

# The role of voluntary certification in maintaining the ecologically unequal exchange of wood pulp: the Forest Stewardship Council's certification of industrial tree plantations in Brazil

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## Abstract

Voluntary certification schemes have grown in popularity since the late 1980s. Today, a large number of consumer items from coffee and chocolate to oil palm and soya products carry labels that supposedly attest their contribution to promoting fair trade or a reduction of negative environmental impacts. Many printed books, magazines and other paper products carry a label promising 'environmentally appropriate, socially beneficial and economically viable' management of the tree plantations that deliver the raw material for the pulp and paper from which these products are made. This article explores the role that one such voluntary certification scheme used by the pulp and paper sector plays in maintaining ecologically unequal exchange. Would ecologically unequal exchange in a certified product cease to exist if the voluntary certification schemes available for pulp and paper products were to become the norm, instead of just catering to a niche market? If the answer to that hypothetical question is 'no' – which it is – then the question that arises is: what role does the voluntary certification scheme play in upholding ecologically unequal exchange? This article explores the role of one particular voluntary certification scheme – by the Forest Stewardship Council – in maintaining ecologically unequal exchange in the trade of pulp products between industrialised countries with a relatively high per-capital consumption of pulp and paper products and the global South, in this case Brazil. It shows how, from the perspective of communities who bear the ecological, social and economic cost of industrial tree plantations and who oppose further expansion of these plantations, voluntary certification schemes have (inadvertently?) helped tilt the balance of power even further in favour of corporate interests for expansion. An unacknowledged imbalance of power between corporations and the certification schemes, on the one hand, and communities and their allies, on the other, has become manifest and aids further expansion of industrial tree plantations for production of pulp for export, thus contributing to maintaining ecologically unequal exchange.

**Key words:** certification; commodity chains; conflicts; consumption; ecologically unequal exchange; environmental justice; Forest Stewardship Council (FSC), industrial tree plantations; pulp and paper; resistance struggles

## Résumé

Les systèmes de certification volontaire sont devenus plus populaires depuis la fin des années 1980. Aujourd'hui, un grand nombre d'articles de consommation comme le café, le chocolat, l'huile de palme et le soja portent des étiquettes qui attestent de leur contribution à la promotion du commerce équitable ou à la réduction des impacts environnementaux négatifs. Plusieurs livres imprimés, magazines et autres produits de papier portent une étiquette prometteuse de gestion «respectueuse de l'environnement, socialement bénéfique et économiquement viable», avec du papier provenant de plantations qui fournissent la matière première pour la pâte et le papier à partir de laquelle ces produits sont fabriqués. Cet article explore le rôle qu'un tel système de certification volontaire utilisé par le secteur des pâtes et papiers joue dans le maintien des échanges

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écologiques inégaux. Les échanges écologiques des produits de la pâte et du papier seraient-ils rectifiés si les régimes volontaires de certification devenaient la norme? Si la réponse à cette question hypothétique est «non» - ce qu'elle est - alors la question inverse qui se pose est: Quel rôle le système de certification volontaire joue-t-il dans le maintien d'un échange écologique inégal? Cet article explore le rôle d'un système de certification volontaire particulier – le Forest Stewardship Council - dans le maintien d'un échange écologique inégal pour le commerce avec les pays industrialisés qui ont une consommation par habitant relativement élevée de produits de pâtes et papiers, et le Brésil. Du point de vue des communautés qui supportent les coûts écologiques, sociaux et économiques des plantations industrielles d'arbres, les systèmes de certification volontaire (par inadvertance?) ont contribué à faire pencher l'équilibre du pouvoir encore plus, en faveur des intérêts des entreprises industrielles. Un déséquilibre non reconnu du pouvoir entre les entreprises et les systèmes de certification, les communautés et leurs alliés est visible et contribue à l'expansion des plantations industrielles d'arbres pour la production de pâte à papier pour l'exportation. Cela contribue à maintenir des échanges écologiquement inégaux.

