
Thailand: Certified firm is in breach of FSC Principles

Two plantations managed by Thailand's Forest Industry Organisation (FIO) are currently certified as well managed under the Forest Stewardship Council system (see WRM Bulletins 48 and 64).

When FSC's assessor SmartWood awarded a certificate for FIO's plantations at Thong Pha Phum and Kao Khra Yang in July 2001, it also issued 26 conditions which FIO had to meet in order to retain the certificate. The following year, SmartWood's auditing team found that FIO had failed to meet five of the conditions and had only "partially met" seven more conditions. However, instead of revoking the certificate, SmartWood issued 13 "corrective action requests" (CARs), six of which had to be met within six months.

In January 2003, SmartWood's audit team was back. This time, they found that FIO had met two of the CARs but had only "partially met" the remaining four. SmartWood issued six new CARs which were to be "effective immediately". SmartWood's report of the audit states that "If [FIO] is not able to close out the significant CARs issued, the certificate will be suspended until that time by which FIO can demonstrate compliance."

Jeff Hayward, SmartWood's Asia-Pacific Regional Manager, explained that a SmartWood auditing team was in Thailand in June to check whether FIO had met the latest series of CARs. The auditing team will write up a draft report by the end of July, which will be sent to SmartWood and then to FIO for comments. A public summary of the report will be available "hopefully by mid-August 2003" according to Hayward. "We will also make clear whether or not we have suspended or terminated the certificate," he added.

Based on the record so far, it seems unlikely that SmartWood will suspend or terminate FIO's certificate. It also seems unlikely that FSC will put any pressure on SmartWood to make it do so.

While visiting FIO's Thong Pha Phum plantation in January, SmartWood's audit team found a 14 year old boy working in the plantation. This is in breach of Thailand's Labour Protection Act of 1998 which states that employers must not employ children less than 15 years old. It is also in breach of FSC Principles and Criteria. SmartWood's public summary comments, dryly, "Some informal employment without proper identification and official age details for a younger contracted individual would be outside of FIO policy and ILO conventions."

Instead of withdrawing the certificate, SmartWood issued a corrective action request stating that FIO should "terminate all employment of any person under the age of 15 years".

At the same time SmartWood was carrying out its audit of FIO, FSC's Accreditation Business Unit was also in Thailand, to conduct an accreditation monitoring audit of SmartWood. FSC found that SmartWood was in breach of several FSC rules.

As a result, FSC issued six minor and five major "corrective action requests" which must be addressed "in a timely manner" according to Hubert de Bonafos, FSC's Accreditation Officer.

FSC confirmed that SmartWood's public summary on FIO indicates "a number of significant shortcomings in FIO's level of compliance with FSC Principles and Criteria." In other words, SmartWood awarded the certificate to FIO despite the fact that FIO's management of the two plantations does not meet FSC Principles.

FSC's audit also confirmed that SmartWood awarded the certificate to FIO based on an assessment using guidelines which do not conform to FSC rules. Before an assessment can be carried out in a country without FSC recognised national standards for forest management, FSC rules require that the assessor must develop an "interim standard" for assessing forest management.

FSC requested that SmartWood produce an interim standard "through an appropriate stakeholder consultation process". Thus, in May 2003, almost two years after awarding the certificate to FIO, SmartWood produced an "interim standard" for Thailand.

It is difficult to see how FSC can consider the consultation process to be in any way "appropriate". FSC's Hubert de Bonafos claimed that SmartWood has already translated its interim standard for Thailand "into the national official language", but according to SmartWood's Jeff Hayward, "We are in the process of getting this document translated into Thai." Apparently FSC and SmartWood expected "stakeholders" to comment on a 21-page document written in a foreign language. Hayward confirmed that "input has been rather limited."

SmartWood's interim standard for Thailand is very similar to SmartWood's Generic Guidelines for Assessing Forest Management. The section on Indigenous Peoples (FSC Principle 3) is word for word identical to the corresponding section in SmartWood's Generic Guidelines. It fails to address important issues faced by Indigenous Peoples in Thailand, such as, for example, the fact that the Thai State does not recognise many of Thailand's Indigenous Peoples to be Thai citizens.

In May 2003, Veerawat Dheeraprasert of the Foundation for Ecological Recovery, a Thai NGO, wrote to FSC. Veerawat explained that FIO is in breach of Thailand's 1989 Logging Ban and the 1997 Constitution. "The SmartWood report contains a number of flaws and omissions that reveal the numerous problems surrounding the SmartWood certification of the two teak plantation areas," he wrote. Veerawat concluded by demanding that "FSC cancel the FIO certification with immediate effect in the two plantations in order to prevent the further destruction of the ecosystem, local culture, local economy and livelihoods by the FIO."

Two weeks later, FSC's Hubert de Bonafos, replied to Veerawat. Instead of responding to Veerawat's request that FSC cancel the certificate, de Bonafos thanked Veerawat and his organisation for their "positive contribution to this FSC monitoring process".

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