



## THE TRUTH BEHIND TASMANIAN FOREST DESTRUCTION AND THE JAPANESE PAPER INDUSTRY

Who Logs Them? Who Buys Them?







## Executive Summary

The ancient and biologically unique forests of Tasmania—which contain one of the world’s greatest troves of flora and fauna—are rapidly being destroyed by the irresponsible logging practices of Australian lumber giant Gunns Limited and its state supplier, Forestry Tasmania. Gunns Limited and Forestry Tasmania hold a virtual monopoly over Tasmania’s logging industry and routinely clear-cut native forests, firebomb the clear-cut land, and kill hundreds of thousands of native wildlife on private land with 1080 poison. Australia’s Federal Court recently found their practices to be illegal in Wielangta Forest and driving endangered species to extinction. This landmark decision raises questions about the legality of most of Gunns’ logging operations.



Urgent action needs to be taken by responsible companies and stakeholders in order to prevent Tasmania's high conservation value forests and endangered wildlife from being permanently destroyed. The vast majority of this logging—90 percent—is for the production of woodchips, with about 80 percent of Gunns' woodchips being exported to Japan and made into paper products.

Further, the vast majority of Australians—85.4 percent<sup>1</sup>—want Tasmania's old growth forests permanently protected, and the logging practices of Gunns Limited and Forestry Tasmania have drawn massive opposition from environmental NGOs and the public.

The aim of this report is to raise awareness about the relationship between forest destruction in Tasmania and the purchasing decisions of companies in Japan. We hope that this will help improve current problems by encouraging Japanese companies and society to consider their impact on Tasmania's endangered forest ecosystems. The report is not intended to bash companies, but rather to encourage companies to adopt more responsible procurement practices. We believe if companies do this, conditions in Tasmania will greatly improve.

In this report, we identify and rank both the Japanese paper companies that purchase Tasmanian woodchips, such as Nippon and Oji Paper, and the Japanese companies that buy

paper from these companies. The ranking is based on a number of criteria and is intended to identify the problematic companies that are exacerbating forest destruction in Tasmania as well as the companies that are making efforts to improve the situation. The 29 evaluated companies are first ranked according to a general standard utilizing four criteria. Of these 29 companies, the nine with the greatest global significance are further evaluated according to five specific criteria.

The Japanese companies that purchase the most Tasmanian woodchips from native forests are Nippon Paper (37.2 percent), Oji Paper (28.4 percent) and Chu-etsu Pulp (3.6 percent), whose combined purchase volume accounted for 69.2 percent of Japan's woodchip imports from Tasmania in 2003. On the basis of the evaluation criteria used, All Nippon Airways (0 points), Oji Paper (4 points) and Nippon Paper (6 points) were identified as the three most problematic companies, while Sharp (16 points), Canon (15 points) and Fuji-Xerox (14 points) were identified as the three companies making the most progress.

Despite having Corporate Social Responsibility (CSR) policies, some companies failed to respond to our questionnaire and rejected opportunities to dialogue with stakeholders. Because we believe it is important to begin taking steps toward improvement, our rankings

also accounted for the willingness of companies to responsibly engage in dialogue regarding the problems with Tasmania's forests.

In order for companies to maintain ethical procurement policies and avoid becoming accomplices to high conservation value forest destruction in Tasmania, we believe there are three important principles to adopt:

**1. Establish and enforce paper procurement policies to not purchase raw materials that originate from high conservation value forest (HCVF) or old growth forest.**

**2. Request the cooperation of company's suppliers in implementing such paper procurement policies.**

**3. Prioritize FSC (Forest Stewardship Council) as the preferred forestry scheme for third party certification.**

This report reflects the situation at present, but we intend to monitor progress over time as conditions change. We ask all companies, governments and organizations using paper to cooperate in the protection of Tasmania's endangered forest ecosystems by implementing responsible procurement policies. It is still not too late for responsible companies to commit to ethical procurement values by taking concrete action to help protect Tasmania's high conservation value forests.





# Table of Contents

1. Overview of Tasmanian Forestry Issues:  
Unsustainable & Unethical Logging . . . . .

I. Massive Clear-Cutting of Native Forests and  
Conversion to Tree Plantations . . . . .

II. Logging and Chipping of Old Growth Forests & High  
Conservation Value Forests . . . . .

III. Extermination and Logging Impacts Upon Native &  
Endangered Wildlife . . . . .

IV. Inadequate or Non-existent Forest Regulations . . . . .

V. The Inadequacy of AFS Certification Vs. the Forest  
Stewardship Council (FSC) . . . . .

2. Relation Between Japan and Tasmania’s Woodchip Industry . . . . .

I. Volume of Tasmanian Sourced Woodchips. . . . .

II. Primary Buyers of Gunns Native Forest Woodchips . . . . .

3. Ranking of Purchasing Companies . . . . .

I. Selection Criteria . . . . .

II. Ranking Criteria . . . . .

III. Ranking Score . . . . .

4. Purchasing Guide and Checklist . . . . .

5. Disclaimer . . . . .

6. About Us: Rainforest Action Network . . . . .

7. Appendix and References . . . . .

7

7

8

12

14

16

18

18

21

22

22

23

24

28

29

29

30



# 1. Overview of Tasmanian Forestry Issues: UNSUSTAINABLE AND UNETHICAL LOGGING

## I. Massive Clear-Cutting of Native Forests and Conversion to Tree Plantations<sup>2</sup>

In each of the past seven years, an average of 35,431 hectares (ha) of native forest have been logged in Tasmania, of which 15,852 (equal to about 40 soccer fields per day) were officially identified as “clear-cut.”<sup>3</sup> Clear-cutting is the practice of cutting or pushing down all of the trees in a given area. After these Tasmanian forests are clear-cut, the remaining vegetation is burned away with petrol-based incendiary bombs dropped from helicopters.

<sup>1</sup>Gunns Limited and Forestry Tasmania also use a practice called ‘retained aggregates’ that is not officially classified as ‘clear-cutting’, but has a similar ecological effect.



These practices are being applied throughout Tasmania, including to groves of native eucalyptus trees that are biologically rare, very old, and grow to especially great heights. This is especially true of the more ecologically valuable wet Eucalyptus forests areas, which comprised 24 percent (approx. 810,000 ha as of 2006) of Tasmania's 3.4 million hectares of forests. By 1996, 43 percent of Tasmania's original wet Eucalyptus forest had been logged. Now only 19.9 percent of the original area of these vital trees and 35.5 percent of their 1996 cover are protected in any kind of reserves. Therefore, 64.5 percent of Tasmania's wet Eucalypt forests are open for logging; in particular, only 19.2 percent of the original cover of the rare and important Eucalyptus regnans forest and 24 percent of their 1996 cover are protected.<sup>4</sup>

According to the 2005-2006 Authority Annual Report by Tasmania's Forest Practices Authority (FPA), seven percent (more than 60,000 ha) of wet Eucalyptus forests were cleared between 1996 and 2006. More than 20 percent of E. regnans forests—the world's tallest hardwood trees, many of which are over 400 years old—were cleared during this period. These rapid rates of clearance confirm a 2003 report by the Tasmanian Resource Planning and Development Commission (RPDC) which found that "One of the most significant threats to natural diversity in Tasmania is the clearing of native vegetation and its replacement with that of a different land use activity (e.g., tree farms, agriculture, etc.)... in more recent years, forest conversion to plantation has become a more significant driver of land clearance in Tasmania."<sup>5</sup>



Most of the forest areas which are cleared and burned are converted into massive industrial tree plantations by Forestry Tasmania or timber giant Gunns Limited, which holds a monopoly over wood-chipping in Tasmania. Approximately 90 percent of the extracted wood is converted into woodchips,<sup>6</sup> with approximately 80 percent of Gunns woodchips being exported to Japan where they are manufactured into paper products by companies such as Nippon Paper, Oji Paper and Chu-etsu Pulp.

II. Logging and Chipping of Old Growth Forests and High Conservation Value Forests

The areas of native forest that are being clear-cut include areas designated as "Old Growth Forest" and "High Conservation Value Forest." Old growth forests, also called primary forests,



are formed by old trees that have not been previously cleared for logging and are regarded as the most ecologically rich forests.

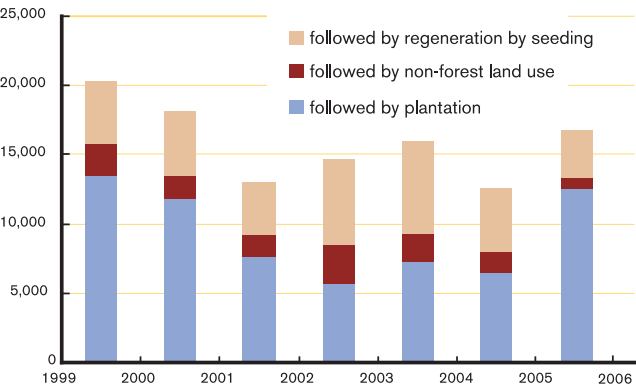
Old growth forest are only one class of special forests internationally recognized as High Conservation Value Forests, a term used to denote exceptional ecological value that is classified into one of six types of *High Conservation Value* (See Appendix).<sup>7</sup> These typically include forest areas that: 1) are habitat for threatened species, 2) contain old growth or primary forests, 3) contain significant concentrations of endemic plants and animals, 4) are in or contain rare, threatened or endangered ecosystems, or 5) are fundamental to either the basic needs or cultural identity of local communities. In Tasmania, many of these high conservation values forests remain unprotected.

