

PEFC Council International

Programme for the Endorsement of Forest Certification schemes



Mike Clark
Chairman, PEFC Council Board of Directors

Promoting Sustainable Forest Management
for more info: www.pefc.org



Members

The PEFC National Governing Bodies are the Members of the PEFC Council

USSE (Southern European Forest Owners)



Extraordinary Members:

- CEI-Bois (Sawmilling and Panelboard Industry)
- CEPF (Woodland Owners)
- CEPI (Paper Industry)
- ELO(Landowners)
- ENFE (Forestry Contractors)
- ETS (European Tissue Symposium)
- FEBO (Timber Traders)
- FECOF (Community Forests)
- MECSEA (Manufacturers of Educational and Commercial Stationery European Association)
- UEF (Forest Managers)

General Assembly

The highest decision making Forum

General Secretariat
Administration

Board of Directors
(3 + 10 Members)

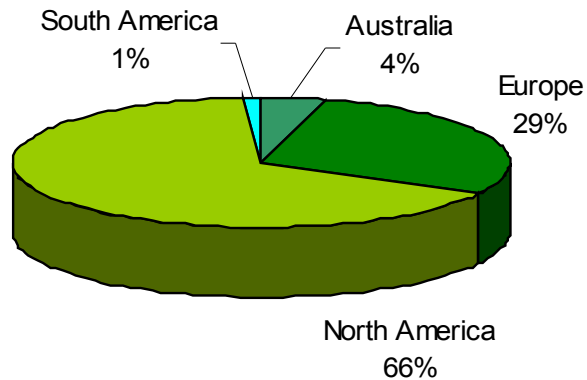


23 national systems endorsed covering more than 204 million hectares and 3300 Chain of Custody certificates

PEFC / Countries	Endorsed certified forest area (ha)	Number of Chain of Custody certificates
Australia	8 560 485	9
Austria	3 960 200	244
Belgium	255 122	95
Brazil	835 716	2
Canada	81 172 835	54
Chile	1 681 578	15
China*	0	4
Czech Republic	1 976 000	217
Denmark	204 674	16
Finland	22 144 082	108
France	4 353 622	955
Germany	7 280 840	617
Hungary*	0	3
India*	0	1
Ireland*	0	1
Italy	652 324	63
Japan*	0	26
Latvia	37 860	3
Luxembourg	24 323	5
Malaysia *	0	1
Morocco *	0	1
Netherlands*	0	40
Norway	8 477 944	10
Portugal	0	8
Slovak Republic	537 120	4
Spain	1 047 582	80
Sweden	6 980 471	68
Switzerland	398 379	224
United Kingdom	0	466
USA (SFI)	54 121 158	8
Total	204 702 319	3 348

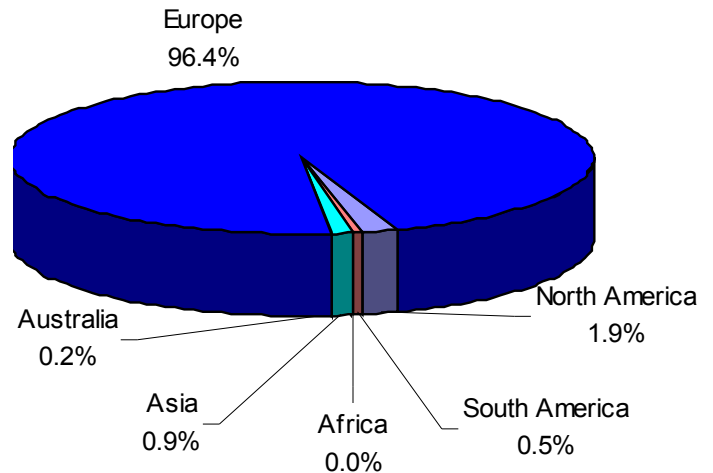
**Only PEFC's International Chain of Custody (31 August 2007)*

