

Time to measure the impacts of certification on sustainable forest management

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Standards for sustainable forest management – in environmental, social and economic terms – are needed to ensure that certification schemes only give their seal of approval where it is deserved.



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Although forest certification was conceived not only to market forest products but also to improve forest management, little research has been done to identify its impacts on the ground

Forest certification is at a crossroads. When the idea was conceived, many hoped that in addition to helping to market forest products, certification would also improve forest management and workers' conditions. Some also hoped that it would contribute to solving the land rights problems that are so prevalent in many countries, from Indonesia to Peru and from Sweden to Canada. Although the concept may still be too young for its impacts to be ascertained, some conclusions can be drawn. Certification has led to increased consumer demand for timber products from well-managed sources, with certified forest products now having a market share of between 5 and 10 percent in some countries (e.g. the United Kingdom, Belgium and the Netherlands) (Rametsteiner, 2002). It also seems to have improved forest management practices (although mainly in developed countries, and not substantially) (see e.g. Garforth, 2002) and working conditions (mainly in developing countries, but again not substantially) (see e.g. Rainforest Alliance, 2005; FSC, 2005). Certification has also highlighted land rights

problems and increased understanding that forest management is not just a technical matter (see e.g. Colchester, Sirait and Wijardo, 2003).

But there are drawbacks. The development of certification was originally driven by concerns over loss of tropical forests worldwide; yet most of the certified forests are in developed countries. Furthermore, the perception of certification as a solution has weakened the sense of urgency about deforestation and forest degradation and sidetracked attention away from the many problems that still exist in forest management. Certification has absorbed substantial time and energy from all sectors, with very few concrete results showing from this investment. Furthermore, certification has given a seal of approval to some logging companies and forests that may not deserve it; a number of certificates in countries such as Finland, Brazil, Canada and Indonesia have been formally challenged (Kill, 2004; Harkki, 2004; Sierra Club Canada, 2004).

Thus, although there seems to be general consensus at the national and international policy level that certification is

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a good thing and should be supported, a problem still remains: how to translate the concept into real improvements on the ground. The task now is to uphold the integrity and credibility of forest certification in the face of growing market pressure (see e.g. Rametsteiner, 2002) or certified products – a task made difficult by two obstacles. First, there has been surprisingly little research to identify the impacts of forest certification schemes on the ground (Cashore and Noah, 2003). Second, at the policy level, the emphasis seems to have shifted from assessing the merits of the different forest certification schemes to assessing the merits of the different assessment schemes (R. Nussbaum and M. Simula, in preparation).

This trend must be reversed. It is time to look seriously at the potential positive and negative environmental, social and economic impacts of the different certification schemes. In practical terms, for example, what does certification mean in relation to biodiversity conservation, social justice and economic viability?

EXISTING CERTIFICATION SCHEMES

There are currently eight main operational forest certification schemes (see Table).

The Forest Stewardship Council (FSC) was created in 1993 by environmental and social non-governmental organizations (NGOs) together with forest industries. FSC serves as an umbrella organization for national certification programmes currently operational in 13 countries and also certifies forest management units in countries that have no national standard. By January 2004, 40.4 million hectares had been certified under the FSC scheme in 59 countries. Of this area about 45 percent was in developing countries; however, more than half of the FSC certified area in developing countries was plantations (Lang, 2004).

The Programme for the Endorsement of Forest Certification (PEFC) was created in 1999 by national forestry interest groups, particularly associations of small forest owners, in Europe. An umbrella organization for 13 national schemes, PEFC had certified 48.6 million hectares of European forests by January 2004.

All of the other six schemes shown in the Table were created essentially by industry, in some cases with government support. All are members of the PEFC Council and are therefore likely, over time, to become part of the PEFC scheme. CERFLOR, Brazil's national forest certification scheme, and CERTFOR, the national forest certification scheme in Chile, are as yet only operational for plantations. At the beginning of January 2004, these six schemes together had certified around 64 million hectares of forest (Ozinga, 2004).

Two other existing certification schemes are also worth mentioning: the American Tree Farm System (ATFS) in the United States, which has developed an alliance with the Sustainable Forestry Initiative (SFI); and the Lembaga Ekolabel Indonesia (LEI) scheme in Indonesia, which has developed an alliance with FSC. More certification schemes, notably in Africa (Gabon and Ghana), are under development, but they are expected to fall under the umbrella of either PEFC or FSC.

CHARACTERIZING SUSTAINABLE FOREST MANAGEMENT

Since all these schemes aim to certify sustainable forest management, the question of what sustainable forest management is lies at the heart of the current certification debate.

