The increasing importance of forests to the prosperity of people.

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Why are forests important?

Forests have many functions for local people, for societies and for the planet as a whole. They provide food, building materials, shelter, medicines and fuel. They keep soils in place and act as giant sponges, globally providing an estimated 75 percent of usable water1. They are the home of most plants and animals; they provide genetic diversity; they play an important role in climate regulation.

International trade and industrialization would not have been possible without timber, for ships, for energy and as the basis of products. Paper is essentially a forest product, and the forest constitutes an essential resource for furniture and the construction of buildings, including floors, ceilings, etc.

Forests still provide livelihoods for much of the world’s population, particularly in the tropics. A billion people are entirely or partly dependent on forests for food, shelter, fuel and economic activities, and another billion depend on them for fuel for cooking and heating.

Our dependence on forests will only increase

Forests are an essential element of our past and future. WWF’s recent Living Forests Report underlines the dimensions of the challenge: by 2030 the use of timber will more than double; in 2050 timber use will be between three and four times what it was in 2010. One scenario is linked to an ambitious but necessary shift towards the use of renewable and climate-neutral resources, including forest products, but even in the “do-nothing” scenario a similarly rapid increase is indicated.

WWF, in particular, expects a dramatic increase in the non-household use of wood as fuel, but demand for saw wood, veneer and pulp is also likely to increase considerably. Indeed forest products will play an essential role in a global economy that reduces impact on the environment:

- Biomass now provides 9 percent of global primary energy supply, and it will increasingly replace fossil fuel for electricity and heat production. While some of it will come from agriculture and waste, these sources are limited and in agriculture there is competition with food and fiber production.

- In construction, green building methods will increase the use of timber as this has a smaller ecological footprint than, in particular, cement and bricks, and better energy-isolation characteristics.

- Forest materials will increasingly be used to replace fossil substances in plastics, chemicals, etc.

How are forests doing?

Throughout history, the planet has lost an important part of its forest cover, initially in the northern hemisphere. In recent decades, forest degradation and deforestation have been concentrated in tropical regions. Reasons include clearing for cattle, commercial agriculture, plantations, infrastructure, urbanization and weak law-enforcement. This has led to both positive and negative social impacts, but the current trend is clearly negative, sometimes dramatically so.

NGOs, governments and business have started to act to reverse the trend, but with mixed results: according to the UN Food and Agriculture Organization (FAO) the global loss of natural forests slowed somewhat from 16 million hectares a year in the period 1990–2000 to 13 million hectares a year during 2000–2010. Even this lower rate, which represents a yearly loss of area comparable in size to Nicaragua, is (as the FAO points out) alarmingly high. From a total global forest area of 4 billion hectares, this is a 7 percent loss in just 20 years.

Part of the loss of natural forest cover is compensated for by an increase of 50 million hectares of globally planted forest in the last decade. According to FAO, tree plantations today represent nearly 7 percent of the world’s total forest area.

The resulting trends differ considerably across the planet: the EU and the US see a (slow) increase in forest cover after centuries of loss; Russia and Canada are stable; Africa and Indonesia are losing forest cover fast (5 percent in 10 years); Latin America too (4.5 percent in 10 years); Australia saw dramatic losses recently (3 percent between 2005 and 2010). The most impressive increases are seen in China (15.7 percent in 10 years) due to a combination of protection of natural forests and rapid growth of plantations. About 30 percent of plantations in the world are in China.2

Impacts of deforestation and forest degradation

Not all forests have the same value in terms of biodiversity, environment, and social and economic meaning. The figures above do not show the degradation of forests that is happening in many places. Planted forests are very important for the production of timber (some 65 percent of global industrial wood-supply, according to the FAO), but their biodiversity and environmental value is normally much less than natural forests.

There is a clear environmental concern about deforestation and forest degradation. The Intergovernmental Panel on Climate Change (IPCC) estimates that 17 percent of anthropogenic emissions of greenhouse gases is due to deforestation and forest degradation – more than either the agriculture or transport sectors.

But it does not stop there. Deforestation and forest degradation can cause important losses of fertile soil and clean and reliable water reserves, destabilizing weather and wiping out plant and animal species. Social impacts should not be underestimated either: forests are a source of food, fuel, construction materials, jobs and shelter for people.

