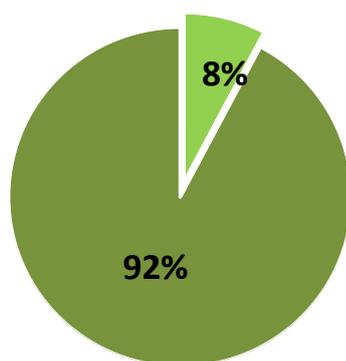


Forest Management and Forest Products Chain of Custody Certification – Recognition of all accredited forest certification schemes is good practice.

Globally there are only 8% of the worlds forests certified.



■ Certified forest area ■ Uncertified forest area

Global forest area: 3 900 million hectares
 Certified: 366 million hectares
Not certified: 3 534 million hectares

Global PEFC Certified

231 million hectares
 483,294 Forest Owners certified
 28 endorsed National certification systems

Global FSC Certified

135 million hectares
 1019 Forest Management certificates
 52 National FSC Guidelines

Both Schemes have more Countries currently developing national schemes and guidelines

It should not be a battle between Forest certification schemes or Green Groups trying to discredit a Forestry Scheme. We all should be working together to get more forests certified – that’s the big picture.

In Australia there are over 10.3 million hectares of public multiple use native forests and public & private plantation estates (incl. exotic & native) certified out of a potential 11.4 million hectares*.

<i>Market Share (2009/2010)</i>			
	Certification	Total Certified hectares	Market Share certified
AFS FM	10,271,350 ha		99%
FSC FM	599,334 ha		5%
Total hectares certified by AFS & FSC (not double counting dual)		10,358,531 ha	
Total Potential		11,400,000 ha	90%

[512,153,000 hectares are dual certified by both AFS and FSC – 4% dual certification]

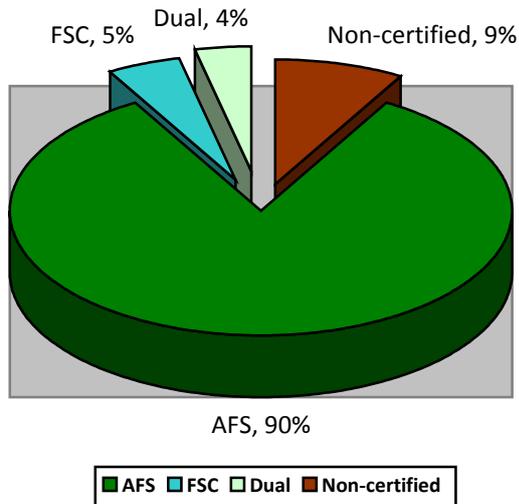
*Reference: Australia's Forests at a glance 2010, DAFF - 9.4 million hectares Public native forests where timber production is permitted and Plantations 2 million hectares.

There is an additional 38 million hectares of Private Land & Native Forests Estates (incl. Indigenous plantations) in Australia – Forest Farmers - which we are working positively and proactively with the community to help get certified.

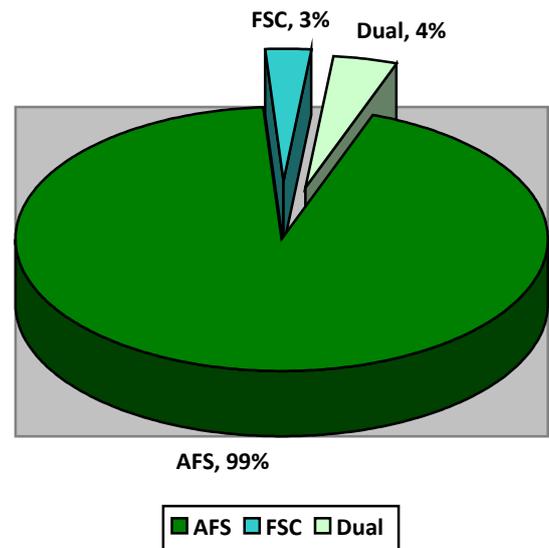
The one thing we can be sure of in Australia is BUY AUSTRALIAN WOOD AND WOOD PRODUCTS and you know it will be from a sustainably managed forest or non-illegal logging or controversial source.

The increased focus on illegal logging and controversial sources means we have to watch our ports – and monitor all imports. Through the PEFC and FSC schemes we can ensure legality of imports through the certification schemes.

Percentage certified of total forest and plantation area in Australia



Market share of certified forest and plantation area in Australia



The rigour and credibility of forest certification schemes – UN, FAO, International Guidelines, International Standards Organisation, Government Regulations, National Standards.

Australian Forestry Standard Limited (AFSL) is a Standard Development Organisation (SDO) accredited by the Australian Board of Standard Development Organisations (ABSDO). ABSDO is a business unit of Standards Australia®. There are only five SDOs recognised by Standards Australia® to develop Australian Standards and **only one** SDO, AFSL, for Sustainable Forest Management and Wood and Wood Products Chain of Custody.