As previously mentioned, a high conservation value forest of particular concern is the Eucalyptus regnans, which is rapidly being depleted by logging. Only 24 percent of the 1996 cover of these forests are protected. Eucalyptus regnans, when translated, literally mean the 'King of Eucalyptus.' This species has reached heights of up to 108 meters, making it the world's tallest flowering plant. This very special type of forest only grows in two places on

Earth: the high rainfall mountains of Victoria and the wet fertile mountains and valleys of Tasmania. In 2006, 31.5 percent of Tasmania's *officially* defined "old growth" wet eucalypt forest from its 1996 cover and, more critically, 43.7 percent of Eucalyptus regnans *officially* defined as "old growth" remained unprotected and open for logging.<sup>8</sup> Indeed, every year since the 1997 Tasmanian Regional Forest Agreement (RFA), this precious and irreplaceable ecosystem has been progressively depleted.

Old Growth Forests similar to the those that Gunns logs and burns

FIGURE 1. Native forests clearfelling: Area(ha) of operations by harvesting method and future land use



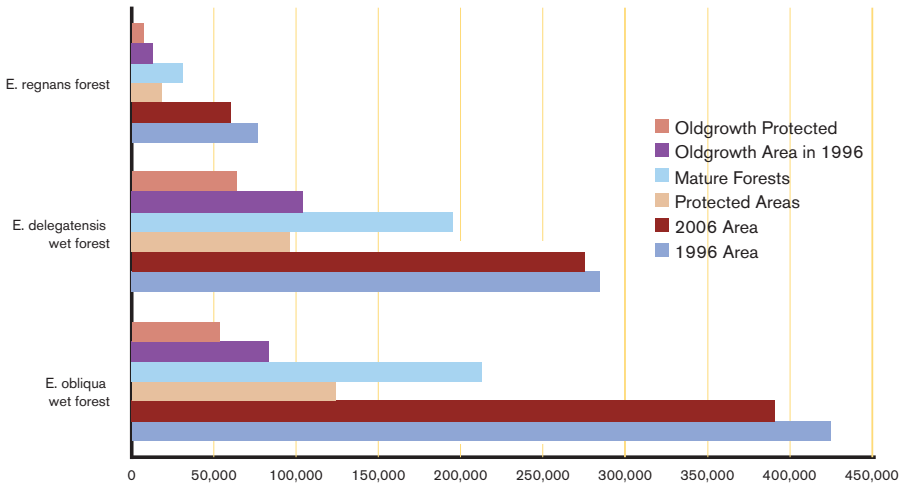
Source: Annual Reports of Forest Practices Board and Forest Practices Authority.





Wet Forest Categories	1996 Area	2006 Area	Protected Areas	Mature Forests	Old-growth Area in 1996	Old-growth Protected
E. Obliqua Wet Forest	425,630	391,682	124,020	213,000	83,490	52,840
E. Delegatensis Wet Forest	285,750	275,732	96,220	195,500	104,420	63,500
E. Regnans Forest	76,050	60,779	18,280	31,300	13,290	7,480
Wet Eucalyptus Total Forest Area	870,590	810,475	309,170	505,400	251,630	172,380

FIGURE 2.  
Top 3 Forest Categories of Wet Eucalyptus Forest.



Source: The State of Tasmania and the Commonwealth of Australia, Supplementary Tasmanian Regional Forest Agreement and Sustainability indicators for Tasmanian Forests 1996-2001 version:25.2.02.

It should be noted that Tasmania has some of the world's most carbon rich forests, containing up to 1200 tons of carbon per hectare. Scientific studies have shown that most of this is lost to the atmosphere following logging and burning. When these forests are converted to short-rotation plantations this carbon is never recovered. These forests have far higher value in helping to contain climate change than in industrial use for pulp production.

Furthermore, as bad as these statistics sound, the actual situation is even worse due to the Tasmanian government's narrow definitions of "old growth," which exclude forest dominated by mature trees as well as forests that contain old growth trees but are not dominated by them.

Unsuitably Narrow Definition of "Old Growth"

In Australia, "Old Growth" is defined as "ecologically mature forest where the effects of disturbances are now negligible." Based on this,

there are two criteria for assessing old growth: a) negligible unnatural disturbance, and b) maturity. However, the criteria for this definition of Old Growth is so strict that old growth forests need to satisfy both a certain share of "senescent" forests in the canopy of mature forests AND less than a certain share of "re-growth" forests or no record of logging in those areas<sup>9</sup>.

In Tasmania, this is further compromised by the use of whole mapping units to determine whether areas are old growth. For example, if a forest area of 300 ha contains 30 ha that would meet the definition for old growth but the rest of the mapping unit is dominated by re-growth, the 30 ha of old growth forest would not be separately identified. These narrow definitions have resulted in many Tasmanian forests that otherwise would be classified as old growth not being defined as such, and therefore not even considered for protection.



For example, 57 percent (500,000 ha) of the wet Eucalyptus (870,000 ha as of 1996) are categorized as "mature" (50,000 ha are located in private land and 450,000 ha are on public land).<sup>10</sup> However, only 29 percent of the wet Eucalyptus forests are categorized as "old growth"—roughly 240,000 ha on public land and 10,000 ha on private land. Of particular concern are the old growth definitions for the E. regnans (13,290 ha as old growth) and E. Obliqua wet (83,490 ha as old growth), which require a "senescent" crown of more than 30 percent AND a re-growth proportion of less than 10 percent.<sup>11</sup> As a result, only 19.6 percent of E. obliqua wet, 36.5 percent of E. Delegatensis wet, and 17.5 percent of E. regnans are defined under these regulations as "old growth" forests.

Therefore, although these forests are commonly recognized as being rare and of great biological value, they are not protected under the inappropriately narrow definition of the Tasmanian Regional Forest Agreement.

Logging Coupes Containing Old Growth or High Conservation Value Forests.

Furthermore, because areas of logging coupes are determined by operational considerations, even with Australia's inappropriately narrow definition of old growth forests, there are many "non-old growth coupes containing old growth." For

example, there are 165,000 ha of dry and wet Eucalyptus forest areas classified within logging "coupes containing more than 15 percent old growth."<sup>12</sup> Of these, the wet Eucalyptus forests contain more than 100,000 ha.<sup>13</sup> In addition, there are 130,000 ha classified as "non-old growth" forests with logging "coupes with less than 15 percent old growth."<sup>14</sup>

Overall, native Eucalypt state forest logging coupes are estimated to contain 672,000 ha,<sup>15</sup> with coupes containing "old growth" forests, as defined by Forestry Tasmania, estimated to comprise 44 percent (295,000 ha) of all native Eucalyptus state forest logging coupes; "coupes containing more than 25 percent old growth" are estimated to comprise at least 21.4 percent (144,000 ha) by Forestry Tasmania's own account.

The Australian Government has publicly stated that 2,500 ha of old growth forest are logged annually. According to Forestry Tasmania's own reports,<sup>16</sup> 2,000 ha of "coupes containing more than 25 percent old growth" forests are estimated to be *clear-cut* annually. Further coupes containing some "old growth" in fact provided 33.7 percent of pulpwood from Tasmania's native state forests on average from 1998-2004, with other "mature non-old growth" forests providing 37.3 percent of the pulpwood, according to a report prepared for Forestry Tasmania and the timber industry.<sup>17</sup> Overall, mature forests or forests containing old growth have been providing a staggering **71 percent** of the pulpwood produced from Tasmania's native state forests.

For example, in 2004-2005 Forestry Tasmania produced 2,724,303 tonnes (62.3 percent) of its hardwood pulpwood from native forest, while Gunns Limited produced 4,370,000 tonnes of woodchips. Therefore, although Forestry Tasmania stated that 600,000 cubic meters (21 percent) of its pulpwood came from "coupes containing more than 25 percent old growth"





during this year<sup>18</sup>, it is estimated that at least 44 percent of the native pulpwood produced in Tasmania came from mature forests or forests containing “old growth” trees.<sup>19</sup> This is continuing despite the fact that almost all of these forest areas should be protected from logging and categorized as old growth because they contain high

conservation value forests.

In 2001, the Tasmanian state government committed to protect high conservation value old growth forests from clear-cutting by Jan. 1, 2003 as part of Tasmanian Together,<sup>20</sup> wherein it specifically referred to

the following critical areas: the proposed eastern extensions of the Tasmanian Wilderness World Heritage Area; Styx Valley; NE Highlands; Tasman Peninsula; Eastern Tiers; Great Western Tiers; Reedy Marsh; and the Ben Lomond extensions. However, most of these areas have not been fully protected yet. Currently, the Australian government’s stated commitment is to reduce clear-cutting<sup>10</sup> to 20 percent of the total area of old growth forest logged on public land by 2010. However, Forestry Tasmania’s definition of old growth is so inappropriately narrow and its definition of re-growth so broad that very few forests will qualify for any significant reductions in clear-cutting, and this commitment does not extend to old growth forests that are extensively logged but not entirely clear-cut.