**Mots clés:** certification; filières; chaînes de produits; conflits; consommation; échange écologiquement inégal; La justice environnementale; Forest Stewardship Council (FSC), plantations industrielles d'arbres; pâtes et papiers; luttes de résistance

## Resumen

La popularidad de los esquemas de certificación voluntaria ha crecido desde la década de 1980. Actualmente, muchos productos de consumo como café, chocolate, aceite de palma y de soja llevan etiquetas que intentan demostrar su contribución al comercio justo o la mitigación de impactos ambientales. Asimismo muchos libros, revistas y otros productos de papel llevan etiquetas que aseguran que las plantaciones de árboles que producen materias primas para la pasta de papel gozan de una gestión ambientalmente adecuada, socialmente beneficiosa y económicamente viable. Este artículo estudia el rol que tiene uno de estos esquemas voluntarios de certificación en la industria del papel para mantener el intercambio ecológicamente desigual. Nos preguntamos si, en el caso que los esquemas de certificación voluntaria fueran la norma general y no solamente para nichos en los mercados, la desigualdad del comercio sería menor. Si la respuesta a esta hipotética pregunta es que "no", entonces surge esta cuestión: ¿Cuál es el papel de los esquemas voluntarios de certificación no en corregir sino al contrario en apoyar el intercambio ecológicamente desigual? Este artículo estudia un esquema en concreto, el del Forest Stewardship Council, en el contexto del intercambio ecológicamente desigual de pasta de papel entre países industriales con consumos per capita relativamente elevados y un país del Sur, Brasil. Desde el punto de vista de las comunidades que sufren los costos ambientales, sociales y económicos de las plantaciones industriales de árboles y que se oponen a su expansión, el esquema voluntario de certificación ha ayudado (¿sin querer?) a inclinar la balanza todavía más a favor de los intereses empresariales para la expansión. Es manifiesto que existe una asimetría de poder entre, por un lado las empresas y los esquemas de certificación, y por otro lado las comunidades y sus aliados, y ese desbalance ayuda a la expansión de las plantaciones industriales de pasta de papel para exportación y por tanto contribuye al comercio ecológicamente desigual.

**Palabras claves:** Palabras clave: certificación; cadenas de productos básicos; conflictos; consumo; intercambio ecológicamente desigual; justicia ambiental; Forest Stewardship Council (FSC), plantaciones de árboles industriales; pulpo y papel; lucha de resistencia

## 1. Introduction

Voluntary certification schemes have grown in popularity since the late 1980s. Today, a large number of consumer items from coffee and chocolate to oil palm and soya products carry labels that supposedly attest their contribution to promoting fair trade or a reduction of negative environmental impacts caused during their production. Many printed books, magazines and other paper products carry a green and white tick-box in the shape of a tree. The label indicates that the tree plantations that deliver the raw material for the pulp and paper from which these paper products are made have been managed in accordance with a set of principles and criteria that are inspected by auditors accredited to issue the label of the Forest Stewardship Council (FSC). The FSC label provides assurance that the tree plantation management is "environmentally appropriate,

socially beneficial and economically viable." <sup>2</sup> In other words, that the products containing FSC certified pulp can be consumed with good conscience.

## 2. The emergence of the Forest Stewardship Council

In 1988, the International Tropical Timber Organization (ITTO) commissioned a report to assess the state of management of tropical forests in its member countries (Poore *et al.* 1989). The report *No timber without trees* concluded that "a miniscule amount" of moist tropical forest was being managed in accordance with good forestry practice and that "the remainder was either being 'mined' for timber or had not yet been reached by the tractors and chainsaws" (ITTO 2006: 3). One of the five authors noted that "there is a dearth of comprehensive and factual information for all countries having tropical moist forest, since none now practices management of that forest in a demonstrably sustainable manner" (Poore *et al.* 1989: 155). The report would have shown even greater unsustainability in industrial wood extraction if the mandate had also included an assessment of the socio-ecological fall-out and the impacts on local economies – or if it had also considered the socio-ecological consequences of industrial tree plantations. Despite these limitations, the impact of the report was considerable. "It was now extremely difficult for any supplier to endorse tropical timber as coming from well-managed forests", FSC's first executive director Timothy Synnott writes in 'Some notes on the early years of FSC' (Synnott 2005: 6). In 2006, readers of the Center for International Forestry Research (CIFOR) 'POLEX blog for forestry experts' voted the 1988 report *No timber without trees* by Poore *et al.* as the second most important publication in terms of its influence on forest policies (CIFOR 2006).

