



ICA Housing e-bulletin

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Sustainable Forest Management - IYC 2012 Special

Issue 10

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ICA Housing is a sectoral organisation of the International Co-operative Alliance. It was established to promote the development of co-operative housing in all countries, and in particular developing countries, as an economic and social contribution to the problem of providing shelter.

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Sustainable use of forests: an urgent global challenge

Our IYC 2012 project

The unsustainable exploitation of our planet's forests is a major contributor to global warming and threatens the future of humanity. ICA Housing believes that the co-operative family has a role to play to prevent the ongoing degradation of the forests and is calling all co-operatives to support its Sustainable Management Forest IYC 2012 Initiative.



At the General Assembly of the International Co-operative Alliance in Cancun, Mexico, in November 2011, ICA Housing proposed a resolution that required **all** ICA member co-operatives to make the same commitment. Our resolution was passed by a majority of eighty nine percent; the minority voting against being concerned about the cost of certifying their forest products, an issue that is already being addressed by FSC and PEFC. This special issue of our E-bulletin is entirely devoted to this initiative. It provides the background to the initiative and interesting facts regarding sustainable forest management. Our goal is to persuade you to share the commitment we have made and put it into effect in the day to day management of your co-operative enterprise.

In issuing this bulletin we acknowledge that ICA Housing is not expert in the field of sustainable forest management and certification. If you wish to know more, please contact the organisations from which we obtained the information to prepare this bulletin. You will find all website contacts in the bulletin.

It is urgent to act now. Protecting the forests including tropical forests is one of the most cost-effective ways to reduce CO₂ emissions, preserve biodiversity and wildlife habitat and support forest communities.

Doing this will show that Co-operative Enterprises do, indeed, build a better world!

David Rodgers
President, ICA Housing Sector Organisation

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Wim Ellenbroek – The Borneo Initiative



I wish to congratulate ICA Housing on taking up the challenge we issued in 2010 to call on the worldwide co-operative family of business enterprises to support the principles of sustainable forest management by committing to use only sustainably certified timber and other forest products. When back in October 2010, David Rodgers, president of ICA Housing, invited me to come to the ICA Housing Symposium in London, I was not thinking that, 2 years later, such a commitment would be made. I salute ICA Housing's leadership in rising to the challenge and the response of the International Co-operative Alliance in accepting it as its global policy.

Being involved with the [Borneo Initiative](#) for many years, I see firsthand the impact of community ownership and the sustainable management of forests. ICA's decision to make its commitment is significant. Whether through better environmental practices, empowerment of communities or reduction of poverty, the application and the support of sustainable forest management principles make a big difference on the ground. It reinforces the urgency to unite to save our forests around the world for future generations.

The Borneo Initiative.

INTERNATIONAL PLATFORM FOR LEI-FSC CERTIFICATION INITIATIVES IN INDONESIA

To the International co-operative family, I say: translate the commitment made in your Cancun resolution into practice by adopting procurement policies that explicitly require you only to use certified timber and other forestry products in all your business operations. Use your buying power to send a clear message to the market and the rest of the world.

On behalf of the environmental groups working in the promotion of certified timber, I thank you for your commitment and inspiration. To my co-operative friends I say, don't delay the application of this resolution and promote it to all of your members, customers and suppliers. If you don't rise to this challenge the world will be a worse not a better place for its entire species, of which we are but one.

Co-operatives and Certified Forestry Products – Where is this initiative coming from?

Back in October 2010 ICA Housing, as part of a two-day Symposium held in London, devoted a full day to the *Co-operative Responses to Climate Change*. The program of the day included learning more about the climate change challenges the world is facing and hearing about exemplar responses from the co-operative housing sector. It became clear through the excellent [presentations](#) made during the day that the housing co-operative sector could do more. It was then that ICA Housing accepted the challenge raised by the representative of The Borneo Initiative to call on



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ICA Housing members to make a commitment only to use timber or other forest products coming from sustainable management programmes.