### The Problems of Retained Aggregates.

In addition to the substantial problems within the regulation of old growth forests, there is an alternative to clear-cutting called “retained aggregates” which allows logging that leaves small patches of forest within a clear-cut coupe. However, this practice seems to disregard the fact that old growth forests are generally the most evolved and productive ecosystems on the planet; over millions of years, animal have developed specialized niches in which they provide a crucial function for such forests.

These aggregates have low biodiversity and high potential to suffer from wind, fire, disease and drought. The ecological outcome is therefore

very similar to clear-cutting. Thus, retained aggregates function primarily as a convenient way of superficial “green-washing” of forest practices, rather than providing any real benefit to biodiversity.

## III. Extermination and Logging Impacts Upon Native & Endangered Wildlife

### Logging Impacts on Native Animals

There are many unique and endemic wild animals in the native forests of Tasmania, an area recognized as one of the world’s top ten biological risk ‘hot spots’ for future species extinction by the U.S. National Academy of Arts & Sciences. As Tasmania’s Threatened Fauna Handbook states, “Tasmania’s vertebrate and invertebrate fauna have received national and international recognition for their uniqueness and visual splendour. The variety of forms reflects Tasmania’s diversity of habitats and topography, over 10,000 years of island separation, and our Gondwanan origins.”<sup>21</sup> According to the Handbook, Tasmania is home to more than 160 species listed under the Environment



Protection and Biodiversity Conservation Act of 1999 (EPBC) and Threatened Protection Species Act of 1995 (TPSA).<sup>22</sup>

The clear-cutting, fire-bombing, and conversion of native forests to plantations by companies like Gunns Limited and its main wood supplier, Forestry Tasmania, have significant impacts on the native wildlife that lives in



Tasmania’s forests. Critical habitat for Tasmania’s wildlife is permanently destroyed when old growth forests are replaced by short-rotation tree crops for plantations.

For instance, species that need the holes and hollows that form in old trees are permanently displaced; this affects pygmy possums, sugar gliders, swift parrots, bats and owls. However, although the impacts of clear-cutting are immense, even partial logging can have significant impacts on species. A prime example of this is the impacts on endangered species highlighted in the Wielangta court case, which is explained below. Forestry Tasmania’s Managing Director Evan Rolley stated on its web site that “The Wielangta harvesting was selective harvest. The forest was not old-growth.”

On Dec. 19, 2006, Australia’s Federal Court found that the forestry operations of Gunns Limited in Wielangta (managed by Forestry Tasmania) are not exempt from Australia’s Environmental Protection and Biodiversity Conservation Act, and therefore illegal. These operations were also found to violate Tasmania’s Regional Forest Agreement (RFA), a 1997 agreement between the Tasmania state government and the federal government. Specifically, the logging operations of Gunns Limited and Forestry Tasmania were found to have had significant impacts on endangered species such as the Wedge-tailed Eagle, Broad

Toothed Stag Beetle and Swift Parrot. While it is on appeal, this landmark legal decision means that any forestry operations that harm the habitat of endangered species and vulnerable species registered with the EPBC are in violation of the law. **This important ruling is applicable to most of Gunns Limited’s logging operations in Tasmania.**

### Indiscriminate Extermination using Compound 1080

Gunns Limited’s forestry operations have routinely used carrot bait poisoned with the deadly toxic compound 1080 to indiscriminately exterminate hundreds of thousands of Tasmania’s native wildlife. After Gunns clears and burns forest areas, the company intentionally kills the surrounding wildlife because the animals might feed on the seedlings Gunns uses for its industrial plantations. While the use of this highly controversial toxin was finally banned in state forests at the end of 2005, 1080 compound continues to be routinely used by Gunns on private land; since private land usage has formerly accounted for about 50 percent of 1080 used each year, approximately half of wildlife extermination with this poison continues today.<sup>23</sup>

The compound 1080 (sodium monofluoroacetate) is a deadly poison without antidote that

<sup>10</sup> The Australian term for ‘clear-cutting’ is ‘clear-felling’.



was originally developed by Nazi army chemists for use in biological and chemical warfare. The United States and Canadian governments – among others – include it in a list of virulent poisons, which could be used by terrorists to poison a water supply. One teaspoon of this tasteless, odorless white powder has the power to kill 100 people.

According to a report by the Tasmania Conservation Trust (TCT),<sup>24</sup> it is estimated that about 100,000 wild animals were killed annually by Compound 1080 between January 2002 and April 2004. However, in a poison lethality experiment using animals with collar tracking devices, 75 percent of the poisoned animal carcasses were found in unexpected places such as bales of hay, hollow tree trunks, nests, or buried in fallen leaves.<sup>25</sup> Therefore, the number of animals killed by Gunns and others with 1080 is believed to be greatly underestimated.

More importantly, the wild animals “at risk of lethal or sub-lethal poisoning by 1080” include not only those targeted for extermination (such as the Brush-tailed possum, Pademelon and Bennetts Wallaby), but also many untargeted protected wildlife like the Wombat, Forester Kangaroo, Long-nosed Potoroo, Bettong, and Ring-tailed possum, and even EPBC-registered species such as Tasmania’s Spotted Tail Quoll, the Tasmanian Devil, and the Wedge-tailed Eagle.<sup>26</sup> This is a serious concern that again highly questions whether the logging operations of Gunns Limited and Forestry Tasmania are violating Tasmania’s Regional Forest Agreement and Australia’s Environmental Protection and Biodiversity Conservation Act.

## IV. Inadequate or Non-existent Forest Regulations

As this report has outlined, Tasmania’s native and old growth forests—including high conservation value forest—are being destroyed at an alarming rate using practices that routinely include clear-cutting, napalming, and mass extermination of native wildlife. The primary reason for this, as highlighted by the landmark federal ruling in the Wielangta case, is that the regulation of forestry practices in Tasmania has been completely inadequate.

The commercial logging taking place in Tasmania is supposed to be based on Tasmania’s Regional Forest Agreement (RFA). The RFA, however, exempts logging companies from environmental assessment regulations, penalties for harming threatened species, and the Export Control Act.<sup>27</sup> The inadequacy of the forest conservation system adopted under the Tasmanian RFA was denounced by a large group of respected scientists in a 2004 public statement. In 2005, some new nominal protection measures were introduced on the basis of the supplementary RFA, but these still failed to address the issues raised by these scientists.<sup>28</sup>

Tasmania’s forest practices system is said to be based on a “co-regulatory approach,” which is comprised of self-management by the forest industry with monitoring and enforcement of standards by the Forest Practices Authority (FPA), the successor of the Forest Practices Board (FPB) since July 2005.<sup>29</sup> However, many have criticized the self-regulation system for resulting in little or no regulation.

### Exempting Commercial Logging from Environmental Laws

As mentioned above, it is of particular concern that commercial logging “in accordance with” the Tasmanian RFA has been exempted from the environmental assessment procedures and penalties of Australia’s Environmental Protection and Biodiversity Conservation Act (EPBC). Prior to the Wielangta decision, this exemption greatly undermined regulation of egregious practices by companies such as Gunns Limited. For instance, fines for violation of the EPBC Act (5.5 million Australian dollars, or 480 million yen) are 55 times greater than the fines for violation of the Forest Practices Act (100,000 Australian dollars, or 8.8 million yen), which is the regulation applied in practice.<sup>30</sup> Furthermore, the statute of limitations for violations of the Forest Practices Act is a mere three years. Fortunately, the recent Wielangta federal court decision found that these logging exemptions are not effective when endangered species are or will not be protected from forestry operations.

### An Ineffective “Self-Regulated” System

In accordance with the Forest Practices Code, a Forest Practice Plan (FPP) must be submitted to obtain approval for all forest operations, including logging. Forest Practices Officers (FPOs) of the Forest Practices Authority have responsibilities and powers under the Forest Practices Act to ensure that forest operations comply with Forest Practices Code. Upon completion of all forest operations, FPOs must issue a Certificate of Compliance ensuring that the Forest Practices Plan was properly implemented. However, the FPOs who approve the FPP are foresters employed by the applicant companies!

This is known as “a self-regulation” system, which is supposed to be subject to a checking after the fact. An Australian television program—*Tasmanian Fire Sale on Sunday*<sup>31</sup>—noted that “only 15 percent of these plans are ever audited, and most of those audits take place after logging is completed. How can you tell if rare and endangered species have been removed from a site, if all that’s left are the stumps?”<sup>32</sup> According to Mr. Graham Davis, the reporter of the program, “that’s not self-regulation, that’s no regulation.” In fact, it appears that adequate environmental assessments are not being carried out for individual logging coupes under this procedure. For example, the nest of a wedge-tailed eagle, designated as an endangered species under the federal EPBC law, was cut down in July 2006 despite regulations prohibiting the logging of trees with such nests. There have been many other reported cases of logging harming endangered species, including Gunns operations in Reedy Marsh.<sup>33</sup>

### Identified cases of illegal logging or breaches of regulations.

Even with the weak or non-existent regulations, several serious legal breaches have been reported. For example, at the end of 2003, Mr. William Manning, a member of the Forest Practices Board, blew the whistle on Forestry Tasmania for violating the Endangered Species Protection Act, the Forest Practices Act, and the Environmental Management and Pollution Control Act. Unfortunately, his allegations were ignored by the Forest Practices Board. He revealed that “nearly 100 separate serious alleged breaches from my auditing between 1999 and





2002,” but Forestry Tasmania was never prosecuted for any of them. Manning also identified more than 80 violations in audits at the state level between 2000 and 2001.<sup>34</sup> However, even the few violations that are reported are hardly ever properly prosecuted.