The 1988 ITTO report and subsequent calls for action not only from NGOs but also from the European Parliament, for example, were perceived by industry as early signals of a change in climate affecting the timber trade. Governments, retail industries, and NGOs in industrialized countries began to explore the possibility of linking the import-export trade to 'sustainability' certificates for forests managed for timber and timber products. The focus of the debate remained on tropical timber, but the impact was felt by the international timber trade as a whole. In the wake of the 1988 ITTO report, retailers and traders in the global timber trade found themselves confronted by questions over the unsustainable origin of their timber supply, in addition to the usual issues of price and quality – to which they had no answers. ITTO's Executive Director recalls the reaction to the 1988 report in his foreword to the organization's publication 'Status of Tropical Forest Management 2005': "Some activists, particularly in developed countries outside the tropics, called for bans on tropical timber imports." And Synnott notes that "companies found themselves branded as contributing to forest destruction based on the simple fact of using tropical timber" (Synnott 2005: 6).

Once ignoring issues of the ecological unsustainability of their timber supply began to pose a risk to sales, timber retailers and manufacturers of finished wood products in particular reacted. They began to explore new approaches to maintain the attractiveness of their products despite the demonstrated ecological damage. Advertising and publicity campaigns were promoted by industry and timber trade organizations, anxious to maintain the market share and status of tropical timber. There was widespread agreement in the trade that 'something must be done', and that the green image of tropical timber had to be rescued. In this context, the idea of labelling forest and plantation products that met a set of standards emerged in the early 1990s. The concept of voluntary certification based on principles and criteria for forest management took root, with the FSC pioneering this new approach.<sup>3</sup>

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<sup>2</sup> Article Five of the *FSC Statutes*: "FIFTH. The purpose of the Organization shall be the following. 1. To promote the responsible management of forests, by providing the assistance required to achieve an environmentally appropriate, socially beneficial and economically viable use of natural resources and provision of ecosystem services, to avoid deterioration or misuse of such resources, or of the ecosystems or surrounding communities."

<sup>3</sup> FSC, like all existing certification schemes for forest management, follows the FAO's misleading definition of forests which includes industrial monoculture tree plantations. Hence, products using wood from industrial tree plantations carry the same FSC logo than products using trees from a forest.

### **3. FSC certification of tree plantations: a bone of contention right from the start**

The Forest Stewardship Council (FSC) was launched in October 1993 as an initiative that brought together economic, social, and environmental interests. Each of these interests was represented through its separate 'chamber', with representation of 'northern' and 'southern' interests in each. In outwardly 'chamber-balanced' negotiations, companies, trade unions, environmental NGOs, and social organizations as well as individual members elaborated a set of policies and standards guided by FSC's mission to promote "environmentally appropriate, socially beneficial and economically viable forest management" (FSC 2013). If companies pass an assessment by third party auditors of their management practices against the FSC standard, they are awarded a certificate. Companies in turn market the FSC logo as credible assurance that their (industrial-scale) land use is 'sustainable.' Statements like "certification is not about a price premium but about market access", (PF Olsen Ltd. 2007) or "the wood products sector now admits that it must reflect its sustainable image [...] and that the only way to communicate such change to promote consumer confidence is through independent external audits and certification", (May 2003) attest to the benefits companies derive from voluntary certification schemes like the FSC.