The ICA Housing Board of Directors included in its IYC 2012 program an initiative to secure ICA Housing members' commitment only to use FSC or PEFC certified timber and other forest products in construction, renovation and of co-operative housing and to bring a recommendation urging all other members of the global co-operative movement to do the same at the ICA General Assembly in Cancun in November 2011. A seminar on sustainable forest management was also organised in Cancun before the General Assembly to provide more information to ICA member delegates.



ICA Housing was encouraged that its resolution to the ICA General Assembly (see the text at the end of the bulletin) was passed by a huge majority of 89% of the ICA delegates. The feedback received from those who voted against the resolution had to do with the cost of achieving certification particularly for small forest community owners, an issue which, as is shown by the information below regarding certification, we are addressing as a legitimate concern.

Forests and Certification: What's it all about and why is it that important?

The information contained in this section comes from several documents:

UNECE-FAO [Forest Products Annual Market Review 2009-2010](#)
Rainforest Alliance Booklet [Supplying the Demand for a Livable Planet](#)
PEFC Guide [Sustainable Procurement of Wood and Paper-based Products](#)
Forest Product Solutions Booklet [Building and Remodeling with FSC](#)
The Forest Initiative – WWF Booklet [Poverty and Forest Certification](#)
The Palmer Partnership publication [Timber Frame Housing](#)

Websites:

FSC: www.fsc.org

PEFC: www.pefc.org

Rainforest Alliance: www.rainforestalliance.org

Global Canopy Programme: www.globalcanopy.org

UK Timber Frame Association: www.timberframesweb.com

First some enlightening facts:

- Forests occupy 3,952 million hectares on earth. 400 years ago that figure was double: two thirds of the planet's land surface was covered by forest. Today only one third of the land remains as forest;
- The earth's soils, forests, trees, wetlands and other ecosystems contain an estimated locked-in 205 billion tons of carbon, equivalent to several decades of fossil fuel global emissions. If they are exploited unsustainably this will be released and their capacity to regenerate

- and lock-in current and future carbon emissions destroyed;
- 1.6 billion people depend on forests for their livelihood in one way or another, the majority being the world's poorest people. Forests provide food, water, shelter, medicine, and building materials;
 - Approximately 800 million people live in forests;
 - 60 million indigenous people are dependent on forests;
 - 13 million people were formally employed in the forestry sector in 2010, representing 0.4% of the total labour forces. Adding the informal/non statistically compiled jobs, the forestry sector could potentially represent 1.5% of global employment according to the International Labour Organization (ILO);
 - The gross value in the forestry sector in 2003 was US\$ 353 billion and the global trade in wood products amounted to US\$ 150 billion.



Why use wood instead of other building materials?

When ICA Housing presented its resolution on the floor of the ICA General Assembly in November 2011, it was not about using less timber but was actually about using more in housing construction and maintenance in a sustainable way.



These are the reasons why:

- Timber and other forestry products are natural and renewable resources with a relatively short growth life and, if managed sustainable, a potentially endless capacity to supply resources for the generations to come.
- Timber frame construction has the lowest CO₂ cost of any commercially available building material. Research indicates that the production of timber frame walls consumes around 58% of the energy input required to produce lightweight cement block walls and 38% compared to concrete. Every cubic metre of wood used in housing saves 0.8 tons of CO₂ from the atmosphere as compared to other building materials.
- Forestry products have the potential to generate no waste. It is possible to transform all wood residues into energy and useable compost.
- Forests are an important economic sector providing work to many millions of people particularly in developing countries.

Why is certification so important? Sustainable Forest Management

Timber must come from well managed forests to be sustainable in the long-term. The Food and Agriculture Organization (FAO) of the United Nations defines sustainable forest management as follows:

"The stewardship and use of forests and forest land in a way, at a rate, that maintains their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfil now and in the future, relevant ecological, economic and social functions at local, national and global levels and does not cause damage to other ecosystems."

