

Leading Sustainable Forest Management Standard Approved by PEFC

"Expectations and understanding of best practice in sustainable forest management have evolved over the past years. It is therefore the responsibility of PEFC as the world's largest forest certification organization to integrate these changes into its international Sustainability Benchmarks," said Ben Gunneberg, PEFC Secretary General. "Social rights were not well recognized in forest certification ten years ago, therefore with the inclusion of the UN Declaration on Indigenous Peoples Rights and the ILO Convention 169 on Indigenous and Tribal Peoples, social, environmental and economic considerations are now better balanced."

The revision process included representatives from forest owners, environmental groups, trade unions, indigenous people, industry, customers and the scientific community, with stakeholders reaching consensus on the revised requirements for sustainable forest management after two years of deliberations.

"The opportunities that forest certification provides in improving and verifying sustainable forest management are enormous," explained Mr. Gunneberg. "However, with the vast majority of the world's certified forests located in the Global North, there has been a real need to also revisit forest certification requirements in detail to ensure their applicability in countries with less favourable governance and administrative structures.



These countries are predominately found in the tropics, in Asia, South America and Africa – regions in which arguably the most vulnerable forests are located, in which the potential of forest management to lift people out of poverty is greatest, and in which social rights are of utmost importance."

The revised standard remains rooted in globally recognized intergovernmental, multi-stakeholder processes and guidelines, with additional and modified requirements responding to changing stakeholder expectations and clarifying the interpretation of specific aspects. The standard includes provisions concerning:

- Recognition of free, prior and informed consent (FPIC), UN Declaration on Indigenous Peoples Rights, and ILO Convention 169 on Indigenous and Tribal Peoples
- Provisions for consultation with local people and stakeholders
- Respect for property and land tenure rights as well as customary and traditional rights
- Compliance with all fundamental ILO conventions
- Requirements for occupational health and safety
- Encouragement of local employment

- Prohibition of forest conversions
- Protection of ecologically important forest areas
- Prohibition of the most hazardous chemicals
- Prohibition of genetically modified trees
- Exclusion of certification of plantations established by conversions
- Adherence to all applicable laws



Asked about his opinion of the revised standard, Professor Maharaj Muthoo, President of the Roman Forum and former Executive Director of the Forest Stewardship Council (FSC), commented that "PEFC was the first and is still the only global forest certification system where compliance with all the fundamental ILO conventions is mandatory in sustainable forest management everywhere. PEFC's inclusion of additional social criteria, robust recognition of indigenous people rights, and the evolution of requirements on environmental aspects make this standard the leading sustainable forest management standard globally."

The revised standard and further information are available for download at www.bit.ly/f6KJMF

Historic Moment for Certification

"The revised PEFC Chain of Custody standard is another example of the progressive approach of PEFC to certification. With the Chain of Custody predominately being a traceability system, PEFC is the first certification system with global reach requiring compliance with social criteria by companies seeking to obtain PEFC certification," explained Mr. Street.

Chain of Custody certification gives assurances that wood-based products originate from sustainably managed forests. This means that consumer and buyers of timber products can have confidence that the wood used in a product can be traced back to PEFC-certified forests. The social requirements oblige PEFC-certified organizations to demonstrate:

- workers are not prevented from associating freely, choosing their representatives, and bargaining collectively with their employer
- forced labour is not used
- workers, who are under the minimum legal age, the age of 15, or the compulsory school attendance age, whichever is higher, are not used
- workers are not denied equal employment opportunities and treatment

"These social requirements provide an additional layer of confidence to consumers and buyers – that elementary rights of workers in companies along the supply chain have been respected," highlighted William Street, Chairman of PEFC International. "The largest source of wealth for most rural timber dependent communities and families comes in the form of wages. Promoting the rights of workers for both safe and decent work is critical if rural communities are going to thrive. Given PEFC's history in promoting social rights in forest management, it is no surprise that PEFC has become the first global forest certification system to positively respond to this demand."

"PEFC was the first and is still the only global forest certification system where compliance with all the fundamental ILO conventions is mandatory in sustainable forest management everywhere, even in the certification standards of countries that have not ratified them," explained Mr. Gunneberg. "As the certification system of choice of small forest owners, moving beyond



the 'forest gate' to require companies along the supply chain to comply with issues of fundamental concern to millions of workers globally seems to be a logical step."