Even before the official launch of the FSC in October 1993, two key aspects for success from the FSC point of view were also bones of fundamental contention: The membership of business interests, particularly timber and plantation companies in the FSC's standard-setting and decision-making bodies, and the eligibility of industrial tree plantations as certifiable under a 'forest' management standard. Accepting certification of industrial plantations under the FSC scheme was seen by many, in particular in the FSC's environmental chamber, as the FSC contributing to the corporate greenwashing aimed at portraying monoculture tree plantations as forests. Objections were raised against the inclusion of industrial tree plantations on the basis that the stated objectives of FSC were incompatible with the certification of plantations; that industrial tree plantations, and especially large-scale plantations using exotic tree species, would by definition fail the FSC criterion 6.3 of maintaining ecological functions and values; and that the negative impacts of some such projects were well-documented and numerous. Synnott notes that "this line of thinking was widely held, with leadership from the World Rainforest Movement [...] Step by step, these different perceptions and objectives have been brought together in a framework for identifying just what actions are unacceptable or acceptable in different circumstances" (Synnott 2005: 16). Through skilful negotiation and moderation of the inaugural meeting as well as the preparations for the October 1993 launch of the FSC, large-scale industrial tree plantations became eligible to carry the Forest Stewardship Council logo, despite the 'widely-held objection' to their inclusion right from the start. By 1996, the set of Principles and Criteria for plantations that had existed as a separate standard at FSC's Founding Assembly in October 1993 had been dropped, and a selection of the contents reintroduced as Principle 10 of one standard that would henceforth be applicable to both forest and plantation management.

The consequences of this and other decisions were captured in a document circulated by Rettet den Regenwald, a campaigning group based in Hamburg, Germany. The paper, entitled 'The Forest Stewardship Council aims principles and criteria: a critical examination predicting its failure', concluded that flaws in the FSC's structure and early decisions that would shape the direction of the certification body "will severely hamper attempts to conserve the world's remaining natural forests", and that "at best the FSC initiative is naïve, at worst it provides a framework for the timber industry to achieve a much desired 'green veneer' and defuse pressure to attack the real issues of illegal trade, indigenous people's rights and over-consumption" (Rettet den Regenwald 1993: 22).

### **4. Ecologically unequal exchange and the absence of overconsumption on the FSC's agenda**

Hornborg (2011) describes ecologically unequal exchange as an exchange in which countries in the global South maintain an ecological deficit with industrialized nations by exporting natural resources and high impact commodities. This in turn allows economies in the industrialized countries to avoid operating ecologically impactful industries at home while at the same time maintaining access to the desired products. The export of pulp produced from FSC-certified industrial tree plantations in Brazil and South Africa to the

EU and USA is a case in point. By industrial tree plantations we mean plantations that are large-scale, intensively managed, and even-aged monocultures, mostly of exotic and fast-growing tree species, destined for industrial processes that produce, for example, pulp and paper products.

As of November 2014, FSC has certified a large area of industrial tree plantation monocultures and sanctioned the significant use of chemical fertilizer, herbicides, and pesticides on which this plantation model depends. The exact area of industrial tree plantations that have been FSC certified is impossible to determine, because FSC (2014) classifies its certified areas as 'Natural' (61.59%), 'Semi-Natural and Mixed Plantation and Natural Forest' (28.82%), and 'Plantations' (8.49%), without any further information on the composition of the 28.8% in the 'mixed' category. Of the 183 million hectares of 'forest' that are FSC certified, at least 15.56 million hectares should be recognized as falsely declared as forests, as they are in fact industrial monoculture tree plantations. This figure in reality should be significantly higher, because these 15.56 million hectares do not include the industrial tree plantations counted as 'mixed plantation and natural forest.' Many of these FSC certified industrial tree plantations are for pulp production, with the majority of the pulp destined for export. Despite being certified, these plantations also face significant local opposition due to the environmental and social harm they cause (Overbeek, Kröger and Gerber 2012).

Many of the companies whose monoculture tree plantations have been certified are also FSC members: Komatiland Forests, York Timber and Mondi in South Africa; Klabin, Suzano, Veracel, Fibria and V & M Florestal in Brazil; Smurfit Cartón de Colombia; Coillte Teoranta in Ireland, and others. Their objective for obtaining the certificates is clear: reducing the risk of the local conflicts caused by their industrial tree plantations affecting their market access. "Businesses appreciate FSC as a corporate solution because the three chamber system evokes a high level of credibility on the market", a report about the FSC's 2008 'Global Paper Forum' notes (FSC Germany 2008).

