Part 1

Green Supply Chain Management

with examples from the Australian Forest Industry
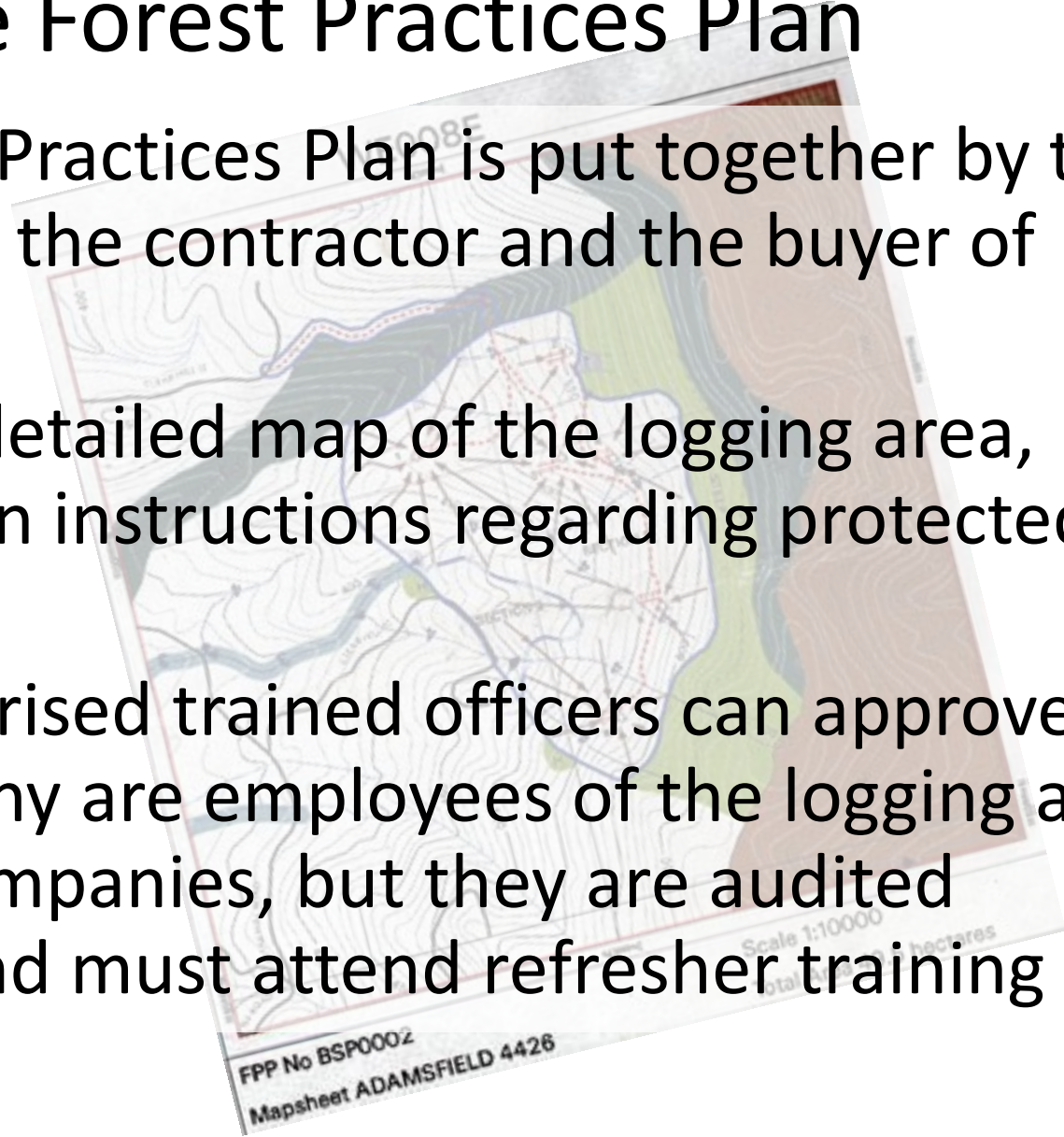
A recent technique gaining strong support as an integral part of any environmentally aware business

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Example 2. The Forest Practices Code

- Regulates <u>all</u> forest-based roading, harvesting and establishment operations on private and public land – a detailed Plan is required for each operation

- The Code protects environmental factors - soil, water, flora, fauna and archaeology

- Has independent experts to provide advice on environmental issues

- There are some annual checks of up to 15% of all plans (1,000 plans each year)

- There are large fines for non compliance

- The cost is included in the forest product price

Forest Practices Code components - the Forest Practices Plan

- The Forest Practices Plan is put together by the landowner, the contractor and the buyer of the wood.

- There is a detailed map of the logging area, with written instructions regarding protected areas

- Only authorised trained officers can approve Plans – many are employees of the logging and forestry companies, but they are audited annually and must attend refresher training

FPP No BSP0002
Mapsheet ADAMSFIELD 4426

Example of the Code in action

Tasmania's Forest Practices Code restricts planting near watercourses

Ex agricultural land where previously farming sprayed and ploughed through the drainage lines

No code for farmers – yet (slide 1)

Loss of the Valuable Topsoil ($-8/ha/yr!)
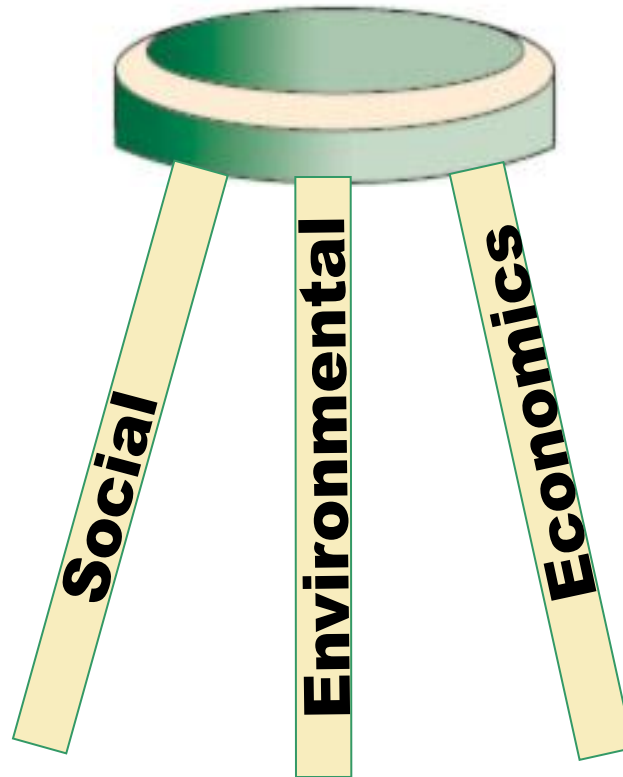
No code for farmers – yet (slide 2)

Dirty Water from ploughing upstream ($-35/ha/yr)

Why have the Code and the Plans?

- The forestry industry realized it had a responsibility to ensure its actions were sustainable, not only for producing timber, but also for the animals and the vegetation

- It was considered better to be involved in the development of the certification process than to have a bureaucratic system imposed by government

- It was seen as a part of doing business well – some of the costs have been factored into selling prices

- The Code has been running successfully now for more than 25 years.

- The Forest Practices Plan satisfies many operational requirements set down by forest certification and Chain of Custody standards

These certification processes provide support for the industry

Satisfy community demands for a responsible sustainable use of resources

Social

Environmental

Economics

Help to optimize the production processes and reduce waste

Provide certainty for environmental conservation