"While this requires additional measures by companies wishing to obtain PEFC certification, we are confident that they will appreciate and benefit from knowing that the fundamental rights of the workers of their suppliers are protected," added Mr. Gunneberg.

PEFC Endorses Rio Forest Certification Declaration

"While the forest certification movement can certainly be proud of the achievements of the past twenty years, we realize it is mainly forest owners in developed countries that benefit from certification," said William Street, Chairman of PEFC International. "Much of the certified area is located in the Northern Hemisphere, and it remains challenging to provide access to forest certification especially to locally-controlled forests in tropical countries, managed by families and communities that depend on their resources for their livelihoods."



Certification is recognized as one of the most important voluntary mechanisms promoting sustainable forest management, yet there are significant barriers for forest managers in developing countries, such as a lack of capacity to undergo certification audits and maintain operations to a certification standard.

"Overcoming these and other barriers requires collaboration among all forest stakeholders, forest certification systems, CSD Major Groups, and governments" emphasized Mr. Street. "While activities by different stakeholders are usually driven by the same objective of promoting sustainable forest management,

they may have detrimental effects if they don't consider their overall, global impact."

"The linkage between deforestation and poverty is strong, compelling, and in need of specific attention by all forest stakeholders. The same is true for the linkage between deforestation, climate change and loss of biodiversity. By recognizing the importance of these interrelationships and beginning the process of codifying them into forest certification standards that have been proven to make a real difference on the ground, we can achieve our vision of people living in harmony with forests as well as managing them sustainably."

To enable forest stakeholders to better assess the overall effects of their actions, to strengthen joint initiatives, to encourage the pooling of limited resources, and to promote complementary activities, PEFC has endorsed the Rio Forest Certification Declaration, which contains ten principles intended to guide the future development of sustainable forest management and forest certification around the world.

The Declaration emphasizes that "[t]he challenge of safeguarding the environmental, social and economic benefits that the world's forests provide is critical for life on earth. It requires a world in which people manage forests sustainably, a world that recognizes the integral and interdependent nature of our planet, a world that acknowledges and values the significance of rural communities, indigenous peoples, and families that depend on forests for their livelihoods."

"After twenty years of forest certification, only one percent of the global supply of wood from certified forests originates from the tropical forests, forests that are among the most biodiverse ecosystems on our planet and support an estimated 60 million indigenous people who depend on forests for their subsistence. Society rightly expects forest stakeholders to collectively act to promote sustainable forest management in the tropics, and the Declaration will hopefully serve as a framework for all and provide guidance that will improve our actions," concluded Mr. Street.

For the full text of the Rio Declaration, see www.bit.ly/ibwWhP

Indigenous Peoples Representative Joins PEFC Board of Directors

The PEFC General Assembly has approved the recommendations of the Nominations Committee and welcomes Mrs. Hermania Minnie Degawan, Mrs. Genevieve Chua, and Mr. Julian Walker-Palin to its Board of Directors. Mrs. Karen Brandt and Mr. Antii Sahi were re-elected.

Minnie Degawan is a Graduate of the University of the Philippines, Diliman, Quezon City; she has a BSc, Majoring in Biology.

Mrs Degawan's experience focuses on the rights of indigenous and local communities. She has been working as a Project Coordinator for International Alliance of Indigenous and Tribal People of the Tropical Forests (IAITPFT) since 2009. Previous to this, she was Project Coordinator for the Convention on Biological Diversity in Thailand with IAITPTF-UNEP/GEF and Regional Coordinator for Minority Rights Group, International (MRG) Asia.

Amongst other key roles, she also worked with International Labour Organization (ILO) as a Regional Coordinator for Asia in Bangkok, as an Independent Researcher for the Sami Council-EU, as the Executive Director of Dinteg-Indigenous Legal Resources Center, community organizer/educator and Secretary General for Cordillera People Alliance.



Genevieve Chua has been working in the paper industry since 1990. After working for KPMG as an Audit Supervisor, she was Chief Financial Officer for PaperlinX, Singapore, before assuming her current role of Managing Director for the same company.