Their interventions as members of the FSC's economic chamber have also influenced the agenda-setting and contributed to keeping the objective of reducing consumption of pulp and paper products virtually absent from the FSC's agenda. Significantly, Synnott's 'Notes on the early years of FSC' (2005) does not include a single mention of overconsumption as a driver of forest loss and the consequent need to reduce consumption of pulp and paper products, particularly in industrialized countries.

While the topic of overconsumption of pulp and paper products has remained conspicuously absent from FSC's agenda throughout the organisation's existence, in 2012 FSC organized the fifth 'Global Paper Forum.' The Forum brings industry representatives, NGOs, and FSC staff together to "create a stronger market and new opportunities for FSC-labelled paper" (FSC 2012). In 2008, the Forum was sponsored by tree plantation companies Mondi (South Africa) and Suzano (Brazil). Lang writes (2008: 2):

One of the most serious problems with the Forest Stewardship Council is the fact that it promotes consumption. Paper produced from eucalyptus monocultures is marketed with the FSC's logo. Consumers are tricked into believing that this is 'environmentally friendly' paper.

In the example discussed in this article – the FSC certified eucalyptus plantations of Brazilian-Swedish-Finnish joint venture Veracel Celulose S.A. – 98% of the pulp produced annually at Veracel's mills is exported. The industrialized countries importing the pulp produced by Veracel thus exert a disproportionate ecological – as well as social and economic – impact on a low-income region in a low-income country. The socioeconomic metabolism of the industrialized core countries importing pulp from Veracel's plantations results in declining economic opportunities in the region occupied by Veracel's eucalyptus plantations and imposes a socio-environmental burden on the periphery – in this case, the extreme south of the Brazilian state of Bahia.

The following section shows how FSC certification has failed to reduce the ecologically unequal exchange embedded in pulp exports from Brazil. The country is a major producer of cellulose and a majority of its pulpwood tree plantations are FSC certified. The certification of Veracel's eucalyptus plantations by the

Forest Stewardship Council helped the company maintain access to these export markets despite the severe conflicts its use of over 210,000 hectares of land occupied by the company's operations has been causing (Figure 1). The FSC certificate and campaigning for FSC certified paper products has eliminated these export markets as a location for local communities to seek to balance the unequal playing-field in the conflict over the plantations' local impacts. Plantation companies with FSC certified tree monocultures are skilfully using the FSC certification to reduce reputational risk from the actions of local groups affected by their operations to expose the harm which the industrial tree plantations cause to their livelihoods.



Figure 1: Conflict between Aracruz (now Fibria) in Espírito Santo with Tupinikim and Guarani. In the more than 30-year long conflict, company machinery was used on more than one occasion to destroy structures set up by indigenous peoples to express their rights to the land occupied by Aracruz (now Fibria). At the height of the conflict, police shot at Tupinikim and Guarani protesters defending their land and auto-demarcating the land occupied by plantations. Fibria is part of the Veracel joint venture. Five years after Fibria had been forced to relinquish 11,000 hectares of land belonging to the Tupinikim and Guarani, its plantations in Espírito Santo, the state neighboring Bahia, were FSC certified. Nonetheless, many conflicts, including over land traditionally occupied by Afro-Brazilian 'Quilombola' communities that are covered with Fibria plantations, continue. Photo credits: Winfridus Overbeek.

