

# Forest Views

a newsletter for customers and investors of Canadian logging companies

SPRING 2003

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Al Harvey/Slidefarm

**"...many corporate buyers perceive (the B.C.) government to be too close to industry to be considered an objective source..."** IBM client The Institute for Media, Policy and Civil Society. Press release, March 11, 2003.

**"We will no longer allow any further timber to be removed from our area by International Forest Products, Kwatna Timber, Helifor or other persons who are not closely affiliated with and supported by our communities".** Eviction notice issued to Interfor, Feb. 21, 2003 by the Nuxalk Nation Council and the Central Coast Regional District Board of Directors.

**B**.C. environmentalists welcomed the release on March 11, 2003 of a report by IBM Business Consulting Services. The report, entitled *"A Greenward Shift in the Market for Forest Products from British Columbia"* concludes that a majority of B.C. forest product customers believe environmental pro-

curement is here to stay and will become standard practice throughout the industry.

A qualitative survey of 30 major customers, who purchase more than \$2 billion worth of B.C. forest products, the IBM analysis indicates that forest producing regions that do not respond to this "greenward" shift are increasingly at

risk of losing market share. Forest product customers interviewed for the report included Home Depot, BBC Worldwide, Tribune Co. and Japanese home-building firm Mitsui.

Two-thirds of the corporate buyers indicated that B.C. producers need to take environmental concerns more seriously.

## Global Buyers of Wood Products Going Green

### IBM report shows environmental procurement is here to stay



Barry Calhoun; Garth Lenz (rainforest)

**S**pecific comments from customers include: "Take a lead – these will be the suppliers we will work with when we return to previously controversial areas."

"Generally, producers that supply the largest volume are on a certification track. In 3-5 years certified (forest products) will be the norm. 'Non-certified' suppliers will become the exception and find it difficult to win business."

As summarized by the Institute for Media, Policy and Civil Society of Vancouver, who commissioned the IBM report, the overarching messages were clear:

**1. Producers:** regardless of how good you believe your forest practices to be, it is time to move from 'doing it' to 'proving it.' Without independent environmental forest certification, your market share is in jeopardy.

**2. Government:** while some have confidence in the provincial regulatory regime, many corporate buyers perceive government to be too close to industry

to be considered an objective source of assurance, and legislation an inadequate 'market signal' of environmental credentials.

**"Most customers believe that environmental procurement is here to stay and will become a standard practice. Most of the buyers of BC forest products agreed, and indicated that producers who ignore environmental requirements could be punished."** IBM Report, "A Greenward Shift in the Market for B.C. Forest Products."

**3. Environmental Groups:** the time for rhetoric and conflict is over. While these approaches have been effective from a marketing perspective and in raising awareness of the issues, it is time to work with stakeholders, to educate end-consumers and to foster demand among the public for 'green' products.

IBM's analysis concluded that "The shift is real, buyers believe it will continue, and it will have a negative impact on forest regions and producers that do not respond to it."

A buyer of B.C. wood products gets the final word: "Until implementation of 'joint solutions' occurs, we will not source from B.C. – there has to be sign off on the next round." Greenpeace remains committed to working for the implementation of real solutions.

# British Columbia Government Turns Back the Clock on the Environment

While the Liberal government has not reneged on the Great Bear Rainforest agreement – yet – its track record on environmental issues is the cause of increasing alarm throughout British Columbia and the nation.

The Ministry of the Environment has been abolished and replaced with the Ministry of Water, Land and Air Protection (WALP) which is largely responsible for parks management, not environmental protection. WALP has exercised this responsibility by closing numerous parks throughout the province, while slashing and privatizing services in others. Environmental monitoring and enforcement staffing levels have been decimated.

Since taking office in 2001, the B.C. government has consistently turned back the clock on B.C.'s environment.

The province abandoned its role as a global leader in controlling pulp and paper mill pollution, overturning the groundbreaking environmental standards set by the previous government. The Campbell Liberal government is defying the Kyoto Protocol and has announced its intention to open B.C. to coal-fired power generating plants.

Despite long-standing federal and provincial moratoria, the Liberal government is determined to pursue offshore oil and gas drilling in the earthquake-prone waters off the central coast and Haida Gwaii – an area known to marine biologists as “the Galapagos of the north.”

In blows that struck at the heart of environmental sensibilities in B.C., the Campbell Liberals overturned the moratorium on the trophy and sport hunting of grizzly bears, and recently announced a targeted wolf kill program for the Rocky Mountain wilderness protection area known as the Muskwa-Kechika. Wolves will be killed to boost the populations of elk, moose, caribou and stone mountain sheep for the benefit of trophy hunters.

Nowhere is the Campbell government's abysmal environmental record more apparent than in its handing of B.C. forests.