In many cases, conversion into agricultural land is the cause of deforestation, but often this leads to only temporary economic gains. According to the United Nations Environment Programme (UNEP): “…deforestation and forest degradation may produce attractive short-term returns, but the cost of annual losses of natural forest capital due to deforestation and degradation has been estimated at $2 trillion to $4.5 trillion per year.3

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3. UNEP/FSC/277/004/It. Environmental Challenges within sustainable development and the contribution of the UNEP to the sustainable development goals and the promotion of sustainable consumption and production. Discussion paper by the executive director.
An important issue is the massive illegal logging taking place in the world. This can have dramatic local impacts, violating the rights of indigenous and other people, undermining environmental laws, leading to degradation of the forest, and reducing the economic benefits of forest use. UNEP and INTERPOL estimate global illegal logging at up to 30 per cent of total timber harvesting, with a value of between $30 and $100 billion per year.¹

How to maintain forests for people and planet

We cannot deny the spatial impacts of a fast-growing population and the need for increased production of food and goods, or that the claims of the global population have surpassed the capacity of the planet. We need to realize sustainable and fair production and consumption patterns – in the environmental, social and economic senses – or face chaos and disaster.

Halting deforestation and forest degradation is essential to sustainable development. We need to be able to rely on forests in the future for all the uses mentioned above. There is not one single policy to achieve this but rather a combination of:

a. Promotion of sustainable management of, in particular, forests that are managed for human needs;
b. Protection of valuable natural forest areas;
c. Fighting illegal logging;
d. Integrated spatial landscape policies, including reforestation and forest restoration programmes;
e. Efficient production and consumption to limit the demand for forest resources.

All solutions have to be environmentally effective, socially acceptable and even attractive, and they must make economic sense.

It is important to see forests as part of the ‘global commons’: we must halt the decline of forests for the sake of the planet itself; we must maintain and reinforce their multiple functions, and cooperate as governments, international institutions, business and civil society organizations in achieving this.

What governments should do

They should implement, through national programmes, partnerships with business and civil society and the Aichi Biodiversity Targets, in particular 5, 7 and 15, which by 2020 aim to:

- At least halve the loss of forests and where feasible bring it close to zero;
- Significantly reduce degradation and fragmentation and manage forests sustainably, ensuring conservation of biodiversity;
- Restore 15 percent of currently degraded ecosystems, which include forests.

Governments should systematically practice ‘sustainable public procurement’ for forest products. This entails demanding clear evidence of sustainable forest management, such as FSC certificates. They should also create the right fiscal and financial conditions to mainstream payments for ecosystem services in economies, promote ‘cascaded’ use of timber where feasible (for durable goods and paper first, and waste for fuel), and set sustainability criteria for the use of biomass energy.

Governments should take part in the Bonn Challenge, initiated by the Global Partnership on Forest Landscape Restoration, aiming for restoration of 150 million hectares of degraded landscapes by 2020. According to the World Resources Institute, an estimated 2 billion hectares of degraded and deforested land worldwide could be transformed into resilient, multifunctional assets for rural communities.

Companies have a crucial role

As part of corporate social responsibility, companies should invest in long-term resource availability: plantations should be sustainably managed; foresters should be paid a fair price for sustainably produced forest products; only credible certificates such as FSC’s should be relied on in purchasing to avoid ‘greenwashing’ and losses for clients.

Initiatives such as the European paper industry’s ‘Roadmap 2050’ should be supported, focusing on efficiency in the use of resources and innovation driven by long-term societal interests.

The role of FSC

FSC promotes sustainable forest management. Currently 170 million hectares in 80 countries, some 15 percent of the world’s managed forests are certified by FSC – meaning they are managed according to the environmental, social and economic requirements agreed by relevant stakeholders, and to FSC standards. Almost 25,000 companies in supply-chains in 111 countries are being controlled in their purchase, trade and use of FSC-certified materials, so that the end-user, seeing FSC labels, can be confident the product he or she buys is based on resources from sustainably managed or controlled forests.² We estimate that FSC currently covers about 20 per cent of the total trade in timber and timber-based products. For foresters, an FSC certificate means access to a fast-growing market, and in some cases also better prices.

A big advantage of FSC is that it is a truly global organization, so that stakeholders and buyers can be sure that the requirements for sustainable forest management are equally ambitious in their regional adaptations.

FSC promotes the use of forest products because, if sustainably harvested, they have a smaller ecological footprint than other resources and create social as well as economic opportunities for forest people. However, we need to combine this with resource efficiency. The estimates of increases in demand by FAO and WWF are worrying. Even with dramatically increased areas of planted forests and successful restoration, and even if it is all managed according to FSC requirements, this would be a challenge.