## 5. FSC certification of Veracel Celulose S.A

The pulp and paper company Veracel Celulose S.A. is jointly owned by the Brazilian company Fibria (formerly Aracruz) and the Swedish-Finnish multinational corporation Stora-Enso. Its pulp mill in the municipality of Eunápolis, in the extreme south of Bahia, Brazil, started operations in 2005 (Overbeek, Kröger and Gerber 2012; WRM 2013). The mill's annual production capacity is 1.2 million tons of cellulose. Around 98% of the pulp is exported. The company holds over 210,000 hectares of land in the region around the pulp mill, distributed over ten municipalities. Over 90,000 hectares of this land is occupied by eucalyptus plantations that feed Veracel's pulp mill. Residents whose properties gradually became surrounded by Veracel's eucalyptus plantations have seen rivers, streams, and springs dry up. As the company expanded the space covered with eucalyptus, the area of land planted with food crops began to decrease, and the region became a net importer of staple foods. A 1998 study by the state government of Bahia finds that the "expansion of livestock and the activity of reforestation [with eucalyptus] seem to have contributed, in a decisive way, both to the destruction of the traditional market for agricultural produce and subsistence agriculture that predominated in the area, as well as with the growing concentration of land ownership in the Extreme South [of Bahia], from the 1960ies until the 1980ies and further into the 1990ies, with the purchase

of large extensions of land by the big cellulose companies that started to become active in the region" (Superintendência de Estudos Econômicos e Sociais da Bahia 1998).

Villagers have lost work and moved to cities to look for employment, where many end up living in the favelas surrounding Brazil's cities. In July 2008, Veracel was fined for clearing areas of Atlantic rainforest when they established the eucalyptus plantations and ordered to cut down its plantations and replace them with native trees. Nevertheless, nothing of this prevented the company from receiving the FSC label in 2008. The certificate, however, became one of the most controversial FSC certificates ever issued.

Communities and local groups have criticized the certification process from the beginning, claiming that Veracel never complied with the principles and criteria of the FSC, that their concerns have been sidelined, and that the certificate amounts to little more than greenwashing. The documentary film 'Sustainable on Paper' shows how Veracel's industrial tree plantations by their very scale and monocultural nature – which, like those of any other big industrial plantation, require significant input of water, agrotoxins, chemical fertilizers, and fossil energy – simply cannot transform themselves into a land use that would justify the label "environmentally appropriate, socially beneficial and economically viable" (Broers and Lecluyse 2010). The World Rainforest Movement commented when Veracel was awarded the FSC certificate in 2008 (Overbeek 2008):

By allowing these certifications of monoculture tree plantations to continue, FSC members are not only playing to the hands of large plantation companies but are also undermining local peoples' struggles against them. The time has now arrived for FSC members to push for the only possible solution: to agree that plantations are not forests, to acknowledge that tree monocultures are uncertifiable from a social and environmental perspective and to decide to exclude industrial tree plantations from FSC certification. Until such decision is taken, the FSC will continue to be a problem, instead of a solution, for local communities and the environment.

## 6. What made the certificate so controversial?

### *Environmental and labour law violations*

In order to obtain the FSC certificate, a company has to respect national laws. According to FSC accredited certifiers SGS and Imaflo, who issued the certificate, Veracel complies with this condition. But João Alves da Silva, public prosecutor in Eunápolis, the location of Veracel's pulp mill, disagrees:

The Public Prosecution can produce proof of environmental crimes, money laundering, tax evasion, and corruption. We have a testimony of a town councillor who was bribed by Veracel to persuade his colleagues to vote for favourable laws. And Veracel violates the labour legislation, the environmental legislation, and the criminal code (Broers and Lecluyse 2010: 16).

More than 700 cases have been registered with the employment tribunal in Eunápolis alone against Veracel and its subcontractors (Kröger 2001) (Figure 2).

In 2008, Veracel was convicted by the Brazilian federal court in Eunápolis for illegal deforestation of the Atlantic Rainforest, and was fined €7 million (US\$7.6m) (Federal Public Prosecution Service 2008). The case had been brought before the court in 1993 after local organisations provided evidence that Veracel had been involved in illegal deforestation of the native Mata Atlantica forests. Veracel was found "guilty of environmental devastation committed during the first years of operation until 1993" (Souza and Overbeek 2008: 19) (Figure 3). The judge also ruled that the licenses for at least 49 thousand hectares of plantation were illegal and demanded that Veracel restore the area of 96,000 hectares of eucalyptus plantation included in the license (Both Ends 2008). Unsurprisingly, Veracel appealed the court decision. "Veracel always lodges an



appeal in Brasilia", Cleide Guirro, head of environmental enforcement agency IBAMA in Eunápolis, told researchers. "We have six inspectors for an area four times the size of Belgium. And eucalyptus is only one of the problems we have to deal with." In his conversations with film-makers Broers and Lecluyse, the public prosecutor João Alves da Silva notes that "the consumer buying cellulose from Veracel has to realize that he is buying an illegal product and that the sustainability label doesn't reflect reality", (Broers and Lecluyse 2010: 16).