PEFC certified forests by world regions



TOTAL: 204,702,319 ha

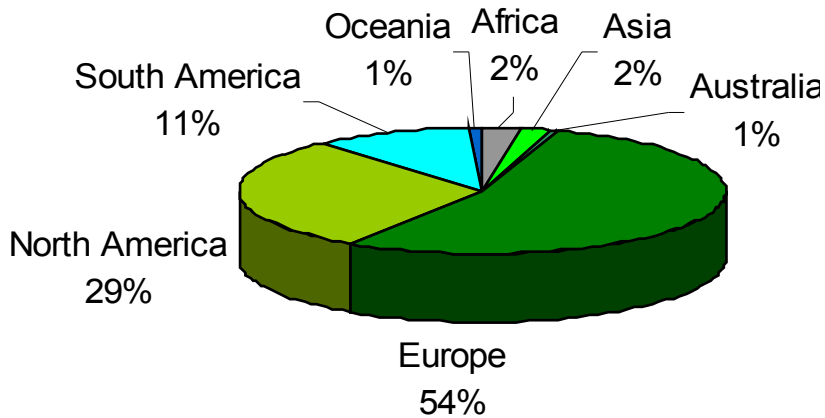
PEFC CoC certificates by world regions



TOTAL: 3,290 certificates

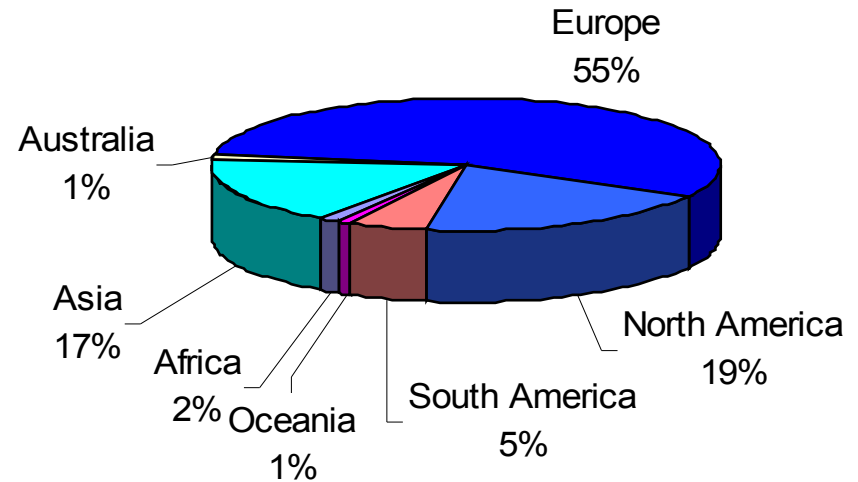
(August 2007)