Mrs Chua has a Bachelor of Accountancy from the National University of Singapore and is a Certified Public Accountant in Singapore as well as a Fellow of the Association of Chartered Accountants.



Julian Walker-Palin is a retail specialist, working as Head of Sustainability for Asda, the UK arm of Walmart, since 2007. In this role, he leads the Corporate Sustainability Team, which advises Asda on sustainability policy and strategy. He also regularly engages with environmental NGOs on a wide range of sustainability issues and is a Lead Manager on Walmart's global sustainable timber project.



Before joining Asda, Mr. Walker-Palin worked for 10 years in a variety of roles for Tesco, including Head of Regional Corporate Affairs and Head of Property Communications for Tesco Express UK.

The General Assembly re-elected Antii Sahi as Vice-Chairman of the Board and Karen Brandt as a Board member.

PEFC would also like to use this opportunity to express its gratitude to Mr. William Luddy and Mr. Björn Andren, who have decided to step down from their responsibilities as PEFC Board members.

Sustainable Livelihoods Require Special Consideration in Sustainable Forest Management

In the tropics, it is especially important that all stakeholders develop a better understanding of the particular needs of indigenous peoples and locally controlled forestry, representatives from rights groups and community forests organizations told participants at an international dialogue on forest certification in the tropics.

The PEFC Stakeholder Dialogue is a bi-annual event organized by the world's largest forest certification organization, PEFC, to provide stakeholders from all sectors and regions with the opportunity to elaborate on current and future trends in forest certification.

The November Stakeholder Dialogue, which took place in Rio de Janeiro, Brazil, brought together more than

eighty representatives from NGOs, companies, indigenous peoples rights groups, family and community forest organizations, certification bodies and other interested parties to discuss the specific circumstances of forest certification in the tropics.

Speakers shared experiences, lessons learnt and provided ways forward on topics such as the

- value of public private partnerships for creating local employment in forest dependent communities
- need for and potential of integrating forest certification in carbon standards and other climate related initiatives such as REDD+, and the
- necessity to streamline the requirements of voluntary third-party forest certification systems such as PEFC and legislative actions including the U.S. Lacey Act and the EU Due Diligence System.

"It is important for forest certification as an essential tool promoting responsible forestry to be recognized by, and aligned with, activities directly and indirectly related to sustainable forest management. This includes carbon trading and certification as well as legislation and mechanisms on timber legality," said Ben Gunneberg, PEFC Secretary General. "While these initiatives are evolving, we need to get them right to ensure their effectiveness and to avoid potential adverse effects, especially for people who are depending on forests for their livelihoods."

Challenges also include public and private procurement policies in developed countries, which define sustainability requirements for forest products. Such requirements can potentially deny locally-controlled forestry access to markets – and therefore the ability to support their sustainable livelihoods - as certification systems are increasingly struggling to meet the balance between western-centric expectations of sustainable forest management and the specific circumstances and needs of family- and community forestry in the tropics.

"To meet the needs of especially those people for whom forests and forestry is fundamental for their daily subsistence, stakeholders in mature markets must in their actions become more mindful of the competing demands and expectations on sustainable forest management certification," emphasized Mr. Gunneberg.

The Dialogue provided an important contribution to the revision of PEFC's Tropical Forest Management Standards, which is scheduled for revision in 2011.

Stakeholders Discuss New Approaches to Forest Certification, GMOs

"While forest certification systems prohibit the use of genetically modified trees, there is an increasing need to give stakeholders the opportunity to explore the issues surrounding GMOs as such trees may become available for wide-spread commercial application before the end of the decade," said Jaroslav Tymrak, Head of Technical Unit at PEFC International, following a PEFC Workshop on GMOs as part of the organizations' General Assembly activities in Rio de Janeiro, Brazil.

"While research suggests that GMOs offer economic and technical benefits especially in plantation forestry, there are at the same time concerns about potential negative impacts on biodiversity and ecosystems," he explained.

PEFC requirements prohibit the use genetically modified trees. "This restriction is based on the precautionary principle," emphasized Mr. Tymrak. "Science has not yet established sufficient evidence about the safety of GMOs in forest management."