Sustainable forest management is about more than sustained yield of timber supplies. It includes all forest values – social, environmental, economic, cultural and spiritual. The United Nations Forum on Forests (ECOSOC, 2004) has acknowledged seven common thematic elements of sustainable forest management:

- extent of forest resources;
- biological diversity;
- forest health and vitality;
- productive functions of forest resources;

Main existing forest certification schemes

Certification scheme	Created by	Year created
Forest Stewardship Council (FSC)	NGOs together with forest industries	1993
Sustainable Forestry Initiative (SFI)	American Forest and Paper Association	1995
Canadian Standards Association (CSA) Sustainable Forest Management System	Forest Products Association of Canada and the Canadian Government	1996
Malaysian Timber Certification Council (MTCC)	Malaysia's Ministry of Primary Industries and Malaysian Timber Council	1998
Programme for the Endorsement of Forest Certification (PEFC)	National forestry interest groups, particularly associations of small forest owners	1999
CERTFOR	Chilean Government and Asociación de Industriales de la Madera (ASIMAD), Chile's wood manufacturers' association	2002
Australian Forestry Standard (AFS)	Australia's Ministerial Council on Forestry, Fisheries and Aquaculture and its forest industry	2003
CERFLOR	Brazilian Ministry of Development, Industry and Trade	2003

- protective functions of forest resources;
- socio-economic functions;
- legal, policy and institutional framework.

But what does this mean in practice? Forest users, including local communities and indigenous peoples, government management agencies, environmental NGOs, logging companies and timber concessionaires, have diverse and often conflicting interests in how forests are managed.

These groups – and the individuals who represent them – are also rooted within a variety of cultures that influence the ways they view and interact with the forest. As a result forests are often sites of social and political conflicts, frequently related to access to the forest and the formal and informal means by which people gain that access (Green, 2001; Schmidt, Berry and Gordon, 1999).

Therefore deciding what practices qualify as good or sustainable forest management is complex and subjective. From a scientific perspective there are no clear data to convey the exact environmental and social impacts of certain practices over time. From a sustainable development perspective, forest management should take into account ecological, social and economic interests. Yet a certification standard defining sustainable forest management will still vary according to the interests, values and experiences of the people who define the standard – unlike standards for motorcycle helmets, light bulbs and so on. As pointed out by Rametsteiner and Simula (2001), “The crux of the international debate centres on credibility for certification schemes and more deeply about who should define forest management standards and how this takes place”. This debate should be seen in the wider context of forest management.

The first step towards achieving sus-

tainable forest management is therefore the development of a country-wide, broadly supported vision of the future of a country’s forests and of what can be considered sustainable forest management in a particular country, region or area. This is in essence a political act. The vision needs to be developed with the full participation of all stakeholders, and particularly the local people who own or use the forest area.

Although general principles of sustainable forest management can be defined, how these principles should be implemented depends on local, national or regional circumstances. Developing a standard for certifying a forest is a political process and should be done with the full participation of all stakeholders in the area. No interest group should be permitted to dominate that process. Developing a credible national or regional certification standard through consensus takes time. In some countries capacity building may be needed as a first step to enable local stakeholders to participate effectively in standard setting. In countries where some local or national stakeholders are not able to participate freely in the process, the development of a national certification standard is simply not possible. Forests in such countries should not be certified under any scheme.

CRITERIA FOR CREDIBLE FOREST CERTIFICATION SCHEMES

For the most part, governments, industry and NGOs actually agree on the key components of a credible certification scheme. Officially adopted texts such as the Ad Hoc Intergovernmental Panel on Forests (IPF) Proposals for Action and the World Bank’s Forest Policy (World Bank, 2002), as well as NGO criteria (FERN, 2001), all refer to minimum performance-based standards, balanced participation, transparency, consistency and replicability, as detailed below.

Minimum performance-based standards

The IPF Proposals for Action (ECOSOC, 1997) make a clear distinction between criteria and indicators developed to assist State monitoring of forest management and those suitable for forest certification.

Many governments have worked towards a common understanding of sustainable forest management in line with the Forest Principles agreed at the United Nations Conference on Environment and Development (UNCED) in 1992. Nine major regional and ecoregional processes (African Timber Organization [ATO], Dry-Zone Africa, Dry Forest in Asia, International Tropical Timber Organization [ITTO], L’epaterique, Montreal, Near East, Pan-European and Tarapoto) have developed criteria and indicators by which sustainability can be assessed, monitored and reported.