FSC certified forests by world regions



TOTAL: 93,526,072 ha

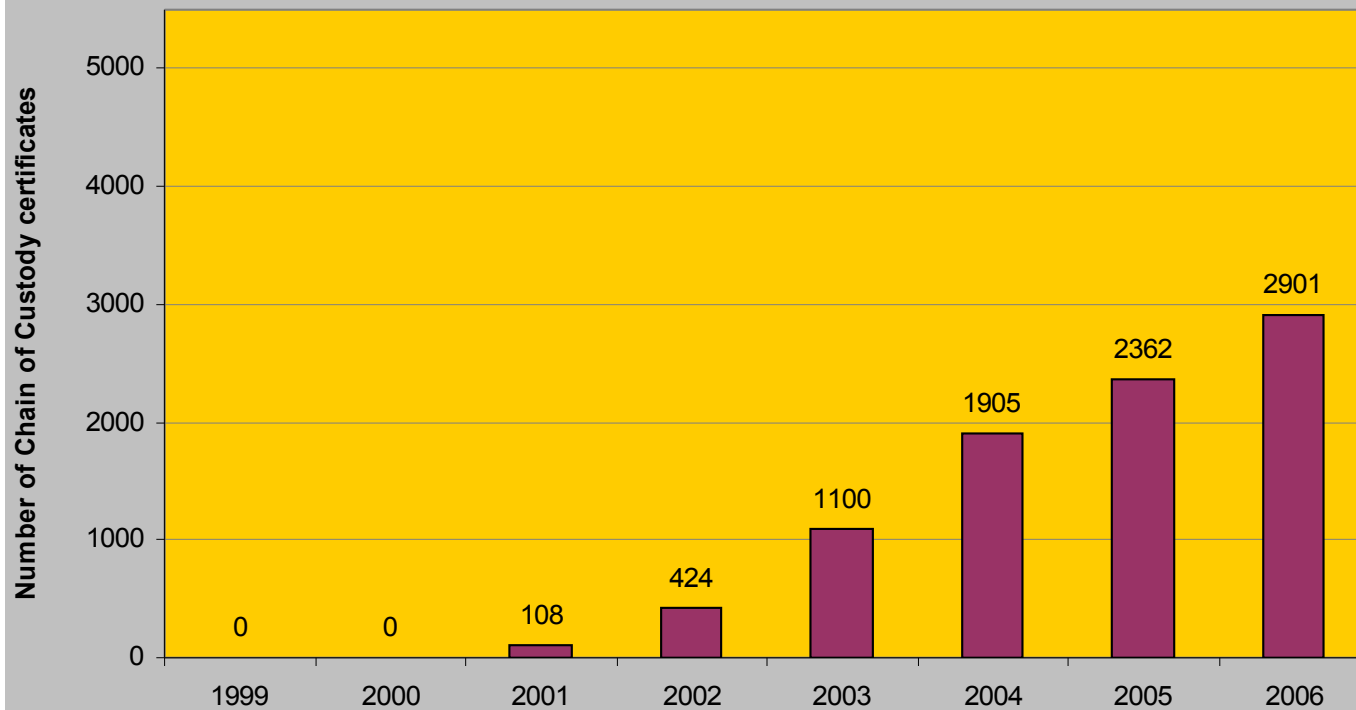
FSC CoC certificates by world regions



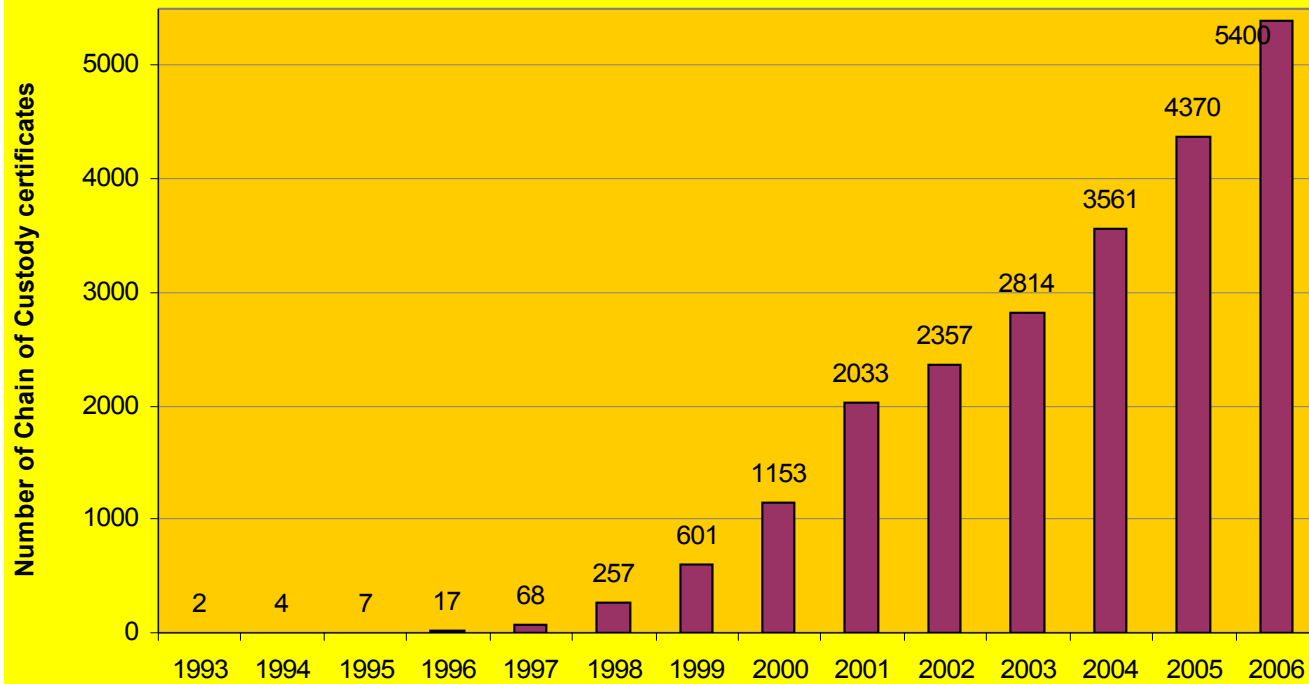
TOTAL: 6,600 certificates

(August 2007)