Figure 2: "Veracel Disrespects Workers and is Certified! Where is the Seriousness in this?" Banners during strike by workers employed at Veracel's plantations in March 2013. Photo credit: CEPEDES



Figure 3: Protected native tree species inside Veracel eucalyptus plantations. Photo credit: World Rainforest Movement.

#### *Threat to regional food sovereignty*

"We want to grow food crops again, because people don't eat eucalyptus. This region has the capability to export food instead of importing it, which it does now." The MLT, a movement of landless peasants, has occupied a part of the land covered by Veracel's plantations that the courts in Bahia have recognized as 'terra devoluta.' These 'terra devoluta' lands should be prioritized for use in the agrarian reform (Figure 4). The MLT has cleared the eucalyptus from this portion of land and begun staple food production.





Figure 4: Manioc tubers grown on occupied eucalyptus plantation area being loaded onto a truck. Truck loaded with eucalyptus in the background. Photo credits: CEPEDES.

#### *Conflicts with communities and landless peasant movements*

"Veracel wanted to plant eucalyptus up to here, ten meters from my house. They sprayed everything with poison while the kids were playing outside. We chased them away with bow and arrow. They don't have the least bit of respect for us." In their film 'Sustainable on Paper', Broers and Lecluyse (2011) document many residents affected by Veracel's monoculture plantations expressing similar sentiments, and conflicts have continued since. In 2013, buildings and food planted on the land reclaimed by the MLT were destroyed. When Veracel in 2008 announced that, at long last, the company had obtained the FSC certificate, local groups and residents felt betrayed by the FSC. The many consultations, field visits, and assessments carried out as part of the FSC certification, they felt, had not strengthened but further marginalized their position (Figure 5). From the perspective of the villagers surrounded by Veracel's monoculture eucalyptus plantations, "the FSC certificate only serves to deceive the people in the North", (Broers and Lecluyse 2011: 18). They also felt ignored by the NGOs promoting the FSC and thus providing credibility to the label – which in turn disempowers the local resistance to the unsustainable plantations.



Figure 5: Left: Cemetery surrounded by Veracel eucalyptus plantations. The plantation extended into the cemetery until protests by residents forced the company to minimally cut back the plantations and provide access to the cemetery. Right: Auto-demarcation of eucalyptus plantations Veracel planted on *terra devoluta* land, land to be allocated with priority for agrarian land reform and food production. Photo credit: CEPEDES.

## 7. Where did Veracel's interest in seeking FSC certification come from?

"Pulp suppliers must be Forest Management-certified in order to supply us with FSC-certified pulp for our FSC product-labeling initiatives", Kimberly-Clark writes on their website. The company launched an FSC certified branded consumer tissue on the European market in 2007 and, in late 2007, announced its 'Sustainable Production and Biodiversity Conservation in Forest Mosaics Initiative', together with Conservation International and the Instituto BioAtlântica (IGD 2009). They were joined shortly after by The Nature Conservancy and Brazilian plantation companies Suzano Papel e Celulose, Aracruz Celulose, and Votorantim Celulose e Papel (now jointly Fibria) and, later, Veracel Celulose. Following a sustained high-visibility campaign by Greenpeace and others, Kimberly-Clark in 2009 announced that they had revised their fibre procurement policy and had set a goal of obtaining 100 percent of the company's wood fiber for tissue products from 'environmentally responsible' sources (Kimberly-Clark 2013). A key campaign demand had been that the companies use FSC certified pulp in their tissue paper. The campaign had been criticized, among other things for undermining demand for recycled fibre in tissue paper production. Calls for an overall reduction of tissue paper production by the companies targeted in the campaign were not part of the key demands; there were no banners that read "produce less Kleenex"; "respect local opposition"; or "join us to campaign against expansion of pulp mills and eucalyptus plantations."