### It is not enough to prohibit logging of trees that are 85 meters or taller

There are a few Tasmanian trees (e.g., eucalyptus regnans) that grow to extreme heights of 90 meters or more. However, though logging of trees that are 85 meters or taller is prohibited, such trees are extremely rare, so almost all tall, old growth trees—despite high conservation value—are still subject to logging. The regulations are therefore totally inadequate; at a minimum, trees with heights of 65–70 meters or greater should be protected. The endangered wedge-tailed eagle is said to only build its nest on giant trees that tower above the forest canopy. Trees with nests of this bird are supposed to be protected, but when the surrounding forest is logged, it becomes difficult for them to establish new nests. This is currently helping accelerate the wedge-tailed eagle toward extinction.



## V. The Inadequacy of AFS Certification Vs. the Forest Stewardship Council (FSC)

Many of the woodchips produced in Tasmania are certified under the Australian Forestry Standard (AFS), which is a timber certification scheme developed in Australia and designed specifically to provide legal cover for Gunns' egregious logging practices. This certification scheme is fraught with many problems that allow certification to be given despite practices that include clear-cutting old growth forests, firebombing the land, harming endangered species, and mass extermination of Tasmania's wildlife. Hence, the AFS may serve as a certificate of legality under the slack regulations explained above, but it is hardly proof of sustainable forest management. The AFS scheme differs entirely from the Forest Stewardship Council (FSC) certification scheme promoted by most NGOs.

The AFS certification scheme lacks a balanced decision making process, as environmental organizations have almost no voice in its organizational structure. This structure fails to comply with the Standardization Guide of Standards Australia.<sup>35</sup> In fact, the AFS has only **"interim" status** under Standards Australia, the leading standards-setting body in Australia.

Most sustainability systems, such as the FSC, call for a balanced decision making process, as does Standards Australia. For instance, voting rights for the FSC's general assembly (its highest decision-making body) and its board of directors are divided equally among three membership chambers: environmental, social and economic. The AFS lacks such a balanced decision making process.

More importantly, the AFS certification criteria are cause for serious concern. The FSC requires that care be taken to conserve the environment at the level of the forest management unit.

**However, the AFS scheme allows for clear-cutting and "conversion of land use" in certified forest areas!** The only tangible condition of the AFS for this practice is that conversion measures are implemented to **"a limited portion of the forest type at the bioregional level" around the area to be certified.**<sup>36</sup>

Regarding objectives for land use conversion, the AFS standard does not state that conversion should complement the management of, reduce pressures on, or promote the restoration and conservation of natural forests; this is required by the FSC (FSC Principles and Criteria 10). Instead, the AFS states that conversion should make a contribution to conservation, economic and social benefits (AFS 4.3.2). Under already inadequate regulations, this could easily be interpreted as placing economic interests – such as those of Gunns Limited – ahead of legitimate conservation standards.

Furthermore, the party officially responsible for regulating forestry operations in Tasmania—the Forest Practices Authority—is not even a part of the audit system of the AFS. In fact, the Forest Practices Authority has neither a certification of its own nor a quality assurance certificate.

The AFS scheme also **allows conversion of high conservation value forest** and old growth forest as long as it is reasonably certain that land-clearing conversion does not involve a



threatened forest ecosystem; old growth forest that is rare or depleted within the forest ecosystem; or 'important' habitat of threatened species. Therefore even forestry operations that have significant impacts on endangered species—such as in Wielangta forest operations or conversion practices—can be certified by the AFS when the habitat is not be interpreted to be 'important.'

In stark contrast, the FSC scheme strictly restricts logging in high conservation value forest. Furthermore, the FSC criteria on logging volumes (FSC 5.6) states that the harvest rate of forest products "shall not exceed levels which can be permanently sustained," whereas the AFS standard merely states that the "rationale for the annual harvesting rates" must be stated in the forest management plan, **without ever defining what harvesting rates would be considered rational or sustainable.**<sup>37</sup>

Thus, the AFS certification scheme allows a logging company like Gunns Limited to gain certification even if it is conducting large-scale clear-cutting or conversion of old growth or high conservation value forests to tree plantations, simply because the logging company deems its actions "rational." Therefore, although the AFS label may signify compliance with the Australian government's slack regulations, it does not certify sustainability and should be rejected by responsible governments and companies.

Reflecting this judgment, the Belgium Government placed the AFS on its "B" list of preferred schemes, which means that priority is given to many other sources before AFS certified forest products, and other European governments appear similarly dissatisfied with the AFS.

Likewise, the CPET—the advisory body of the UK government regarding its timber procurement policy—conducted an evaluation of various forest certification schemes and initially found that the AFS did not fulfill the CPET's criteria for sustainability.<sup>38</sup> In April 2006, CPET decided to only **provisionally recognize** the PEFC (Programme for the Endorsement of Forest Certification) with which AFS is affiliated.

Despite these problems, in Dec. 2006—after intense pressure from the Australian government which included a meeting between Prime Minister John Howard and Prime Minister Tony Blair during which the AFS standard was discussed—the CPET surprisingly recognized PEFC as a sustainable certification system. This recent endorsement of the PEFC—since it includes the AFS—has raised very significant concerns about the PEFC scheme and enormous criticism from global NGOs.

Ironically, days after this recognition by the CPET, the landmark Wielangta decision of Australia's Federal Court found logging practices that were certified by the AFS to be illegal and seriously harming endangered species. Currently the CPET is receiving widespread criticism from environmental NGOs worldwide.

The landmark Wielangta decision demonstrates that the AFS is a completely failed system incapable of delivering any genuine standard of sustainability. The decision confirms what global environmental NGOs and stakeholders have said about the AFS for years. Conservationists and environmental NGOs in Australia have opposed the AFS scheme since 2001 due to the fact that the forestry officials who dominate the AFS standard-setting process have refused to adopt legitimate sustainable standards, specifically to ensure that high conservation value forests were protected and that wood arising from the conversion of forests to farmland or plantations could not be branded as sustainable by AFS.

Given that the Australia Forestry Standard has no credibility with global environmental NGOs or stakeholders, includes serious procedural problems, and has recently been found to certify forestry operations that are illegal and harm endangered species, it is very important that companies that aim to meet sustainable standards do not use the AFS and instead use legitimate forestry certifications such as the Forest Stewardship Council (FSC).



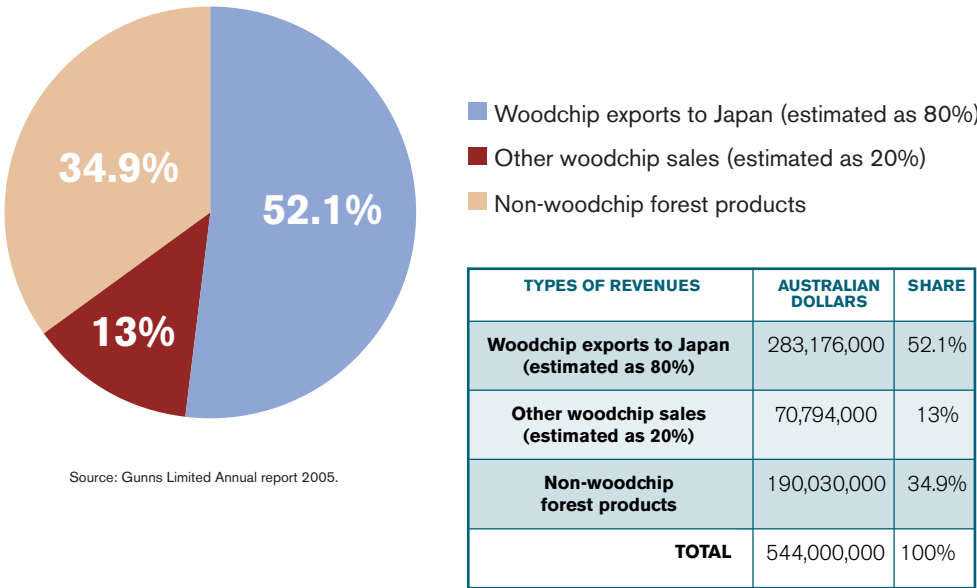


## 2. Relation Between Japan and Tasmania’s Woodchip Industry

### I. Volume of Tasmanian Sourced Woodchips

At present, the Tasmanian woodchip export industry is dominated by Gunns Limited. Hence, all woodchips exported from Tasmania are produced by Gunns Ltd. In 2002-2003, Tasmanian woodchip exports exceeded 5.1 million tons.<sup>39</sup> Australian deciduous woodchip exports to Japan in 2002 totaled 7.7 million tons, so exports of hardwood chips from Tasmania accounted for no less than two-thirds of the total for all of Australia. Japanese imports of woodchips from Tasmania in 2003 were reported to be 4.3 million tons. In the period of 2002-2003, Japanese imports accounted for at least 84 percent of Tasmanian woodchip exports.

