



Media Release

11 November 2009

Government moves to fix market failure in environmental rating schemes

The National Association of Forest Industries (NAFI) welcomes the recent call by the State, Territory and Federal Governments for the Green Building Council of Australia to recognise the Australian Forestry Standard. The Australian Forestry Standard assures timber is sourced from sustainably managed forests and plantations and meets internationally recognised environmental management standards.

We are pleased Governments are now moving to review their own procurement guidelines to fully recognise the Australian Forestry Standard and ensure these environmental rating schemes recognise important Australian standards. Standards are developed to protect consumers and ensure products and services meet important levels of quality and safety.

“As many of these environmental rating schemes are adopted from overseas schemes they often do not recognise our Australian standards. Up until now, because these schemes are voluntary there has been no one policing these schemes in terms of what they do or what they deliver to consumers – a real market failure”, said NAFI CEO Allan Hansard.

Unfortunately, many consumers using these environmental rating tools thought they were doing the right thing in relation to timber but in reality they were sourcing imported timber or high emission products made from aluminium, steel or concrete in preference to Australia’s carbon positive, sustainably managed, locally grown timber.

“This situation has cost Australia’s sustainably managed timber industry hundreds of thousands of dollars and the conduct and costs and benefits of these environmental rating schemes remain unassessed.

“We are concerned that this issue might just be the tip of the iceberg in relation to environmental rating tools. We certainly would support a government investigation into the conduct of environmental rating schemes by the appropriate Government authorities such as the Australian Competition and Consumer Commission or the Productivity Commission, Mr Hansard said.

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