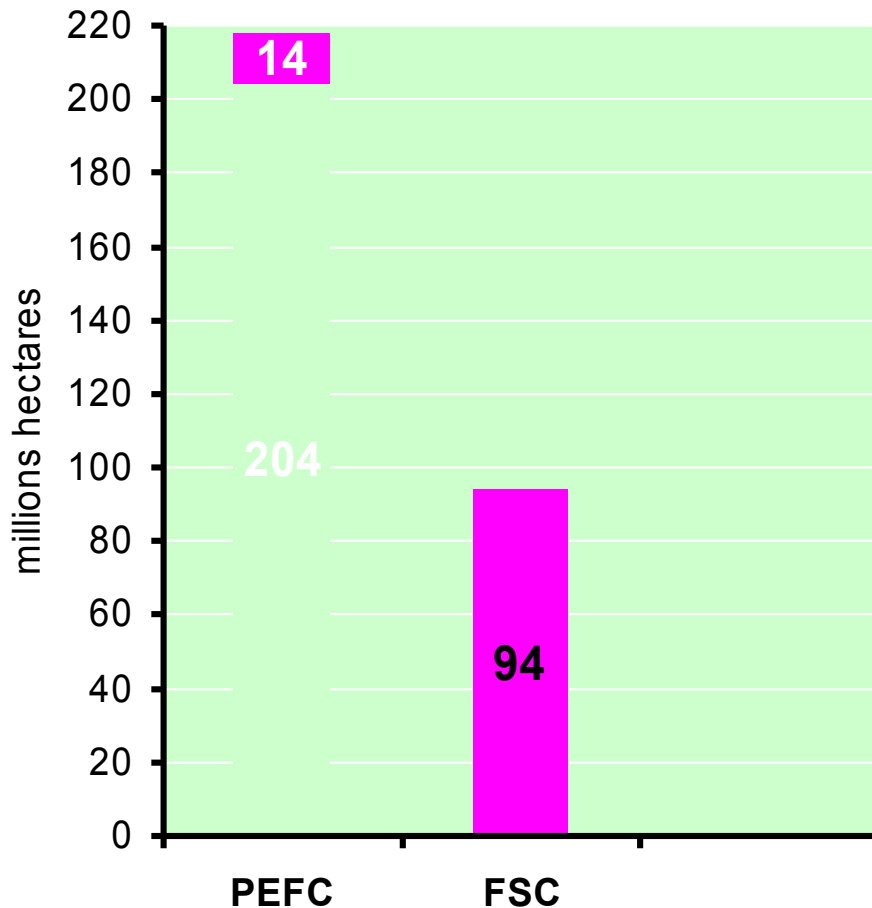
PEFC Chain of Custody Certificates



FSC Chain of Custody Certificates



Forest area certified against schemes associated with PEFC and FSC



Area certified to PEFC members not endorsed yet (estimated)

Area certified to PEFC endorsed schemes

PEFC accounts for more than two thirds of the total area of certified forests globally (an area larger than the combined forest area of all 27 member countries of the EU)

Status Report

- PEFC has successfully delivered certified forest capacity
- As an "endorsement" system it has provided best value for money where infrastructures exist.
- By contrast, FSC has been relatively most successful certifying tropical and plantation forestry, where infrastructures are absent (Interim Certification)
- Europe is in balance – Russia will be critical.
- PEFC's capacity share leadership is critically dependent on North America (USA & Canada).
- PEFC has been losing the battle for market share of "specified" demand (Chain of Custody certificates).
- FSC have focused on publisher/brand owner / retailer endorsement at the global level.
- The most immediate need is to establish end-user acceptance for PEFC/ SFI/ CSA in North America

A Strategy for the Next Decade

The PEFC Council was established over 8 years ago and has grown to be the world's largest forest certification system. It is clear from consultation with members and from wide-ranging and detailed external reviews that the current operational structures and governance no longer adequately meet current needs and demands. The PEFC Council has thus decided to prepare a five year strategic plan for submission at its 11th General Assembly on 4th October 2007.

The strategy will be reappraised annually and detailed plans for its implementation will be submitted as part of that strategic review.