More than 50 participants attended the PEFC Workshop, engaging in in-depth discussions on the pros and cons of GMOs. PEFC will continue to monitor ongoing



research and scientific findings and review this issue – like all criteria – again during its next revision cycle in 2015.

New Approaches to Certification

A parallel workshop on New Approaches to Certification followed up on some of the discussion of the Stakeholder Dialogue of the previous day, with participants conversing about opportunities specifically for PEFC to overcome existing barriers and take advantage of emerging opportunities.

“With almost half a million forest owners certified to PEFC in Europe and the United States, PEFC has already demonstrated its ability and capacity to make certification accessible to smallholders,” said Sarah Price, Head of Development Unit at PEFC. “The framework conditions are quite different in tropical countries, with family- and community- forest owners facing a different set of challenges.”

“These discussions have provided valuable input into our work, and we are grateful for all the contributions received. PEFC remains committed to increasing access to PEFC certification in tropical forests, and we are looking forward to ongoing dialogue with all stakeholders.

PEFC Open Dialogue Highlights Opportunities for National Forest Certification Schemes

PEFC’s unique ‘bottom-up’ approach to forest certification was at the centre of attention at the PEFC Open Dialogue event, which brought together stakeholders from a variety of organizations involved or interested in the development of sustainable forest management standards.

“While all PEFC-endorsed national certification standards must meet our Sustainability Benchmarks, we require that they are wholly adapted to specific local circumstances, with national forest certification systems

being wholly owned by national stakeholders, thus independent from PEFC International,” said Sarah Price, Head of Projects & Development at PEFC International. “This ‘bottom-up’ approach ensures that standards meet the expectations of stakeholders on the ground, address local conditions, and are consistent with national laws and regulations, while at the same time meeting international benchmarks and being internationally recognized.”

Almost thirty national certification systems have already developed certification systems that have successfully completed PEFC’s strict assessment process and gained endorsement. Nevertheless, the efforts necessary in successfully establishing national initiatives with the capacity to set standards in compliance with PEFC requirements in terms of standard content, standard setting process, as well administrative and other requirements may appear daunting.

The Open Dialogue aimed at:

- Building capacity, sharing key information and strengthening relationships between existing and new members and organisation involved in national scheme development and PEFC International.
- Addressing challenges and share lessons in scheme development process.
- Discussing aspects of sustainable forest management and Chain of Custody standard development, certified product markets.
- Providing information and answer questions regarding PEFC requirements and procedures.
- Highlighting the value of PEFC certification and membership.



"We hope that we have been able to simplify some of the complexities of the processes surrounding the development of forest certification systems at national level. At the same point in time, we appreciate learning from participants about the specific circumstances they are facing," emphasized Ms. Price. "PEFC is committed to offering continued support to the development of national forest certification systems, which will contribute to the advancement of sustainable forest management locally and globally."

Germany, Norway, Portugal Achieve Re-Endorsement by PEFC

PEFC International announced at the General Assembly that an independent, impartial assessment has found that the revised national forest certification systems in Germany, Norway and Portugal are complying with PEFC's Sustainability Benchmarks.

"All three countries have a long history in promoting sustainable forest management and forest certification. Germany and Norway being among the first countries to obtain PEFC recognition in 2000, with Portugal achieving endorsement in 2004," explained Ben Gunneberg, PEFC Secretary General. "We appreciate their continued commitment to our movement, and appreciate the contributions of stakeholder who have participated in the standards revision and assessment processes."

PEFC requires stakeholder participation at national level as well as at the international level. At national level, stakeholders are involved in the standard setting process and the national public consultation. At international level, they are invited to provide feedback in the compliance of national standards with international requirements.

Despite being subjected to the most rigorous and public assessment process of any global forest certification system, PEFC's focus on locally controlled forests represents unmatched benefits to national systems.

"Certification of small- and family forest owners is considered to be one of the major challenges for forest certification globally, a challenge that also applies to

Germany," said Dirk Teegelbekkers, PEFC Germany General Secretary. "The size of an average forest holding in Germany is only 2.4 hectares, yet about two-thirds of all forests in Germany are PEFC certified. This indicates that we have successfully managed to adapt PEFC's globally applicable Sustainability Benchmarks to the specific conditions in our country, paying particular attention to the needs of small forest owners."



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