The government's agenda is designed to pay lip service to biodiversity while meeting the needs of corporations through the provision of security, flexibility and control over public forests.

Changes to the Forest Practices Code will ensure greater flexibility and control over operations for logging companies. For years, the Code has been B.C.'s sole, albeit inadequate, defense against accusations of unsustainable logging. Gordon Campbell's Liberal government is scrapping the Code and replacing it with a “results-based” standard under which the logging industry becomes virtually self-regulating. The responsibility to plan for biodiversity protection has been removed from government biologists and placed in the hands of the logging industry. The requirement to give public notice of logging plans and to consult with interested stakeholders, including other industries such as tourism, has been eliminated.

What's more, raw log exports have soared in recent years, and B.C. processing and value-added forestry jobs are leaving the country with every ship and trainload of logs and cants. In 1997, the province exported 269,694 cubic metres of raw logs. By the second quarter of 2002, exports totaled 1,784,000 cubic metres for a projected annual total of 3,568,000 cubic metres.

The proposed “Working forest” legislation will give corporations strong new rights and virtually guaranteed access to public lands and resources, to the detriment of

First Nations, public and environmental interests. For example, in March 2003, ten years after hundreds of citizens were arrested for trying to protect the ancient forests of B.C.'s Clayoquot Sound, the government stated they would designate the United Nation's Clayoquot Sound Biosphere Reserve as part of the their “working forest” land base.

Finally, while B.C.'s wild salmon are the foundation of the coastal ecosystem – providing the nutrients that support bears, wolves, eagles, orca whales and the forest itself – Campbell's Liberals have lifted the moratorium on open net cage fish farm expansion. This industry brings with it a host of threats to the survival of wild Pacific salmon.

The Great Bear Rainforest solutions process may yet succeed. But the Campbell government's record on environmental issues does not augur well for the prospect of a biologically sound outcome receiving full provincial backing.

**"From forestry to fish farms, from education to the environment, from the economy to the integrity of those at the cabinet table, the Liberals have brought shame upon their offices, and disrepute to their policies"** Joy MacPhail, MLA, Leader of the Opposition

**"The Liberals are so bad they're driving voters our way. People want clean green energy, wild salmon, value-added forestry and locally-controlled economies, not environmental destruction."** Adriane Carr, BC Green Party Leader.



# Great Bear Rainforest Agreement Second Anniversary Report Card

Two years after the signing of the historic Great Bear Rainforest Agreement, environmental groups released a report card to evaluate the progress of implementation. Greenpeace and other environmental

organizations say Gordon Campbell's Liberal government is sending mixed messages about its willingness to live up to the Agreement. The groups had no choice but to award dismal grades.

## **PROTECTION: D-**

Two years after the historic "peace in the woods" agreement, none of the valleys have been permanently protected. In May 2002, the BC government passed Orders in Council to place the valleys in "interim" protection. However, this designation expires on June 30, 2003, and at that time the valleys will have no protection from development and logging could resume anytime.

## **CREDIBLE SCIENCE: C+**

A strong team of biologists and ecologists has been pulled together, and good work is being done on the ecosystem-based management framework. However, the work of the independent Coast Information Team (CIT) remains under-funded and behind schedule.

The delays are due to government's sluggish delivery of critical scientific data and analysis, largely because of ill-advised reductions in technical capacity, as well as significant delays from forest licensees.

## **ECOLOGICAL MANAGEMENT AND PLANNING: F**

The provincial government has been slow in providing essential data and analysis to the CIT which, in turn, has been unable to meet the timetable for delivery of information to the planning table. Instead of delaying discussion until they have credible information to inform discussion, the government is forcing the table to go over old ground.

## **MANAGING CHANGE: B-**

While there have been some positive steps, B.C.'s Liberal government has slashed existing community economic development programmes on the coast and the infrastructure for assisting with economic diversification has not been replaced.

## **FIRST NATIONS RIGHTS AND TITLE: D**

The First Nations participating in Turning Point – a coastal First Nations' initiative – have successfully completed negotiation with the federal government on

fish and aquatic resources. Meanwhile, the province's changes to forestry regulations will further infringe on First Nations' rights through the weakening of provincial oversight mechanisms, without which it is questionable whether the government can fulfill its fiduciary obligations to B.C.'s aboriginal peoples.

## **FOREST POLICY: D-**

On March 26, 2003, the B.C. government announced a package of forestry reforms severing the social contract that has governed the relationship between communities and logging companies for more than half a century. These momentous changes have been drafted with the forest industry behind closed doors, with no community consultation.

The government's policy changes will increase corporate powers by allowing forest tenures to be subdivided and sold, while companies are released from their obligations to run local mills and sustain local economies.