These criteria and indicators, many of which have been endorsed by governments, were developed initially for reporting forest conditions at the national level, mainly to guide policy-making, although some processes have also developed indicators for monitoring at the forest management unit level. IPF emphasized that “the development of criteria and indicators is primarily intended for promoting and monitoring sustainable forest management, and not for imposing certification schemes for forest products. Criteria and indicators are not performance standards for certifying management at any level” (ECOSOC, 1997). FAO’s Committee on Forestry (FAO, 2001), the European Union (2001) and the World Bank (2002) have echoed this statement, noting that while criteria and indicators can be used to monitor relevant aspects of forest management, certification standards must be based on performance.

Transparency, participation and access

The IPF Proposals for Action, agreed by most governments, state that "Governments have a role in encouraging transparency, the full participation of interested parties; non-discrimination and open access to voluntary certification schemes" (ECOSOC, 1997). Proposal 133, which relates to certification and labelling, lists a number of important concepts to be included in any credible certification scheme. These include open access and non-discrimination in respect of all types of forests, forest owners, managers and operators; credibility; non-deceptiveness; cost-effectiveness; participation seeking to involve all interested parties including local communities; sustainable forest management; and transparency.

This approach was also backed by the International Forest Industry Roundtable (IFIR) in its report proposing an international mutual recognition framework (IFIR, 2001) and by the World Trade Organization (WTO) Committee on Trade and Environment (CTE) in its report for the 2003 WTO Ministerial Conference in Cancún, Mexico (WTO,

2003). These reports list a range of criteria including voluntary, participatory and balanced stakeholder influence; non-discrimination; repeatability, reliability and consistency; independence and competence; and transparency.

Finally, in adopting its new Forest Policy, the World Bank (2002) specified that acceptable forest certification systems would have to demonstrate:

- compliance with relevant laws;
- recognition of and respect for any legally documented or customary land tenure and use rights as well as the rights of indigenous peoples and workers;
- measures to maintain or enhance sound and effective community relations;
- conservation of biological diversity and ecological functions;
- measures to maintain or enhance environmentally sound multiple benefits accruing from the forest;
- prevention or minimization of adverse environmental impacts from forest use;
- effective forest management planning;

- active monitoring and assessment of relevant forest management areas;
- the maintenance of critical forest areas and other critical natural habitats affected by the operation.

The World Bank added that such systems must also be independent and cost effective, that they must require independent third-party assessment of forest management performance, that they must involve full stakeholder participation and that the decision-making procedures must be fair, independent and designed to avoid conflict of interest.

In short, the World Bank, governments, forest industry and NGOs seem to agree on most of the key conditions for credible certification schemes – yet there is still not agreement about whether the existing schemes meet the criteria for credibility, with NGOs and industry tending to have different viewpoints. The Forests and the European Union Resource Network (FERN), for example, argues that of all existing schemes, including those created by or with the support of national governments, only FSC and CSA currently meet most of the criteria for credible certification of

Among commonly agreed criteria for forest certification is recognition of and respect for the rights of indigenous peoples and workers (forest workers in Chile)



sustainable forest management (Ozinga, 2004). An evaluation of five schemes commissioned by the Department for Environment, Food and Rural Affairs of the United Kingdom reached a similar conclusion (DEFRA, 2004).

Different stakeholders have different expectations of forest certification (Nussbaum, Jennings and Garforth, 2002), but most expect forest certification to lead to an improvement in forest management, or more specifically in the ecological, social and economic performance of forest management. What level of improvement is expected and how can it be measured? And what do the different forest certification schemes deliver? These are important questions that have not yet been answered. What is therefore needed is research into the impact of different forest certification schemes on the ground. This is a more constructive way forward than more desk assessments of the different certification schemes or worse, of the different models for assessing them.

A project recently initiated by Yale University is trying to do exactly that by exploring the environmental impacts of forest certification (see www.yale.edu/forestcertification/research.html). This is a good first step. A second step would be to look at the social impacts of forest certification. FSC (2004) has announced a commendable effort to develop criteria and indicators for monitoring its scheme's social, ecological and economic impacts. This will not be easy. Work on key environmental and social indicators is especially needed. Examples of indicators that could be used to measure environmental impact are: decline in rate of extinction of forest-dependent species, maintenance or increase of biodiversity and extent of key habitats kept intact. Indicators that could be used to measure social impacts include: diminishing of conflicts over

land rights, increase of clearly demarcated land and user rights, salary level and number of local employees.

Only once it is known if or how certification schemes lead to better forest management, can certification be improved as a tool to manage the world's forests sustainably.

CONCLUSION

Certification has brought different stakeholder groups around the table to discuss what constitutes sustainable forest management, and it is clear that it has had its benefits. But now, ten years after the concept was first developed, it is time to examine more concrete impacts on the ground and to understand where and why both positive and negative impacts have occurred. It is time to focus research capacity, time, money and energy on enhancing the certification tool to improve and enlarge its impact. ♦



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