AFSL has developed two standards
AS 4708-2007 Sustainable Forest Management
AS 4707-2006 Forest Products Chain of Custody

These are the elements of the Australian Forest Certification Scheme and Australian endorsement by the Programme for the Endorsement of Forest Certification Scheme (PEFC).

The Standards were developed based on international guidelines such as, UN, World Bank, FAO, the Montreal Process and the Programme for the Endorsement of Forest Certification (PEFC) which AFSL is a member of and the Standards are mutually recognised through this alliance.

Australian Standard for forest management certification – comply or lose it – Independent policing and monitoring by nationally accredited 3rd party bodies and the community.

Organisations are independently audited and certified against the Australian Standard for Sustainable Forest Management by accredited certification bodies, accredited by JAS-ANZ. AFSL has no involvement in the certification of organisations.

The Standards has a good neighbour clause which means anyone, individual, community, other organisations can complain through a transparent complaints and grievances process – this process

is managed by JAS-ANZ. Certified organisations or/and certification bodies can lose their status if the complaint is founded.

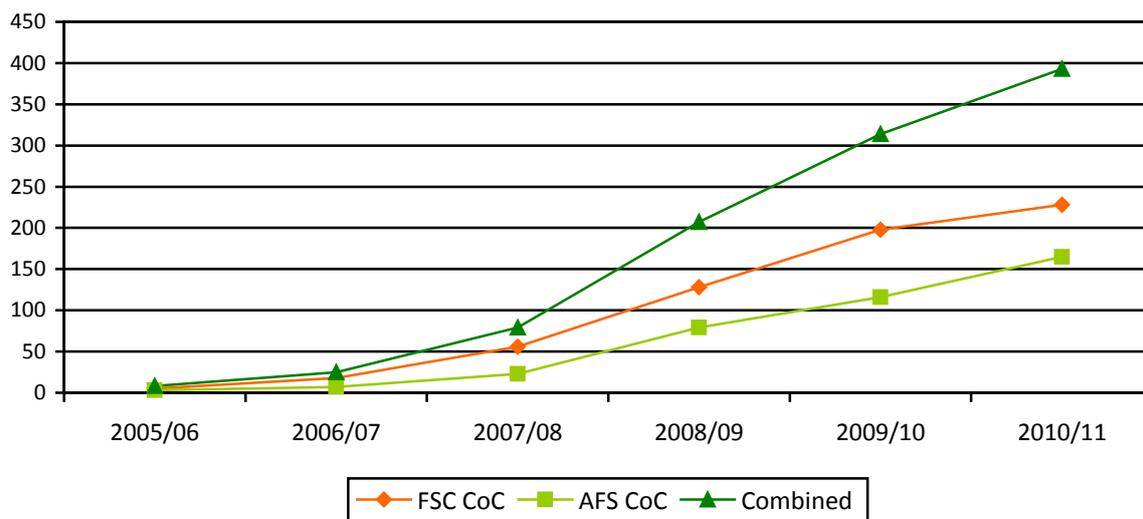
Australian Standard for Forest Products Chain of Custody – Supporting Sustainable Forest Management and fighting against the use of products from illegal logging

Without rigorous and credible traceability of a certified product, forest management certification is redundant. Chain of Custody is the crucial part of Sustainable Forest Management, traceability from source to consumer, without any break in the supply.

<i>Market Share (Jan 2011)</i>			
<i>In Australia</i>	CoC Certified organisations	Total Certified organisations	
AFS CoC	155		42%
FSC CoC	228		62%
Total Organisations certified by AFS & FSC (not double counting dual)		364	

* 19 organisations have dual chain of custody certificates – 5% dual certification

Exponential growth of Chain of Custody certification in all schemes ensures the traceability of wood and wood products around the globe.



FSC – Forest Stewardship Council Australia
 AFS – Australian Forestry Standard
 Combined – FSC + AFS

Wood and Wood Products Procurement and National Policies

Globally wood and wood products procurement and national policies are being reviewed to address forest management sustainability and verification of legality of source. These policies impact on domestic production, trade and use, as well as our import and export markets.

Australia's solution to the verification of legally sourced timber and wood products is through the already implemented and adopted internationally recognised Forest Management Certification Schemes these schemes address not only legality but sustainability of our forests, in Australia and globally.

Global Procurement Policies incorporating recognition of (all) Forest Management Certification Schemes

- The Central Point of Expertise on Timber Procurement (CPET), United Kingdom,
- Timber Procurement Assessment Committee (TPAC), Netherlands,
- German Procurement Policy,
- Japans' procurement Policy, and
- Numerous private timber procurement policies.

Domestic National Procurement and State Policies

- Green Building Council of Australia – Materials Category
- Queensland Sustainable Timber Procurement Policy (2009), and
- Numerous private timber and wood products procurement policies.

The Private Sector is leading in developing Procurement Policies for their organisations management of purchasing timber and paper as a compliance with their Corporate and Social Responsibility Policies. They are also recognising all 'certified' products not differentiating between Certification schemes.