FIGURE 3.  
Estimate of Gunns’ Forest Product Revenues



However, partly due to factors such as greater awareness by some responsible companies and the rising exchange rate for the Australian dollar, production of woodchips by Gunns declined in subsequent years to 4.75 million tons in 2004 and 4.37 million tons in 2005.<sup>40</sup> Nonetheless, approximately 80 percent of woodchips supplied by Gunns Ltd. are still exported to Japan.

Therefore, the Japanese market is crucial for Gunns Ltd., and it is this support that allows Gunns to continue to rapidly destroy high conservation value forests in Tasmania. According to Gunns’ 2005 annual report, the company’s total revenue from forest products was \$544 million Australian dollars (about 48 billion yen), whereas its production volume of wood chips was 4.37 million tons, which, at an average price of 81 dollars per ton, would amount to revenue of roughly \$354 million Australian dollars (31 billion yen). If it is assumed that 80 percent of these woodchips

(about 3.5 million tons) are exported to Japan, then sales to Japan amounted to at least 283 million Australian dollars (25 billion yen) and accounted for 52 percent of Gunns’ total revenue for forest products in 2005. In fact, Gunns’ annual report states that the company “relies on overseas markets for 55 percent of its revenues from forest products.” In other words, Gunns depends on the Japanese market for more than half of its revenues for forest products, which is Gunns’ primary source of revenue.

Tasmania is also an important source of woodchips for Japan. Currently, most natural woodchips used for Japanese paper production come from Australia, with Tasmania’s native forests supplying the bulk of woodchips for Japanese paper. In 2003, Tasmanian woodchips from Gunns accounted for approximately 20 percent of Japan’s imports of deciduous woodchips, which serve as the main raw material for fresh pulp production.



To better understand the situation, the entire island of Tasmania is smaller than Hokkaido Island in Japan, but 20 percent of Japan’s hardwood woodchips are sourced from this one region alone. In 2005, native woodchips from Tasmanian state forests accounted for 53.2 percent (2,724,303) of the 5,124,000 tons of

total native hardwood woodchip imports to Japan, 4,828,000 tons of which came from Oceania (Australia and New Zealand).<sup>41</sup> Therefore, the majority of natural woodchip imports to Japan are supporting the destruction of high conservation value forests in Tasmania by Gunns Limited.

2003 (1000t)	Russia	North America	Tropical Areas	Others (Chile, etc.)	Oceania (more than 90% from Australia)	Tasmania (included in Oceania)	TOTAL
Natural forests (Hardwood)		372		112	5,206		5,690
Hardwood plantation			3,742	10,044	1,338		15,124
Hardwoods residue		72			668		740
Natural forests (Softwood)	84	132					216
Softwood plantation		92	518	102	1,434		2,146
Softwoods residue	28	1,446	56	58	1,452		3,040
Hardwood total						4,300	21,554
TOTAL	112	2,114	4,316	10,316	10,098		26,956

FIGURE 4.  
Woodchip Import Volume by Source Area in 2003

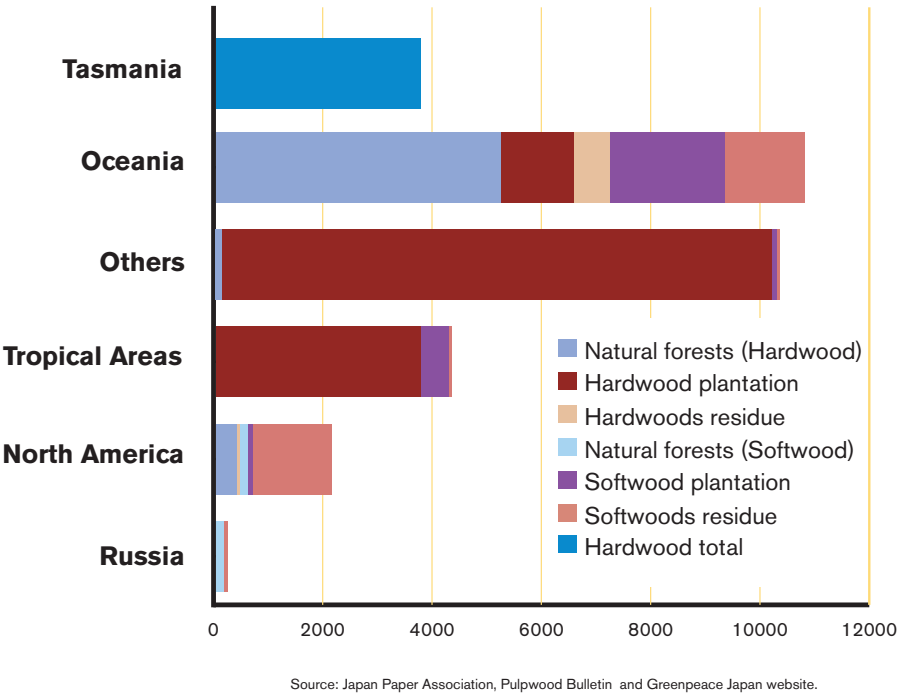
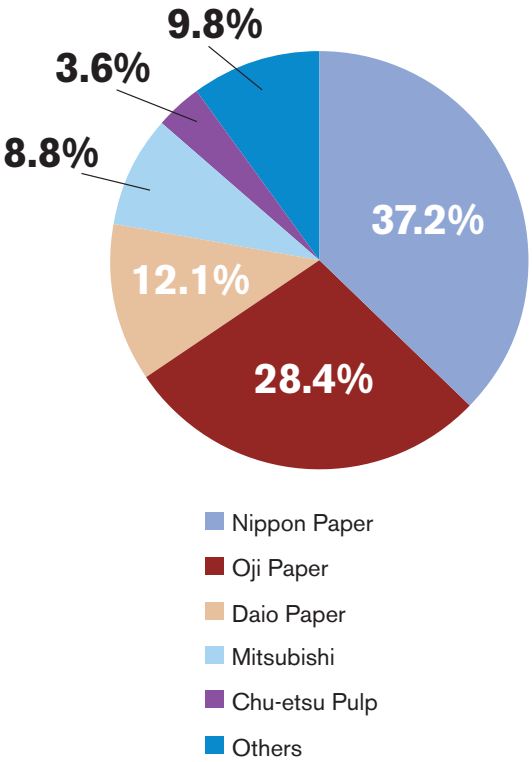


FIGURE 5.  
Gunns’ Estimated Woodchip Supply in 2003



2003 (t)	Gunns woodchips	Percentage %
Nippon Paper	1,600,000	37.2%
Oji Paper	1,220,000	28.4%
Daio Paper	522,000	12.1%
Mitsubishi	380,000	8.8%
Chu-etsu Pulp	156,000	3.6%
Others	422,000	9.8%
TOTAL	4,300,000	100%

Source: RAN research

II. Primary Purchasers of Gunns Native Forest Woodchips

Oji Paper, Nippon Paper and Chu-etsu Pulp are believed to be continuing to purchase a large volume of woodchips from the native forests of Tasmania. Oji Paper and Nippon Paper together account for two-thirds of Japanese purchases from Gunns.

Conversely, Mitsubishi Paper Mill (MPM) and Daio Paper are continuing to buy woodchips from tree plantations from Tasmania but have halted purchases of woodchips from native forests in Tasmania. MPM has adopted a procurement policy promoting FSC and FSC-controlled wood standard. Of the top six Japanese paper manufacturers, the only company that does not purchase woodchips from Tasmania is Hoku-etsu Paper.

The diagram above shows the breakdown of paper manufacturers’ purchasing volumes in 2003. The top purchaser is Nippon Paper, whose purchasing volume was 1.6 million tons in 2003 (though this decreased to 1.4 million tons in 2006).







II. Ranking Criteria

<b>1. General criteria</b>	
(1) Response to RAN Tasmania Issue Questionnaire	2 points
(2) Adoption of CSR (Corporate Social Responsibility) policy	2 points
(3) Adoption of procurement policy for paper, pulp, and woodchips	2 points
(4) Purchasing of Tasmanian woodchips	2 points
For each criterion, a positive rating (●) is 2 points, a neutral rating (▲) is 1 point, a negative rating (x) is 0 points, and unknown information (?) is 0 points. The score based on the general criteria is equal to (1) x (2) + (3) + (4), with a maximum score of 8 points.	
<b>2. More specific criteria</b>	
(5) Dialogue meeting with stakeholders	2 points
(6) Dialogue with or requests to suppliers for improvement	2 points
(7) Clear FSC preference	2 points
(8) Pledge to improvement further	2 points
(9) Actions towards improvement further	2 points
For each criterion, a positive rating (●) is 2 points, a neutral rating (▲) is 1 point, a negative rating (x) is 0 points, and unknown information (?) is 0 points. The score based on the more specific criteria is equal to (2) x (5) + (6) + (7) + (8) + (9), with a maximum score of 12 points.	
The maximum total score is 20 points.	