Sustainable forest management implies that logging is balanced by regeneration and re-growth. Harvesting is done in a way to minimise waste and damage. Wildlife habitats and flora are protected to preserve biodiversity.

Sustainable forest management stops deforestation. Deforestation is a major global environmental threat that causes soil erosion, desertification, flooding, loss of biodiversity, and increases the risk of unsustainable concentrations of greenhouse gases in the atmosphere. Deforestation through land use changes and forestry activities contributes to 25% of the world's greenhouse gas emissions. For example, "tropical rainforest sequester about 15% of human CO₂ emissions from the atmosphere every year, equivalent to around 1 ton of carbon dioxide per hectare per year. On the other hand, tropical forest deforestation accounts for around 15% of the world's global CO₂ emissions, more than the entire global transport sector combined" (www.globalcanopy.org/eco-utility/benefits/climate). Trees are net consumers of CO₂ during their growth and through their lifetime are vital 'carbon sinks' that help counteract the effects of carbon emissions from the burning of fossil fuels.

Sustainable forest management fights illegal logging. According to the World Bank, governments lose revenue equivalent to about US\$ 5 billion per year through illegal logging. The unfair competition coming from illegal logging creating market distortion and reduction of profitability for sustainable production costs more than US\$10 billion per year. 8 to 10% of global forest production is estimated to be illegally produced. Illegal logging is a problem in nations with weak governance and corruption and increases poverty, supports conflicts, destroys forests and creates unsustainable environmental impacts.

Sustainable forest management is respectful of the communities living with and in forests which include an estimated 1 billion of the world's poorest people. People become active participants in the implementation of forestry management programs and reap their share of the forest's wealth which is otherwise reserved to the elites that have the means to access the most lucrative products and markets. The Borneo Project is an exemplar of this and merits your support.

Certification as defined by reputable organisations such the Forest Stewardship Council (FSC) or the Programme for the Endorsement of



Forest Certification (PEFC) International applies the principles of sustainability. Certification ensures that, by independent third party verification throughout the entire forest supply chain, timber and non-timber forest products are produced with respect for the highest ecological, social and ethical standards.

Why do we need to commit to sustainable consumption?

The housing industry is a major consumer of natural resources. In developed countries, housing accounts for about one third of construction industry activity. Timber frame housing represents approximately 70% of the total housing stock. In the US alone, residential construction accounts for 30% of the wood removed from the US forests, a higher percentage than the paper market. Timber is also used extensively in repair and maintenance work. In some countries such as Australia, Canada, Norway and Sweden, the market share for timber frame construction is more than 90%. The construction sector is estimated to account for over 50% of global carbon emissions and is identified as a key element to tackling climate change.

Country	Housing Stock (millions)	Timber Frame %age
Australia	6.09	90%
Canada	9.91	90%
Ireland	0.87	10%
Japan	40.54	45%
Norway	1.82	90%
Sweden	3.86	90%
U.S.A.	97.31	90%
U.K.	21.39	8%

The co-operative housing sector is not the largest provider of housing. It is, nevertheless, an important player. Globally housing co-operatives manage approximately 20 million dwellings. ICA Housing and CECODHAS - Housing Europe data shows that approximately 10% of Europe's population, some 27 million people, lives in housing co-operatives.

We, individually and collectively, are consumers: we have the power to make things happen. It is now well agreed that sustainable development is critical for the future of our planet. But we must make sure that our co-operative values and principles are translated into actions. Making the right buying choices sends three key messages. First and foremost, we thank and support pioneer forestry organisations like FSC, PEFC and the Borneo Project for their leadership. But we also say to the housing, construction and timber market that certified products are what we want and what only we shall specify in our construction and maintenance projects. Last but not least, we urge elected politicians to adjust and improve the legislative framework to make sustainable management of forests the only way to go and a global commitment to sustainability.

Certification – What is the current situation?

