

## THE GLOBAL DEVELOPMENT FOREST CERTIFICATION ALLIANCE:



### THE CHALLENGE

Indonesia's tropical rain forests – the largest and richest in Asia – are in crisis. These forests are being lost at the alarming rate of over two millions hectares (five million acres) per year – *the equivalent of 300 soccer fields per hour*.

These changes are of global importance with the loss of unique biological diversity and emission of global warming greenhouse gases.

The poorest people suffer the most from forest loss. About 30 million Indonesians directly depend upon the forest and its careful management for their livelihoods.

Damage to forests hurts not only the environment and forest dependant people but also harms the national economy. Fires, forest clearing and rampant illegal logging result in lost tax revenues, costing the economy billions of dollars annually - money which could be spent on schools and hospitals.

### THE GOAL

The goal of this alliance is to bring together business, governments, and environmental and social groups to combat illegal logging and create market links to promote use of wood from well-managed forests, with a focus on Indonesia. Success in Indonesia will benefit forests elsewhere as the methods and lessons learned from this initiative will be shared globally.



## Helping overcome the crisis in Indonesia's forests

### OVERVIEW

The Nature Conservancy (TNC) and the Worldwide Fund for Nature (WWF) are leading an alliance in Indonesia, aimed at promoting forest certification and combating illegal logging. The



aim is to incentivise responsible forest management by linking good producers to green markets. While demand is strong for Indonesian wood products from well-managed forests, the supply of such products is very limited and the

standards for responsible forest management are challenging. To overcome this, the Alliance is providing technical assistance directly to forest managers in Indonesia to help them meet higher standards. We work with local people who depend upon forests to protect their livelihoods and make them more sustainable, and we are forming partnerships with communities supporting them in the production and marketing of certified plantation teak. In order to share our experience and maximise our impact, we produce many publications and guidance notes in Indonesian language. The Alliance maintains a multilingual website for producers, buyers, governments, and NGOs in Indonesia, Malaysia China, and Japan: [www.forestandtradeasia.org](http://www.forestandtradeasia.org)

### PROGRAMS

In the next five years, the Alliance will work to:

- 1. Create market links to combat illegal logging.** We will promote products from well-managed forests and reduce the market for illegally cut wood products in Japan, China, and other key Indonesia export market.
- 2. Increase the supply of Indonesian wood products from well-managed forests.** The Alliance will help companies and community enterprises in Indonesia improve their forestry practices and achieve certification.
- 3. Demonstrate practical solutions to identify legal and illegal supplies in three Indonesian Provinces.** This work will focus on forest concessions in East Kalimantan, small holder teak plantations in Java, and industrial pulpwood plantations in Riau.
- 4. Reduce investment in companies engaged in destructive or illegal logging.** We will promote investment screening tools to ensure that investments are economically and environmentally sound.
- 5. Widely share lessons learned from this project.** We will monitor project impacts and share our findings to support other forest conservation work around the world.



### FOREST CERTIFICATION:

Provides an independent third-party assurance that a forestry operation meets standards set by a certification program. Companies apply voluntarily, and government has no direct role in the process. (source: *Certified Forest Product Council*)

### ALLIANCE PARTNERS

Indonesia's Ministry of Forestry  
 U.S. Agency for International Development  
 U.K. Dept. for International Development  
 Center for International Forestry Research  
 World Resources Institute  
 Tropical Forest Foundation

### PRIVATE SECTOR SUPPORTERS

ABN AMRO Bank  
 BP  
 Carrefour  
 Edelman Worldwide Communications  
 ESRI  
 Global Forest and Trade Network  
 Goldman Sachs Investment Bank  
 IKEA  
 Indonesian forest Companies  
 Lowe's Companies  
 The Forests Dialogues  
 Homebase UK  
 The Home Depot  
 Texas Pacific Group  
 Tropical Forest Trust

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## ACHIEVEMENTS TO DATE: HIGHLIGHTS



Creation of a comprehensive **legality standard for wood products** from Indonesia to differentiate legal from illegal timber, thereby allowing markets to choose responsibly. The standard has been developed through a series of multistakeholder consultations, in partnership with the UK-Indonesia MOU process, and is becoming recognized both nationally and internationally.

Design and field testing of an **independent legality verification and timber tracking system**, to verify that timber is legal, and then track it from 'stump to store'. The system has proved workable in a natural forest concession in East Kalimantan, covering 350 000 ha of natural forest and 150 000 cubic meters of timber.



Design and implementation of a **collaborative management agreement** between a forest management company, five surrounding villages, and local government, whereby a community management body receives a royalty on timber extracted. In return, the community has stopped illegal logging activities. This is a model for community-based efforts to combat illegal logging with corporate partners.

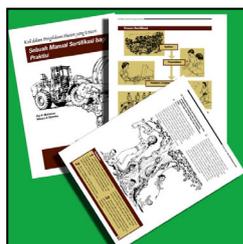
Four major Japanese companies have adopted **paper purchasing policies**, committing to buy only sustainably sourced paper. They are - Canon Sales Co., Inc., and Fuji Xerox Co., Ltd., Ricoh Co. Ltd. and Mitsubishi Paper Mills Ltd.



WWF helped establish an international roundtable on sustainable palm oil, which is now developing criteria for sustainable oil palm development. The draft includes requirements for the protection of **high conservation value forests** from conversion. The roundtable now has over 50 members, most of whom are private sector companies.



Project support enabled two teak-growing communities in Wonogiri, Java to obtain **forest management certificates** from the Indonesian Ecolabeling Institute (LEI). These are the first community forestry certificates granted by LEI and the process has allowed LEI to field test and refine its new community forest management standard.



TNC alongside local partners LATIN, has designed and produced a **forest certification manual**. This is being used by field practitioners to understand the concept of certification, and guiding them in implementing the forest management practices required to meet the standards required for certification.\*\*\*\*

(Photo: Don B, Nigel S, Agus H, Renee M, Yudi, I, M Gunawan; Design: M Gunawan)