3. Ranking of Purchasing Companies



I. Selection Criteria

This report ranks the primary companies that either directly or indirectly purchase woodchips or paper products that originate from Tasmania’s natural forests. This includes the top three purchasers of native woodchips from Gunns—Nippon Paper, Oji Paper and Chu-etsu Pulp— the primary customers affiliated with the top two paper companies (Nippon & Oji Paper) or listed on the Tokyo Stock Exchange, and the top 3 publishing companies, for a total of 29 companies. These companies were first evaluated according to general criteria. Nine companies recognized as globally significant corporations with large influence over other companies and markets outside of Japan were further evaluated and ranked on the basis of more specific criteria.





III. Ranking Score

1. Overall Ranking of Global Companies

Top 3 problematic companies:

- All Nippon Airways (ANA) (0 points)
- Oji Paper (4 points)
- Nippon Paper (6 points)

Top 3 companies making progress:

- Sharp (16 points)
- Canon (15 points)
- Fuji Xerox (14 points)

Ranking	Points	Company Name
1	0	All Nippon Airways
2	4	Oji Paper
3	6	Nippon Paper
4	7	Toyota Motors
5	9	FUJIFILM
6	13	Ricoh
7	14	Fuji Xerox
8	15	Canon
9	16	Sharp

2. Scores of global companies on the basis of more specific criteria

Name of Company	(5) Engage in dialogue with stake-holder 2 pts	(6) Dialogue with Supplier for improvement 2 pts	(7) FSC Preference 2 pts	(8) Pledge to improve further 2 pts	(9) Actions to improve Further 2 pts	Specific criteria score (2)x(5)+(6)+(7)+(8)+(9)	Score of General Criteria	Total Score
Oji Paper (TSE-1: 3861)	x	?	?	x	x	0 pts	4 pts	4 pts
Nippon Paper (TSE-1: 3893)	▲	?	?	x	x	2 pts	4 pts	6 pts
FUJIFILM Corporation :Subsidiaries of FUJIFILM Holdings Corporation (TSE-1: 4901)	●	x	?	x	x	4 pts	5 pts	9 pts
Fuji Xerox Co., Ltd. Fuji Xerox Office Supply Co., Ltd. Subsidiaries of FUJIFILM Holdings Corporation (TSE-1: 4901)	●	●	▲	x	▲	8 pts	6 pts	14 pts
Ricoh Co., Ltd. (TSE-1: 7752)	●	●	▲	x	x	7 pts	6 pts	13 pts
Canon Marketing Japan Inc. (TSE-1: 8060)	●	●	▲	▲	▲	9 pts	6 pts	15 pts
Sharp Document Systems Corporation Sharp (TSE-1: 6753)	●	●	▲	●	●	11 pts	5 pts	16 pts
All Nippon Airways Trading Co., Ltd.) All Nippon Airways Co., Ltd. (TSE-1: 9202)	x	?	?	x	x	0 pts	0 pts	0 pts
Toyota Motor Corporation (TSE-1: 7203)	●	▲	?	x	x	5 pts	2 pts	7 pts





## 3. Score on the basis of general criteria

Name of Company	(1) Answer questionnaire 2 pts	(2) CSR policy adoption 2 pts	(3) Announced paper procurement policy 2 pts	(4) Purchases Buyer x Non-Buyer ● 2 pts	Score (1)x(2)+(3)+(4)	Comments
Oji Paper (TSE-1: 3861)	▲	●	●	x	4 pts	
Nippon Paper (TSE-1: 3893)	▲	●	●	x	4 pts	
Chu-Etsu Pulp (TSE-1: 3877)	▲	▲	●	x	3 pts	
FUJIFILM Corporation :Subsidiaries of FUJIFILM Holdings Corporation (TSE-1: 4901)	●	●	▲	x	5 pts	
Fuji Xerox Co., Ltd. Fuji Xerox Office Supply Co., Ltd. :Subsidiaries of FUJIFILM Holdings Corporation (TSE-1: 49)	●	●	●	x	6 pts	
Ricoh Co., Ltd. (TSE-1: 7752)	●	●	●	x	6 pts	
Canon Marketing Japan Inc. (TSE-1: 8060)	●	●	●	x	6 pts	
TOPPAN FORMS CO., LTD. (TSE-1: 7862)	●	▲ Environmental policy	▲	?	3 pts	
KOKUYO Co. Ltd. (TSE-1: 7984)	x	●	?	?	0 pts	
Sharp Document Systems Corporation Sharp (TSE-1: 6753)	●	●	▲	x	5 pts	
All Nippon Airways Trading Co., Ltd.) All Nippon Airways Co., Ltd. (TSE-1: 9202)	x	●	?	?	0 pts	
Toyota Motor Corporation (TSE-1: 7203)	▲	●	x	?	2 pts	
ASKUL Corporation (TSE-1: 2678)	●	▲ Environmental policy	●	x	4 pts	
Otsuka Corporation (TSE-1: 4768)	x	●	?	?	0 pts	
NIPPON TELEGRAPH AND TELEPHONE CORPORATION (TSE-1: 9432)	▲	●	?	?	2 pts	Not contained in phone book.
CERTO Corporation (JASDAQ:3354) Owned by AEON Corporation (TSE-8264)	x	?	?	?	0 pts	
SENSHUKAI CO.,LTD (TSE-1: 8165)	●	●	▲	?	5 pts	
Cecile Co. Ltd (TSE-1: 9937)	●	●	▲	?	5 pts	
Belluna Co., Ltd (TSE-1: 9997)	x	?	?	?	0 pts	
Shaddy Co., Ltd. (TSE-1: 8048)	x	?	?	?	0 pts	
Dai Nippon Printing Co., Ltd. (TSE-1: 7912)	x	●	▲	?	1 pts	
TOPPAN PRINTING CO., LTD. (TSE-1: 7911)	x	●	▲	?	1 pts	
KYODO PRINTING CO., LTD. (TSE-1: 7914)	x	●	▲	?	1 pts	
Kodansha Ltd.	●	?	?	?	0 pts	
Shogakukan Inc.	●	●	▲	?	5 pts	
Shueisha	x	?	?	?	0 pts	
KADOKAWA GROUP Holdings Inc. (TSE-1: 9477)	x	?	?	?	0 pts	
Gakken Co., Ltd. (TSE-1: 9470)	x	▲ Environmental policy	▲	?	1 pts	
SOFTBANK Creative Corp. :a group company of SOFTBANK CORP. (TSE-1: 9984)	x	?	?	?	0 pts	



## 4. Purchasing Guidelines

In order for companies to avoid becoming an accomplice to endangered forest destruction in Tasmania, we believe they should adopt the following three principles:

- 1. **Establish and enforce paper procurement policies to not purchase raw materials that originate from high conservation value forest (HCVF) or old growth forest.**
- 2. **Request the cooperation of your company’s suppliers in implementing such paper procurement policies.**
- 3. **Prioritize FSC (Forest Stewardship Council) as the preferred forestry scheme for third party certification.**

In order to avoid association with the problematic woodchips that originate from Gunns Limited’s destructive logging practices, it is important to pay particular attention to paper manufactured by Oji Paper, Nippon Paper and Chu-etsu Paper.

Additionally, it is advised that companies employ the following guidelines to ensure sustainable procurement:

- Use 100 percent recycled paper as much as possible
- Use FSC-certified paper or FSC-controlled wood if recycled paper is unavailable
- If FSC paper or wood is unavailable, use paper from plantation forests that use a legitimate certification system similar to FSC certification and specifically do not use AFS certification, as these do not meet genuine sustainable standards

Forestry certification systems are meant to ensure that wood is procured from sustainably managed forests. It is very important to understand the significant difference between AFS and FSC. AFS certification is not regarded as a legitimate certification system by environmental NGOs, and it certifies egregious logging practices such as the clear-cutting of high conservation value forests, firebombing the cleared land, and poisoning of native wildlife. Furthermore, AFS certifies practices which were recently found to be illegal and harming endangered species by Australia’s Federal Court in the landmark Wielangta case brought by Senator Bob Brown.

## 5. Disclaimer

The objective of this report is to raise awareness about the relationship between forest destruction in Tasmania and the purchasing decisions of companies in Japan. We hope that this will improve current problems by encouraging companies to consider their impact on Tasmania’s endangered forest ecosystems. We believe that if companies adopt more responsible procurement practices, the conditions in Tasmania can greatly improve. Currently, the irresponsible woodchip and paper purchases of some companies are greatly exacerbating the destruction of Tasmania’s forests.

The information used to rank the companies was obtained by RAN through its research and a questionnaire survey. The ranking focuses strictly on the problems of native forest logging in Tasmania. Various problems exist in the forests of other regions as well that would benefit from more responsible procurement policies by companies included here, but these are not considered in this report.

## 6. About Us:

RAINFOREST ACTION NETWORK



Since it was founded in 1985, Rainforest Action Network (RAN) has worked to protect rainforests and the rights of those living in and around those forests.

RAN has helped convince dozens of leading corporations—including Home Depot, Citigroup, Boise Cascade and Goldman Sachs—to improve their practices, and we have publicly congratulated them when they have done so. We have also helped to protect millions of acres of forests in Canada, Indonesia, Brazil, Chile and beyond, but much more still needs to be done.