Forest certification has been actively growing since the early 1990s. According to the UNECE- FAO 2009/10 annual review, 355 million

hectares were certified in the world equal to 9% of the world's total forest with North America and Western Europe having respectively 32.6% and 51.2% of their total forest area certified. The carbon stored in wood products is estimated to be increasing by about 540 million tons of CO₂ per year.

Regulations are also changing in several countries to support sustainable forest management. For example, the EU Timber Regulation preventing sales of illegal timber and timber products on the EU internal market will be in force in March 2013. The US 2008 Lancey Act punishes illegal logging whether through importing or trading.

It is now possible to track the source of certified wood through the Chain of Custody (CoC) put in place by the certification systems. The CoC certificates are issued to the forest companies upon third party verification. It's giving consumers the assurance that the wood they buy is positively certified.

Today there are close to 90 certification systems in the world. Two major ones are leading the way: FSC and PEFC.

Forest Stewardship Council - FSC



FSC was established in 1993 by environmental organisations. FSC is a multi-stakeholder organisation with a governance structure giving equal decision-making power to members associated with 3 chambers: environment, social and economic. The goal of FSC is "to promote environmentally responsible, socially beneficial and economically viable management of the world's forests". To accomplish that FSC has developed a worldwide agreed set of principles that apply to all tropical, temperate and boreal (coniferous) forests. All national and regional FSC standards are derived from the global principles. FSC certification requires third-party verification. In August 2012, 161,079 million hectares of forests had been certified in 80 countries. Of all the initiatives put in place by FSC, it's worth noting the SLIMF (Small and Low Intensity Managed Forests) which helps small forest holders to reach certification through group certification. This is an important measure for developed and developing countries. For example, in Europe alone, 55% of European forests are the property of 16 million of small forest holders. The FSC principles are:



- Compliance with laws and FSC Principles
- Tenure and use rights and responsibilities
- Indigenous peoples' rights
- Community relations and worker's rights
- Benefits from the forest
- Environmental impact
- Management plan

- Monitoring and assessment
- Maintenance of high conservation value forests
- Plantations

For more information about FSC, visit www.fsc.org

Programme for the Endorsement of Forest Certification - PEFC

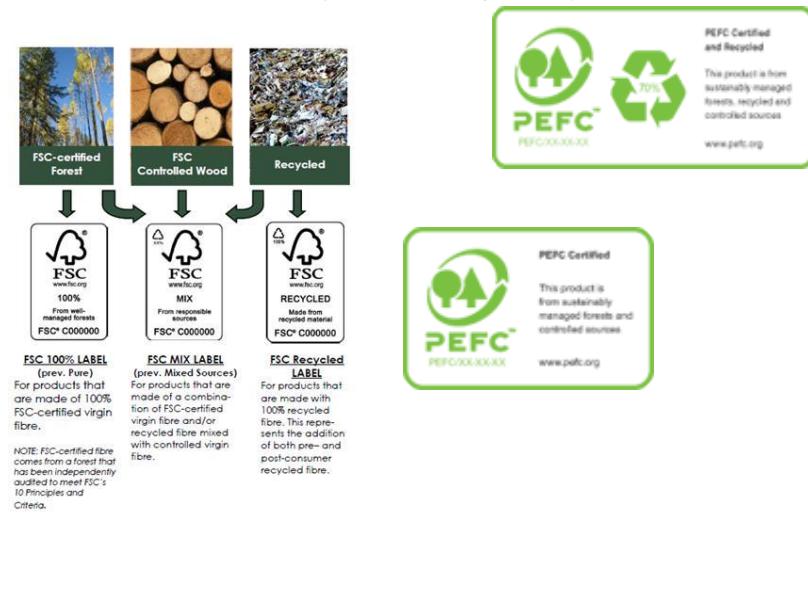
PEFC was established in 1999 in Europe by forest landowners with the mission to "give society confidence that people manage forests sustainably". PEFC bases its action on the FAO agreed definition of Sustainable Forest Management (SFM). PEFC is "a mutual recognition mechanism for national and regional certification systems". To be endorsed and receive the PEFC designation, the national and regional systems must be consistent with internationally agreed environmental, social and economic requirements. PEFC certification requires third-party verification. PEFC is a multi-stakeholder organisation both in term of governance and standard-setting processes. In July 2012, 240 million hectares were PEFC certified from 714,358 forest owners. 31 national certification systems have been endorsed by PEFC.



