Research Note: Environmental credentials for coconut products

This research note provides an overview of the potential for coconut wood and veneer producers to establish environmental credentials for their products in the international marketplace. Environmental credentials for wood products fall into three main types: market assurance of environmentally responsibility, legality of supply, and forest certification. Of these, forest certification is the only formal environmental credential for wood products recognised internationally.

As cocowood and veneer products are value recovery from agricultural plantations harvested and processed in under-developed countries, they have a ready-made narrative for environmental and social responsibility. The existence of harvesting and site rehabilitation guidelines supports this narrative. Also, as an agricultural crop, the legality of coconut wood supply is easy to demonstrate and unlikely to be challenged. On the other hand, the procedures needed to establish formal forest and chain-of-custody (CoC) certification in a company or supply chain are expensive and difficult to achieve, operate and maintain. In practice, even in advanced countries like Australia, few clients or specifiers require formal certification for the wood products used in their projects. However, as these few clients are generally state and federal governments, their behaviour can influence broad market acceptance.

Introduction

This research note provides an overview of the potential for coconut wood and veneer producers to establish environmental credentials for their products in the international marketplace. It is part of an ACIAR-funded project for research and extension activities developing means to sustainably convert senile coconut stems into veneer and veneer - based products, and complementary agricultural products for export or use in Pacific Island economies, particularly Fiji, Samoa and the Solomon Islands.

There are three main types of environmental credentials for wood products internationally. *Market assurance* is an informal process while *legality of supply* and *forest certification* involve formal processes.

Market assurance

Market assurance is the promotion of a market perception or understanding that the products are environmentally responsible. Considered an informal credential, market assurance is effectively statements made to develop a market perception about the origins and properties of a material. These aim to distance products from points of public controversy and align them with concepts of ongoing environmental or community well being. These assurances can be challenged but only if material supply becomes contentious.

Legality of supply

Assurance of legality of supply confirms that the wood used in products is from legally harvested logs. This is a formal requirement for the import of wood products into some countries, including Australia. The Australian Government prohibits the import of illegally logged timber products. The *Illegal Logging Prohibition Regulation 2012* requires that businesses carry out due diligence on this: managing the risk that the timber or timber products they are importing has been processed from an illegally logged resource. Currently, there are few legal requirements for the harvest of coconut trees in Fiji and the Solomon Islands. In Samoa, landowners need a licence to harvest.

Figure 1: A community-owned plantation coconut stand in the Solomon Islands.
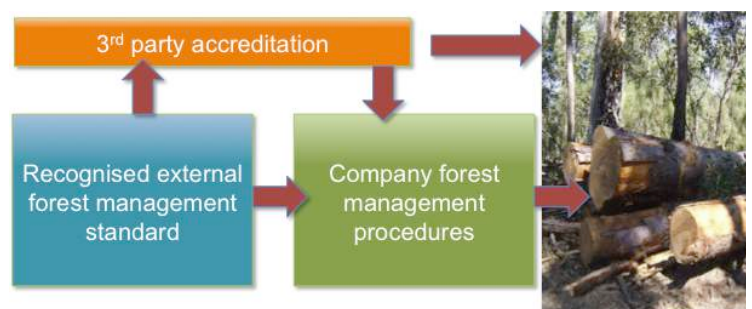

Figure 2: The relationship of the external standard, the 3rd party accreditation and the forest manager in forest certification scheme.

Forest Certification

The only internationally recognised formal environmental credential for wood products is forest and chain-of-custody (CoC) certification provided through a Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), or similar environmental certification scheme. This type of certification has two main parts: *Forest certification* and *CoC certification.* *Forest certification* is a forest management process that provides customers of wood products with the assurance that; (a) Logs are harvested through a legally compliant forestry operation, (b) Forest management is structured and complies with the values and outcomes incorporated in an internationally recognised standard, (c) Compliance with that standard is subject to third party assessment. See Figure 2.

CoC certification is a production and materials management process that provides an assurance that the timber in delivered products complies with the claims made about their source. With CoC in place, the consumer can trace the material from a forest managed under a certified forest management system through the production chain to the timber delivered on the project.

Forest and CoC certification are market-driven and are voluntary for the forest grower, timber producer, building designer, developer and owner.

Guidelines or building accreditation schemes such as the Green Building Council of Australia's (GBCA) GreenStar system may recommend or require certification to gain points under their schemes. They may be used to demonstrated compliance to legality of supply legislation in some countries.

In practice, even in advanced countries like Australia, few clients or specifiers require formal certification for the wood products used in their projects. However, as these few are generally state and federal governments, their behaviour can influence broad market acceptance.

Figure 3: Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) logos.

Conclusion

Environmental credentials and recognition in the marketplace are important aspects of building demand for coconut wood and veneer products. Environmental credentials for wood products internationally fall into three main types: market assurance of environmentally responsibility, legality of supply, and forest certification. Market assurance is an informal credential that is based upon the public image and is a valuable market tool. As value recovery products from an agricultural plantation produced in under-developed countries, coconut wood and veneer products have ready-made marketing narrative for environmental and social responsibility. The existence of harvesting and site rehabilitation guidelines supports this narrative.

Legality of supply is a required credential for the import of wood products into Australia. However, as there are currently few legal requirements for the harvest of coconut trees, this criterion can be met. Forest certification is the only form of environmental credential recognised internationally. It involves both forestry certification and CoC certification by a third party environmental certification scheme. As a demonstrable plantation product, the certification of coconut wood and veneer products is conceptually straightforward. However, the procedures needed to establish formal certification in a company or supply chain are expensive and difficult to achieve, operate and maintain. Of the current project participants, only the Value Added Timber Association (VATA) in the Solomon Islands has CoC certification in place and that is limited to supply and export of community-milled timber products.

Contact for further information

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