³ FSC allows for a maximum of 30 percent of timber in FSC-labelled products that do not come from FSC-certified forests, but is controlled for a set of five criteria, including legality.
An example is the FSC certificate and logo for recycled paper. This logo supports the use of recycled paper, ensuring at least 85 percent of the material had completed its life-cycle ‘post-consumer’. The remaining part can be ‘pre-consumer’, such as waste from printing houses and the like.

FSC developed the concept of ‘high conservation-value areas’ and established rules for their management: these need special attention and precautionary management so that they are effectively maintained. High conservation values are often linked with the provision of ecosystem services that are potentially an important future revenue source. FSC is currently expanding on this with a multi-country project to develop and pilot an approach to the Forest Certification for Ecosystem Services – the ‘ForCES project’.

How are we doing?

In the northern hemisphere, FSC has made a considerable difference. In Europe, several countries have half or more of their forests FSC certified, including the Baltic states, Ireland, Belarus, Bosnia and Herzegovina, Switzerland, Poland (even 75%), Croatia (nearly 100%). In Sweden 41% is FSC certified; in Canada almost 18%. And in Russia, the country with the largest forest area in the world, 33 million ha already been certified. In the tropics the percentage of FSC-certified forests is still low. Prevalence of illegal logging, poor enforcement of national legislation, uncertainties over traditional property rights and lack of capital make certification more difficult; and that is regrettable because for these forests the impact of FSC certification can be huge, in social, environmental and economic terms. It needs determination on the part of concession holders, owners, communities, investors and sponsors to realize the necessary management.

While the governance issues are huge, we do see improvements: a number of countries have started implementing agreements with the EU about forest legality and governance; in Brazil plantation-owners have overwhelmingly opted for FSC’s management requirements, and the government passed a law that incorporates many FSC principles.

Certification of plantations is disputed by some NGOs. They are concerned it legitimizes a degraded environment that cannot provide the many benefits of natural forests. FSC agrees that natural forests have priority and prohibits conversion of such forests to plantations or other uses. But some of the plantations date back decades; others were created on degraded lands. FSC certification ensures that plantations do not impact negatively on wider ecosystems, that staff and local people are treated with respect, and that development is fostered. Demand for forest products will grow rapidly in the coming decades. Plantations will be even more vital to reduce the pressure upon natural forests.

Some large companies, members of FSC, are making a huge difference by going for 100 percent FSC-certification in their supply chains and by expanding their reliance on the FSC scheme every year.

Mainstreaming sustainable forest management is one important contribution to halting the global decline of forests. FSC has been leading the way in formulating the practical requirements. It has set up a strict third-party monitoring system, and it enabled a steadily growing market for products from certified forests. It is a success story, and we are still getting bigger and better.

Can we solve the problem?

FSC cannot tackle all the causes of forest decline as long as markets favour exploitative business practices and short-term profit maximization; it is a market instrument for a green economy but without the authority to simply bring one about. FSC has been successful in preventing forest degradation and improving the social and environmental impacts of planted forests in certified entities. And we believe the more our impact on the market grows, the more heavily forested countries around the world will understand that there is an economic future with responsible forest management; in fact, there is no alternative.

Ensuring the maintenance of the world’s forests needs determined and permanent government leadership, promoting all five essential approaches: enforcement of relevant laws, promotion of sustainable forest management, protection of sensitive areas and intact forest landscapes, and efficiency in the use of forest products. FSC can help to combine this goal with expanding the social and economic prospects for the people closely affected.

At the global level we need leadership: coordinated financial efforts to maintain the large tropical forest areas that remain, starting with the idea that they belong to the global commons while respecting national sovereignty. This should be combined with determined action against the illegal timber trade, following the examples of the USA, Australia and now the EU.

Saving the remaining forests and turning forest management into a key driver for sustainable development is a common challenge for governments, business and civil society. It requires us to look collectively at the longer term while addressing immediate problems such as poverty, inequality and environmental degradation. FSC is determined to continue playing its role.

Sources used:
- CIFOR fact sheets produced for the 8th roundtable at Rio+20.
- Impact, a publication of FSC with National Geographic magazine, 2011.
- UNEP/GC.27/16/Add.1, ‘Environmental challenges within sustainable development and the contribution of the UNEP to the sustainable development goals and the promotion of sustainable consumption and production,’ discussion paper by the executive director.
- UNEP Global Environmental Outlook 5.
The Forest Stewardship Council® (FSC) is an independent organization that promotes environmentally sound, socially beneficial, and economically viable management of the world’s forests.

FSC’s vision is that the world’s forests meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.