Al Harvey/Slidefarm



## Salmon Farms: provincial policy conflicts with Ecosystem-Based Management

Wild pacific salmon are the backbone of the coastal temperate rainforest ecosystem. Not only a primary food source for human communities, bears, eagles, orca whales, wolves and insects, the salmon carcasses are a major source of nutrients for the forest itself – providing the fertilizer that fosters the growth of enormous spruce, cedar and fir trees in the thin coastal soils.

Wild salmon on B.C.'s coast are facing countless pressures and many stocks already hover on the brink of extinction. Yet with a growing body of scientific evidence pointing to the detrimental effects of industrial fish farming, the B.C. government is nonetheless pressing forward with an agenda of rapid expansion of the aquaculture industry in the sensitive coastal waters of the Great Bear Rainforest.

The long-term health of the Great Bear ecosystem can only be ensured if the future of fish farming is wholly integrated into the agreed ecosystem-based management regime for the coastal rainforest region. Instead, the B.C. government seems determined to move forward with aquaculture industry expansion, regardless of the enormous ecological costs.

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# B.C. FSC Standard Gains Ground

## New Report Evaluates Credibility of Competing Certification Systems

A new report on forest certification systems, commissioned by Greenpeace, the Sierra Club of Canada, B.C. Chapter and ForestEthics calls into question the credibility of industry-sponsored certification labels that are “rubber stamping” status quo logging.

The report, “*On the Ground: Green Stamp of Approval or Rubber Stamp of Destruction?*” documents the outcomes of several North American certification systems to illustrate the environmentally destructive practices receiving the seal of approval of two certifying bodies: the Canadian Standards Association (CSA) and the Sustainable Forestry Initiative (SFI).

While forest companies boast that millions of hectares of forest-lands are now “certified”, the report illustrates that the CSA and SFI are certifying clearcut logging and ongoing ecological damage.

Case studies, data analysis and photo-documentation verify the concerns.

CSA and SFI certified forestry operations:

- provide little to no protection for threatened and endangered forest species such as woodland caribou and Vancouver Island marmot;
- continue to degrade stream-side forests, damage fish habitat and threaten water quality;
- fail to ensure adequate consultation or reflect the concerns of aboriginal communities;
- fail to curb the use of chemical herbicides;
- continue to sanction large clearcuts;
- continue to allow clearcutting of severely depleted and endangered forest ecosystems.

“*On the Ground*” concludes that the Forest Stewardship Council (FSC) remains the only credible and environmentally responsible certification system in use in North America.

Improvements to status quo commercial forestry were clearly evident in most FSC-certified operations.

The report found that, in general, FSC offers assurances that natural forest ecosystems are being

conserved, water supplies protected and workers and community concerns respected. FSC certifications require the informed consent of aboriginal communities and the protection of endangered species and their habitats. While not fail-proof, the FSC system does provide avenues for addressing concerns of non-conformance should they arise.

Overall, the conclusions were clear: forest product buyers seeking assurance of rigorous environmental and social standards have only one option: choose FSC.

### B.C. Standard Nearing Approval:

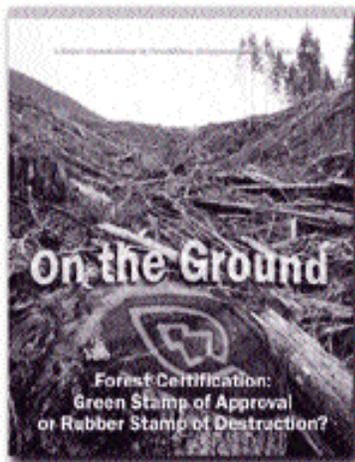
The Forest Stewardship Council standard for British Columbia

may soon be approved under a new FSC International policy on ‘preliminary accreditation’ of national or regional standards. The new policy, approved by the

International Board at the March 22nd meeting, is intended to endorse a standard while allowing a few elements of the standard to continue to be fine-tuned as certification audits of logging operations proceed.

Greenpeace welcomed the new policy and said that this is a positive step for the B.C. standard and for the FSC internationally.

The decision by FSC International on approving the B.C. standard, which was developed through an intensive five-year process, is expected to be made by early May.



**“Buying FSC products is not only a smart business decision for Home Depot, but one that can help save the environment.”**

Annette Verschuren, president, Home Depot Canada.  
World Wildlife Federation  
press release, April 26, 2002.

www.greenpeace.org

The Rainforest Solutions Project (the environmental coalition of Greenpeace, Sierra Club, ForestEthics and Rainforest Action Network) website provides up-to-date information on the evolving Great Bear Rainforest agreement. The site is updated regularly whenever new developments affecting the Great Bear Rainforest occur, and can be viewed at:

www.savethegreatbear.org