares to up to 50 million hectares by 2050
- Widespread awareness in Australia of unsustainable agricultural practices - where to from here?



Agriculture & Food

Applicability of Certification?

- Major attributes of certification schemes could be applied to agriculture and food production to demonstrate responsible production
- Key Issues for the Agriculture & Food Sectors and stakeholders:
 - Incorporate environmental protection measures as well as restoration
 - How to address landscape scale issues?
 - How best can links to the market-place be made?



Summary

- Growing commitment by industry to the Principles of Sustainable Development
- Sustainability would be advanced by the Food & Agribusiness sectors credibly demonstrating well managed agriculture and food production, in addition to timber and fish
- Credible certification schemes are likely to play a major role in proving good performance to customers, employees and shareholders