For more information about PEFC, visit www.pefc.org

Labels and suppliers

Search for these labels (click on the picture)





Looking to find forestry certified products? Please visit the following websites.

Building Green	www.greenspec.com
FSC – US	www.findfsc.org
FSC – Canada	http://findfsc.com/#distributors
FSC – International	www.fsc-info.org
PEFC	www.pefc.org/index.php/certification-services/find-certified
Global Forest Registry	www.globalforestregistry.org
Greenerchoices	www.greenerchoices.org/eco-labels
Ecolabel index	www.ecolabelindex.com/ecolabels

Is certification fulfilling its promises?

Without a doubt certification has made great achievements. Take the time to read the following stories to appreciate the work done so far. These should convince you, if you are not already convinced, that buying certified timber and other forest products makes a difference in the life of so many people.

Certification and poverty reduction – Forestal Arauco, Chile

(Taken from the publication Poverty and Forest Certification – 2011)

Forestal Arauco is the largest forestry company in Chile with almost 750,000ha of plantations of mainly pine and eucalyptus. In addition the company owns 300,000ha of unplanted land, of which approximately 80 per cent is natural forest. The company began its path to certification in 2000 when it decided to engage in ISO14001 certification for environmental management. In 2003 it achieved certification under the PEFC-aligned Certfor scheme. At the time of writing it has completed its pre-assessment for FSC certification and is awaiting the main audit.



In order to comply with certification the company has made significant changes to its management practices during the last 10 years. On the social side these have been significant in a variety of ways. The company has greatly improved its relationship with the indigenous Mapuche. This has included changes in the way it communicates with Mapuche



communities and support for training Mapuche women in traditional handicrafts. In addition the company has provided building materials for traditional *rukas* (communal houses) which are now used by the communities to attract tourists and to demonstrate aspects of the Mapuche way of life.

Specifically in order to comply with the requirements of FSC certification the company has developed a series of hybrid forums to provide guidance about its forest management. These forums cover a variety of fields including, on the social side, labour relations, indigenous communities and

contributions to local communities. The outputs from these forums give strong guidance to management about how to deal with the issues arising. The membership of these hybrid forums consists of experts and interested parties, the majority of whom come from outside the company. This represents a significant transfer of decision-making influence from the company to external stakeholders.

The company also has a strong history of involvement in education and training, both for its own workers and for the community at large. It runs literacy training for its workers and for contractor labour. In addition, the company provides in-service training courses for teachers at primary and secondary schools covering a range of fields.

In the field of economic development, the company has a programme to develop local sourcing of its requirements. It provides entrepreneurship training for start-up businesses that hope to become suppliers.

Certification and cooperation – Koperasi Hutan Jaya Lestari in Indonesia

With the assistance of Tropical Forest Trust (TFT) and JAUH, Network for Forests, 550 small forest owners created a co-operative and received their certification in 2005 through group certification. Enhanced revenue, district and provincial recognition and awareness of new markets for other forestry products are among the benefits these farmers are reaping. Read the story of this 550 member co-operative <http://www.fsc.org/success-stories.350.htm>



More stories

Read this inspiring document *Celebrating success: Stories of FSC certification* [here](#) to see how certification has had a positive impact in the life of so many people.

What's next for you?

ICA Housing counts on your commitment in this campaign. Recognise your buying power and use it to make a positive change for the people and the planet. Include environmental and social considerations in addition to price, quality and availability of materials in your buying decisions. Here is what you can do.