RAN consists of 40 full-time staff members in San Francisco, CA, and in Tokyo, Japan, as well as a network of thousands of volunteer scientists, teachers, parents, students and other concerned citizens around the world. We believe that a sustainable world can be created in our lifetime, and that strong action must be taken immediately to leave a safe and secure world for our children.

### CONTACT INFORMATION:

**Rainforest Action Network:**  
221 Pine Street, 5th Floor  
San Francisco, CA 94104 USA  
415-398-4404 phone  
415 398-2732 fax  
<http://www.ran.org/>  
<http://www.treesnotgunns.org/>

**Rainforest Action Network  
Japan Representative:**  
5-28-10-404 Senda-gaya,  
Shibuya-ku, Tokyo 151-0051  
JAPAN  
+81-3-3341-2022(tel)  
+81-3-3341-2277(fax)  
<http://www.treesnotgunns.org/jp>



APPENDIX<sup>42</sup>

The six types of High Conservation Value Forest

- HCV1.

**Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).**

*For example, the presence of several globally threatened bird species within a Kenyan montane forest.*
- HCV2.

**Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.**

*For example, a large tract of Mesoamerican lowland rainforest with healthy populations of jaguars, tapirs, harpy eagles and caiman as well as most smaller species.*
- HCV3.

**Forest areas that are in or contain rare, threatened or endangered ecosystems.**

*For example, patches of a regionally rare type of fresh-water swamp forest in an Australian coastal district.*
- HCV4.

**Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).**

*For example, forest on steep slopes with avalanche risk above a town in the European Alps.*
- HCV5.

**Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).**

*For example, key hunting or foraging areas for communities living at subsistence level in a Cambodian low-land forest mosaic.*
- HCV6.

**Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).**

*For example, sacred burial grounds within a forest management area in Canada.*

REFERENCES

- 1

This poll was conducted by a Australian leading public poll company, Newspoll, in January 2004.

For more information please see: <http://www.newspoll.com.au/>
- 2

The coupes scheduled to be logged in 2007 can be viewed online by using Google Earth at: <http://www.wilderness.org.au/campaigns/forests/tasmania/tas-forests-google/>
- 3

Derived from the Tasmanian Forest Practices Board, (1999-2005), *Annual Report* and Tasmanian Forest Practices Authority, (2006), *Annual Report 2005-2006*. On average, from 1999 to 2005, plantation conversion in state forest was 5,298ha. Plantation conversion in private forest was 3,967ha. Regeneration by seeding in state forests was 3,560ha. Regeneration by seeding in private forests was 1,211ha.
- 4

Derived from the State of Tasmania and the Commonwealth of Australia, Supplementary Tasmanian Regional Forest Agreement, Table 1, pp16-17 and Sustainability indicators for Tasmanian Forests 1996-2001 version-25.2.02. Table 1.1.b. p25, and "Indicators, Native Vegetation Clearing" in Resource Planning and Development Committee (2003), State of the Environment Tasmania 2003. See the website at: <http://soer.justice.tas.gov.au/2003/indicator/101/index.php>
- 5

Tasmanian Forest Practice Authority, (2006), Annual report 2005-2006, Appendix.4, page 82. In some areas the decrease rate of E. regnans was more than 20 percent. For example, it was 31.6 percent in the Woolnorth bioregion, 31.9 percent in the Ben Lomond bioregion and 22.6 percent in the Freycinet bioregion. The quotation is excerpted from a report by the Resource Planning and Development Committee,(2003), State of the Environment Tasmania 2003. See the website at: <http://www.rpdc.tas.gov.au/soer/bio/4/issue/41/ataglance.php> WWF Australia also said that it "believes that any further broad scale conversion of native forest should be banned" in its report, A blueprint for the Forest Industry and Vegetation Management in Tasmania.
- 6

An average of 80% of public-land native-forest logs go direct to chipmills and pulpmills and 19% to sawmills and veneer mills. However, if you count sawmill residues (the chipped off-cuts etc of logs that go to sawmills), the percentage of native-forest logs that get chipped in chipmills and pulpmills increases to 89%. These figures are averages from 1991-92 to 2004-05 of figures presented in Forestry Tasmania's Annual Reports for various wood products. See also Symetrics,(2004), Impact of the Policy to cease Clearfelling of old growth Forests in 2010: An overview of productivity, Financial and Employment Impacts, A report prepared for the Tasmanian Forest & Timber Industries, Table 6.1. p19. For private forest, see Private Forest Tasmania(2006) Annual Report 2005-2006 p10.
- 7

See ProForest's web site: <http://www.proforest.net/publications/hiconvf> or <http://www.proforest.net/publications/resolveuid/5fa32551a72133deb3a7f0686b7ef8ec>
- 8

Derived from The State of Tasmania and The Commonwealth of Australia,(2005), *Supplementary Tasmanian Regional Forest Agreement*, Table 1, pp16-17. For more information, please see: [http://www.affa.gov.au/corporate\\_docs/publications/pdf/forestry/rfa/tasmania/supplementary\\_tas\\_rfa\\_13\\_may\\_05.pdf](http://www.affa.gov.au/corporate_docs/publications/pdf/forestry/rfa/tasmania/supplementary_tas_rfa_13_may_05.pdf)
- 9

Members of the Tasmania–Commonwealth Regional Forest Agreement Environment and Heritage Technical Committee, (1996), Tasmanian-Commonwealth Regional Forest Agreement Background Report Part C, Environment and Heritage Reports

- vol.1, Chapter4

Oldgrowth and Appendix U, which is located at: [http://www.stors.tas.gov.au/item/stors/7b1a99a1-b1c5-3568-3d36-1ace96793eeb/1/app\\_u.html](http://www.stors.tas.gov.au/item/stors/7b1a99a1-b1c5-3568-3d36-1ace96793eeb/1/app_u.html) It shows those definitions of oldgrowth in each forest type. The definition of old growth for E. Delegatensis wet(104,420ha) is that when "senescent" crown in the canopy is more than 30%, regrowth proportion should be less than 30%; or when "senescent" crown in the canopy is more than 10%, regrowth proportion should be less than 10%. So, even if "senescent" crown in the canopy is 25%, when the regrowth proportion is 15%, the forest is not defined as "oldgrowth" forest.
- 10

Tasmanian and Commonwealth Governments, Sustainability indicators for Tasmanian Forests 1996-2001 version-25.2.02., Table 1.1.b. p25
- 11

The State of Tasmania and The Commonwealth of Australia, (2005), op.cit.(n.8)and *Environment and Heritage Report* vol.1,(1996), op.cit.(n.9).
- 12

Forestry Tasmania, (2005), *Towards a New Silviculture in Tasmania Old growth Forests: Final Advice to Tasmanian Government*. This figure is calculated as the difference of Eucalyptus coupes between Table 5, p28 and Table 9, p52. It is derived from the following calculation: 551000 (ha) + 58000 (ha) + 69000 (ha) – 513000 (ha) = 165000 (ha) although Table.1, p15 shows that it is 182,000 ha.
- 13

Forestry Tasmania (2005), op. cit.(n.12) Table 1, p15
- 14

Forestry Tasmania (2005), op. cit.(n.12), p52
- 15

Forestry Tasmania has an estimated 44,000ha of hardwood plantations based on records that FT has 98,000 ha of total plantations which includes 54,000ha of softwood plantation. According to Forestry Tasmania (2005), op. cit.(n.12), p52, "non-old growth/plantations" of Eucalyptus coupes are about 551,000 ha. Thus there are 507,000 ha of "non-old growth" Eucalyptus coupes , including 130,000ha of "coupes with less than 15% old growth". Therefore coupes NOT containing "old growth" defined by FT comprise approximately 377,000 ha. And total coupes containing "old growth" would comprise 295,000 ha, derived from the calculation: 165,000 (ha) + 130,000 (ha). Therefore, the native Eucalyptus state forest logging coupes are calculated from these figures: 672,000 ha = 295,000 ha + 377,000 ha.
- 16

This is shown at Figure 13 of Forestry Tasmania (2005), op. cit.(n.12), Appendix 2, p79.
- 17

The volume shares of pulpwood from native forest by forest types are calculated as follows: 27.8% from "Mature Old growth" (5,027,164m³), 5.9% from "Re-growth Old growth"(1,072,694m3), 37.3% from "Mature" non-old growth (6,740,843m³) and 29.0% from "Re-growth" non-old growth(5,246,814m³) based on the data of a report by Symetrics (2004). Symetrics,(2004), *Impact of the Policy to cease Clearfelling of old growth Forests in 2010: An overview of productivity, Financial and Employment Impacts, A report prepared for the Tasmanian Forest & Timber Industries*, Table 6.1. p19.
- 18

Forestry Tasmania (2005) op. cit.(n.12) ADDENDUM, Figure 18, p 87.
- 19

This is based on the calculation that 71% (proportion of mature or old growth forests) of 62.6% (share by state forest) is 44% of total woodchips.Derived from Annual Report by

