



WWF

HIGHLIGHT

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FSC IN CHILE

Certification has led to a change of culture in Arauco, one of the world's largest forestry companies

“Some of us thought becoming FSC certified would only take six months,” laughs Ricardo Schaffner. “We never imagined the impact it would have.”

Ricardo is Director of Forestry Development at Arauco, which decided to pursue Forest Stewardship Council (FSC) certification in late 2009. By the time they became certified, in September 2013, the Chilean company had been turned upside-down.

Arauco was already certified by PEFC, the industry-led forest certification scheme. But it quickly became apparent that the more rigorous demands of FSC would be a different challenge: becoming FSC certified was not just about improving forest management practices, but about reassessing the way the company related to society. “The changes necessary were bigger than we’d visualized and different from what we were used to,” says Ricardo. “The solutions had to be developed with other stakeholders.”

environmentalists and civil society. In the past, parts of Chile’s temperate rainforest have been converted to pine and eucalyptus plantations. There have been conflicts with local communities, including the indigenous Mapuche people, over land rights and water shortages.

Realising that certification would require major changes, Arauco set up forums where civil society organisations could exchange views on key environmental and social issues. Around 80 civil society representatives took part, including WWF.

The company implemented more than 40 of the forums’ proposals. “These can be broadly grouped into changes that have improved working conditions, changes that have improved environmental performance, and changes that have helped the social aspect and relationships with communities,” explains Ricardo.

“Becoming FSC certified has been about far more than just having the FSC logo on our product. It’s led to a whole culture change.”

Ivan Chamorro, Director of Social and Corporate Responsibility, Arauco

CIVIL SOCIETY ENGAGEMENT

Initially, the company encountered scepticism. The forestry industry in Chile has not had the best relationship with

RESTORATION

One demand from civil society was that Arauco should compensate for any forest conversion after 1994 (the FSC cut-off date) by restoring an equivalent area of native

WWF TARGETS

2020 25% of global timber production is sourced from responsibly managed and/or credibly certified sources (FSC).

PROGRESS

14% of global timber production is FSC certified (based on latest data available as from August 2015).

PRIORITY COUNTRIES

Production

Brazil, Bolivia, Cambodia, Cameroon, Central Africa Republic, Chile, China, Colombia, Democratic Republic of the Congo (DRC), Gabon, Indonesia, Laos, Malaysia, Mozambique, Myanmar, Peru, Papua New Guinea, Russia, Tanzania, Republic of Congo, Vietnam.

Market

Australia, Bolivia, Brazil, China, Colombia, EU, India, Indonesia, Japan, Peru, Russia, USA, Vietnam, Thailand.

CONTEXT

Threats

- Negative impacts on habitat, ecosystems and species, water shortages, soil erosion and carbon emissions (deforestation causes more carbon emissions than all global transport).
- Land rights issues with local communities.

Opportunities

- Important conservation benefits from reduced illegal logging and forest degradation.
- Improved governance, ensuring sustainable forest products on the global market and better livelihoods.



forest. Identifying these areas was complex – recent conversion tended to concern small, scattered patches of secondary vegetation, and not all the land was owned by Arauco at the time conversion took place. Following studies by Austral University, the company committed to restoring 25,064 hectares of native forest and shrubland (2.5% of the company's landholdings). WWF has been working with Arauco to ensure this restoration effort – one of the largest ever seen in Chile – brings maximum benefits for biodiversity, ecosystem services and local development.

In addition, Arauco committed to conserving and enhancing areas of high conservation value (HCV). The company had already set aside 389,000 hectares of native forest – around a third of its land area – for permanent protection, but only 2,900 hectares were actively managed. Through the FSC process, Arauco has identified HCV areas covering 62,763 hectares. These include 37 ecologically significant areas and another 69 areas of social and cultural importance. It now has an active conservation plan in place for each.

CULTURE CHANGE

Mario Rivas, who works for a social NGO in Temuco, southern Chile, sees real potential for Arauco to build on the work that's begun. "Ten years ago it was unimaginable that companies like Arauco could dialogue with communities," he says. "Certification is not only when you are given the certificate. This is just the beginning of a long process. It's about a change in culture."

"The FSC process has changed the whole way we relate to society," agrees Ivan Chamorro, Arauco's director of social and corporate responsibility. "We're now much more open, not afraid of dialogue, making commitments and resolving conflicts. We know we have conflicts – but now we have processes for finding agreements. The processes have led to a restructuring of the company and the development of whole new methodologies to engage with our neighbors."

"It's helped us in dimensions we wouldn't have imagined."



The Forestry Stewardship Council (FSC) is an independent, non-governmental, not-for-profit organization established to promote the responsible management of the world's forests.

fsc.org

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