Kimberly-Clark and Procter & Gamble are significant clients of Veracel, and the plantations company faced a potential risk of losing key customers unless it could provide certified pulp (Kimberly-Clark, undated). In September 2007, Veracel commenced the process of applying for FSC certification – and eventually received the certificate in 2008.

## 8. Conclusions

For part of the FSC's initial corporate membership, the appeal of the scheme rested with its potential to retrieve the image of tropical timber as a desirable product that could be consumed with good conscience. The interest in the FSC was as a vehicle through which to regain and expand the market share of tropical timber. Over time, pulp and paper companies have increased their presence in the FSC as they felt the impact of environmental campaigns that included the core demand that customers of pulp and paper producers should switch to FSC certified products.

In addition to FSC providing "a corporate solution because the three chamber system evokes a high level of credibility on the market" (FSC Germany 2008), the pulp and paper industry has also benefited from the FSC keeping the issue of overconsumption of paper largely off the table.

Perhaps the most significant benefit the FSC has provided to the industrial plantations industry is the label's willingness to actively promote the false claim that plantations are 'forests.' This has allowed the pulp and paper sector to not only hide the unsustainability of its production model behind a 'forest' management label, but to expand their unsustainable plantations, claiming the support of an internationally acclaimed certification scheme. Even though their plantations are opposed by local community groups, the plantation companies can claim to be engaging in an international multi-stakeholder process, with the three-chamber model of the FSC and the various consultation and dispute resolution mechanisms providing a supposedly 'level playing-field.' The certification scheme thus facilitates the public debate in favour of expansion.

In addition to facilitating expansion, the label itself provides a valuable marketing tool. It promises products derived from 'environmentally appropriate, socially beneficial, and economically viable' forests, when in reality their origins – certified or not – remain environmentally inappropriate, socially harmful, and, for the most part, economically unviable monoculture tree plantations financially supported by lavish public subsidies.

The FSC certificate thus provides the consumer with a false assurance that the pulp and paper product they are enticed to buy comes from a well-managed 'forest', when in reality the pulp was produced from industrial tree plantations that have caused socio-ecological havoc and will often have destroyed local economies and food production. Hidden behind the 'well-managed' label is also an exorbitant use of water

both in the plantations and the pulp mills, an issue that is likely to become even more of an issue when droughts and water shortages further increase as a result of climatic change. In this context, the FSC certificate hides the true ecological and socio-economic burden associated with the product – in this case FSC certified pulp from Veracel's operations in the extreme south of Bahia, Brazil, and thus facilitates the maintenance or even expansion of ecologically unequal exchange by reducing the likelihood of consumers foregoing a purchase on the basis of the ecological damage associated with the product.

Thus, the FSC and other voluntary certification schemes, like the Round Table on Sustainable Palm Oil (RSPO), serve not only as a corporate strategy to respond to negative publicity, but they have become part of the plantation expansion process. They help maintain the net inflow of energy and materials from the periphery at low prices that is necessary for the maintenance of the social metabolism of the centre. By presenting products and modes of production that have fallen into disrepute in a key consumer market as a changed, now acceptable choice for consumption and trade, voluntary certification schemes like the FSC or the RSPO help corporations maintain or expand market share for products that involve ecologically destructive practices such as the expansion of industrial tree plantations on a massive scale. Veracel's current expansion plans in Bahia are a case in point. For communities opposing further expansion of industrial-scale plantations, these certification schemes have (inadvertently?) helped tilt the balance of power even further in favour of corporate interests. They have made the struggle for environmental justice and against expansion of these industrial-scale monoculture plantations harder. An unacknowledged imbalance of power between corporations and the certification schemes, on the one hand, and communities and their allies, on the other hand, has become manifest. Voluntary certification has become a tool to justify unimpeded expansion of industrial tree plantations and through mislabelling them as 'well-managed forests' contributes to maintaining the ecologically unequal exchange involved in manufacturing the products carrying the label.

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