Endorse the resolution adopted by the ICA General Assembly in November 2011:

**Promotion of Environmental, Social and Economic Sustainability:
The use of Sustainable Timber and Forest Products**

We (*name of your organisation*)

Acknowledge that forests are essential to life on earth; that forests are reservoirs of fresh air, pure water, and innumerable forms of life; and that forests protect against soil erosion, desertification, flooding, loss of biodiversity and unsustainable concentrations of greenhouse gases (GHG) in the atmosphere;

Recognise that the current unsustainable model of forestry development threatens biodiversity: 33 per cent of animal and plant species have colonized 70 per cent of the land on earth, while forests, harbouring 67 per cent of all animal and plant species, occupy only 30 per cent of dry land;

Realise that deforestation is fuelled by economic imperatives that drive communities toward agriculture, conversion of forest land to other uses and tourism—significant contributors to the release of GHG emissions—as the fastest way to earn their livelihood;

Understand that the forest industry is responsible for the production of 17 per cent of GHG emissions in the world: recent research attributes 217 to 640 tons of carbon dioxide per hectare, including the GHG emissions from soil, to wood cutting conducted by non-sustainable methods;

Acknowledge that all humanity deserves a decent livelihood and that many communities depend on forests for their survival;

Support internationally recognized efforts to develop model programs for sustainable forestry that respond to the needs of the flora, fauna and people living in and through forests;

Recognise co-operative businesses' buying power and their need for forest products and the availability of such products certified as sustainable by the Forest Stewardship Council or the Programme for the Endorsement of Forest Certification;

Wish to promote sustainable conduct in the spirit of the unanimous resolution at the General Assembly of 2009 in Geneva calling on ICA members and the worldwide co-operative movement to embrace a vision of energy efficiency and renewable energy;

WE (*name of your organisation*), as conscientious consumers, positively commit only to use timber and other forest products from sustainable sources certified as such by reputable organisations like the Forest Stewardship Council or PEFC International (the Programme for the Endorsement of Forest Certification) and to adopt procurement policies and practices that honour the principle of sustainability in forestry management.



Adopt a procurement policy. Have a look at the sample policy provided by [FSC Netherlands](#).

Let us know your commitment to Sustainable Forest Management and any initiative you are putting forward by communicating with Sylvie Moreau at s.moreau@icahousing.coop. This feedback to us is vitally important to enable us to track the effectiveness of the action by our ICA members.

Promote to your own members the Sustainable Forest Management principles and the power they have to influence the development of a sustainable market. Educate them about the importance of this issue so that they implement it when using their personal economic power as consumers.

Rise to the challenge as ICA Housing did in October 2010. Together we know we can make a difference and ensure that, as this UN International Year of Co-operatives 2012 statement says “Co-operative Enterprises build a better world”

Tell us what you need from ICA Housing

A key part of ICA Housing's strategy is to offer to support and respond to the needs of members. We are also keen to develop our 'added value' service offer to ICA housing co-operative members. Please [contact](#) us if you need information and/or assistance and tell us what additional services you think we could provide to members.

Are you coming to Manchester for Co-ops United?

All ICA Housing members and any ICA members interested in housing co-operative issues are cordially invited to attend our ICA Housing Plenary to be held on **Tuesday October 30th**, from 15:00 to 17:30 at the Hotel Crowne Plaza Manchester City Centre, 70 Shudehill Manchester. The Plenary will be held in the room Smithfield One.

The key element of our Plenary is the launch of our Good Governance Charter, an ICA Housing IYC 2012 initiative. We will also take the opportunity to review our Certified Timber Campaign. Members will have a chance to provide suggestions and feedback on the next ICA Housing 4-years strategic plan 2013-2016. Finally a Memorandum of Understanding and Cooperation between ICA Housing and CECODHAS Housing Europe

To get more information on the Global culmination of the international year events [click here](#).

We look forward to seeing you in Manchester!