- Forestry Tasmania(2006) p9 and Private Forest Tasmania(2006) p10.
- 20

"Tasmania Together is a vision for the State based on the wishes of the people." For more information please visit its website at: [http://www.tasmaniattogether.tas.gov.au/about\\_tasmania\\_together](http://www.tasmaniattogether.tas.gov.au/about_tasmania_together) The target and those areas were stated at Goal 24.2 of Tasmanian *Together* Goals and Benchmarks established by the Tasmania *Together* Progress Board in 2001. The goal was changed to Goal 11.2 of revised Tasmanian Together in 2006.
- 21

Bryant, S. and J. Jackson, (1999), *Tasmania's Threatened Fauna Handbook* is located at: [http://www.dpiw.tas.gov.au/inter.nsf/Attachments/RLIG-5425ZR/\\$FILE/threatfauna.pdf](http://www.dpiw.tas.gov.au/inter.nsf/Attachments/RLIG-5425ZR/$FILE/threatfauna.pdf)
- 22

Department of Primary Industry and Water, Managing Natural Resources, List of Threatened Species, which is located at: <http://www.dpiw.tas.gov.au/inter.nsf/WebPages/SJON-58E2VD?open>
- 23

Tasmania Conservation Trust, (2005), *Evaluation of non-1080 non-lethal techniques for commercial control of marsupial herbivores*, p10 and p11.
- 24

Derived from theTasmania Conservation Trust (2005), op.cit.(n.23), p 10. It stated that "During the same time more than 200,000 native animals are likely to have been killed by 1080 poisoning." It also mentions a Tasmanian newspaper, *The Mercury*, and an extrapolation in footnote 2 of the same report that "Whinnett, E., 23.9.04, State 1080 ban, *The Mercury*. *The Mercury* reports, 'More than 97,000 native animals were killed by 1080 poison in Tasmania last year'. This represents the number of animals of the target species counted during 1080 operations. In the absence of publicly available information, the researcher extrapolates that at least 200,000 animals would have been killed over this 27 month period."
- 25

Tasmania Conservation Trust (2005), op.cit. (n.23), footnote 2, p10. The experiment is mentioned in the footnote. Cooperative Research Centre for Sustainable Production Forestry , "the CRC (2000) has found that 'animal carcasses are extremely difficult to locate following a poisoning operation.'" After explaining the experiment, TCT said that "Thus, counts of 1080-deaths will be underestimated."
- 26

Tasmania Conservation Trust (2005), op.cit.(n.23), p9.
- 27

See exemption provisions of s 6(1)(2)(4) of Regional Forest Agreement 2002 and s 38 of EPBC 1999. Federal Court of Australia stated in the paragraph 10 of a summary of the judgement about Wielangta case that "the Court has formed the view that the relevant forestry operations will be, and have been, carried out otherwise than in accordance with the RFA", under cl 68 of which Tasmanian state agreed to protect threatened species. When the forestry operations are not "in accordance with RFA", those exemption clauses are considered to be not applicable. The court decision of Brown v Forestry Tasmania (No 4) [2006] FCA 1729 (19 December 2006) is located at: [http://www.austlii.edu.au/au/cases/cth/federal\\_ct/2006/1729.html](http://www.austlii.edu.au/au/cases/cth/federal_ct/2006/1729.html)
- 28

In July 2004, 11 scientists released "STATEMENT OF SUPPORT FOR CHANGE ON TASMANIA'S FORESTS," which pointed out the problems with the RFA in Tasmania. It stated that "The Tasmanian Regional Forest Agreement (RFA) is widely perceived in the scientific community to have failed to deliver



# REFERENCES CONTINUED

the intended protection for environmental, wilderness and heritage values that state and federal governments committed to when they signed the National Forest Policy in 1992. The scientific processes in the Tasmanian RFA were overwhelmed by political compromises. Established criteria for forest conservation were not fully applied." It also said that "There are large areas of high-value conservation forest that would have been reserved if the RFA criteria for forest conservation had been fully applied." This statement is located at: [http://www.abc.net.au/rn/science/earth/docs/scientists\\_072004.pdf](http://www.abc.net.au/rn/science/earth/docs/scientists_072004.pdf)

**29** For details on the changes in the FPA from FPB, see Graham Wilkinson, (2005),"Major Changes to the Forest Practices System,"*Forest Practices News*, vol 6 no 2, January. It is located at: [http://www.fpa.tas.gov.au/fileadmin/user\\_upload/PDFs/General/fpn\\_issue\\_22.pdf](http://www.fpa.tas.gov.au/fileadmin/user_upload/PDFs/General/fpn_issue_22.pdf)

**30** Tasmanian Forest Practices Board, (2005), *Forest Practices News*, op.cit.(n. 29), p2.

**31** TV program script of *Sunday* [Television series] on Channel Nine, reported on February 9, 2003 by Graham Davis, *Tasmanian Fire Sale* [Television broadcast] outlines what the self-regulation system.. The script is located at: [http://sunday.ninemsn.com.au/sunday/cover\\_stories/article\\_1205.asp](http://sunday.ninemsn.com.au/sunday/cover_stories/article_1205.asp) There are also several other TV programs and documentary on Tasmanian Forest issues.

**32** On their website Forest Practices Authority said that the Independent Regulation Program of FPA "annually audits a random sample of about 15 per cent of all Forest Practices Plans (FPPs) on private and public land." See the website at: <http://www.fpa.tas.gov.au/index.php?id=96>

**33** Reedy Marsh case was reported by *Tasmanian Fire Sale*(2003) op. cit.(n.31).

**34** Simon Bevilacqua, The nightmare for whistleblowers, *Sunday Tasmanian*, 19 October 2003, <http://www.news-tasmania.com/manning.html> His evidence at Proof Committee of Australian Senate is located at: <http://parlinfoweb.aph.gov.au/piweb/Repository/Commtee/Commsen/Linked/2920-1.PDF> This is a congressional record called "Proof Committee Hansard" at Rural and Regional Affairs and Transport References Committee of Australian Senate, 8 OCTOBER 2003, CANBERRA.

**35** Section 5 "A Balanced Committee" of SG (Standardization Guides)-011 "The Structure of Committees" of Standards Australia, which is located at: <https://committees.standards.org.au/POLICY/SG-011/STANDARDIZATIONGUIDE-SG-011.HTM#8> Standards Australia stated on their website that it "is recognized through a Memorandum of Understanding with the Commonwealth Government as the peak non-government standards development body in Australia". See its website at: <http://www.standards.org.au/cat.asp?catid=21>

According to the website of "Balancing Consumer Priorities in the Development of Australian Standards" by Consumers' Federation of Australia, it said that " Australian Forestry Standard was published in 2003 after the two representatives of non-governmental (community) organisations on the committee resigned, claiming that the committee did not conduct adequate community consultation and did not take into account the community representatives' views. As a consequence, the Standard was only given interim status, and the committee is now required to conduct proper community consultation before the Standard will be given full status." Please visit its website at: <http://www.consumersfederation.com/priorities.htm>

**36** AFS 4.3.2.(AS4708(Int)-2003) says that "The forest manager shall not undertake conversion, **except** in circumstances where conversion entails **a limited portion of the forest type at the bioregional level** and where it is **reasonably certain** that it does not involve viable examples of: **threatened (including vulnerable, rare or endangered) forest ecosystems; old-growth forest that is rare or depleted within a forest ecosystem;** and **important habitat** of threatened (including vulnerable, rare or endangered) species. In addition, the forest manager shall not carry out conversion of native vegetation which would result in that vegetation community or ecosystem **becoming threatened or endangered** in accordance with Commonwealth, State and Territory laws, regulations or species recovery plans. Any conversion for plantation establishment within the defined forest area should also make a significant contribution to long-term conservation, **economic and social benefits at the regional level.** "

**37** See AFS 4.1.2. (AS4708 (Int)-2003).

**38** Hallmark Editions, (2006), UK Committee deems Australian Forestry Standard fails criteria for endorsement, *Land and Water News*, 27 April, which is located at: <http://news.envirocentre.com.au/lawn/article.php?issue=2006-04-27&id=1491&key=66>

**39** The Infrastructure and Resource Information Service (IRIS) website says that "It was reported by the Port Authorities that Tasmania's woodchip exports in 2002-03 exceeded 5.140 million green tonnes." See its website at: [http://www.iris.tas.gov.au/resource\\_industry/forestry/supply/processing](http://www.iris.tas.gov.au/resource_industry/forestry/supply/processing)

**40** Gunns Limited,(2005), *Annual Report2005*. The figure in 2005 is mentioned in the report and the figure in 2004 is derived from it. FT's *Annual report* 2004-2005 (p15) mentioned that "Strong domestic demand continued. However, as a result of the dual impacts of a stronger Australian dollar and a negative influence on Japanese markets by environmental lobbyists, a significant decline occurred in the last quarter for export pulpwood. "

**41** Derived from Forestry Tasmania's *Annual reports* and Japan Paper Association, *Pulpwood bulletins*.

**42** See ProForest' website. This site is shown at n.7.



**Rainforest Action Network:**  
**221 Pine Street, 5th Floor**  
**San Francisco, CA 94104 USA**  
**415-398-4404 phone**  
**415 398-2732 fax**  
**<http://www.ran.org/>**  
**<http://www.treesnotgunns.org/>**