Key Issues for the Next Decade

Our strategy will address the following market drivers

3. Globalisation of procurement
4. Changing consumer focuses
5. Public and private sector sustainable procurement policies
6. Globalisation of SFM logos/ brands
7. Illegal logging
8. Complexity



A Strategy for the Next Decade

1. A new mission statement, developed in consultation with all members:

Vision: A world in which people manage forests sustainably

Mission: To give society confidence that people manage forest sustainably

Purpose: Through the endorsement of national certification systems, PEFC motivates and enables people to sustainably manage their forests and works to provide a market for the products of those forests

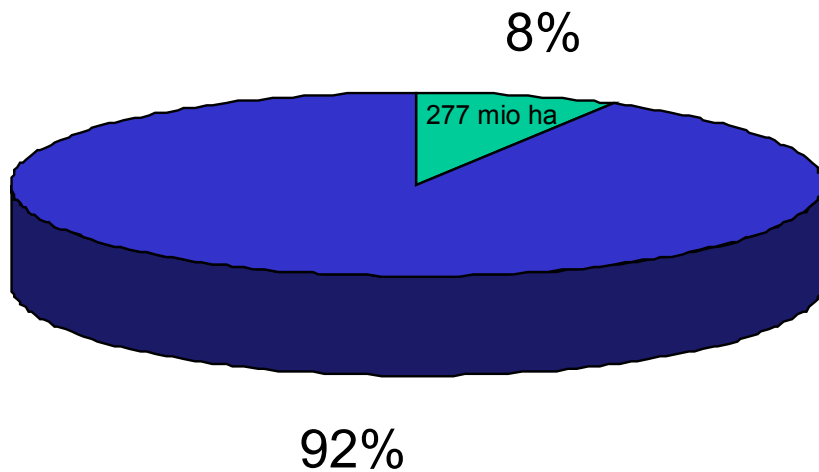
2. A significant switch in strategic direction from Production (forestry) to Market (Market Access) orientation

A Strategy for the Next Decade

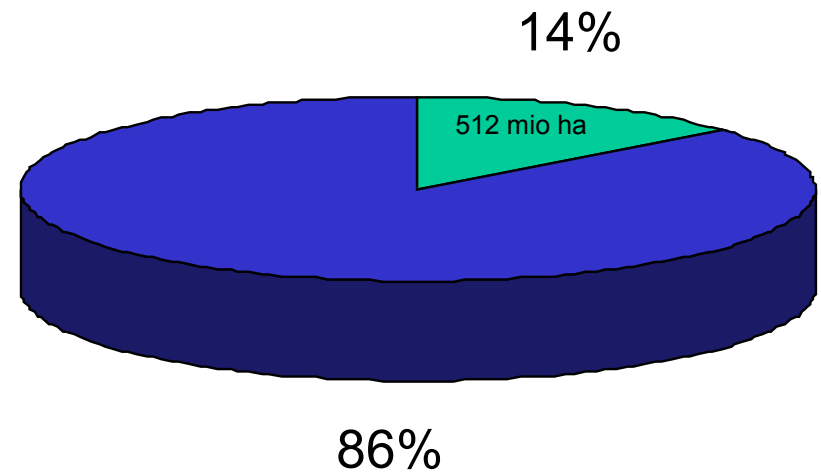


PEFC's strategic plan is based upon credible market growth forecasts

Growth in supply base: Areas of forest certified to SFM standards worldwide



2006 Actual
(FAO Figures)

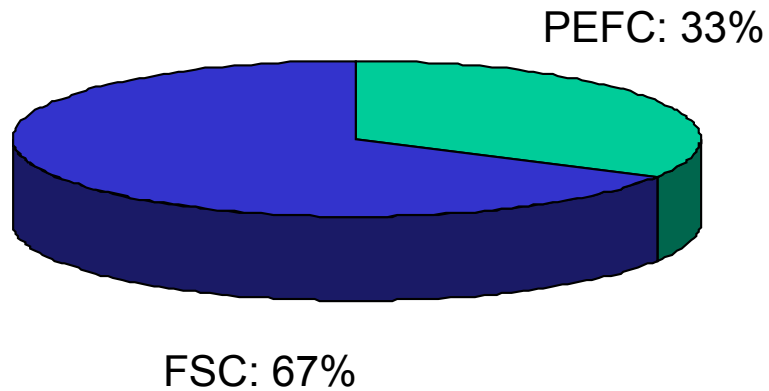


2017 Forecast
(PEFC Strategic Plan)

A Strategy for the Next Decade

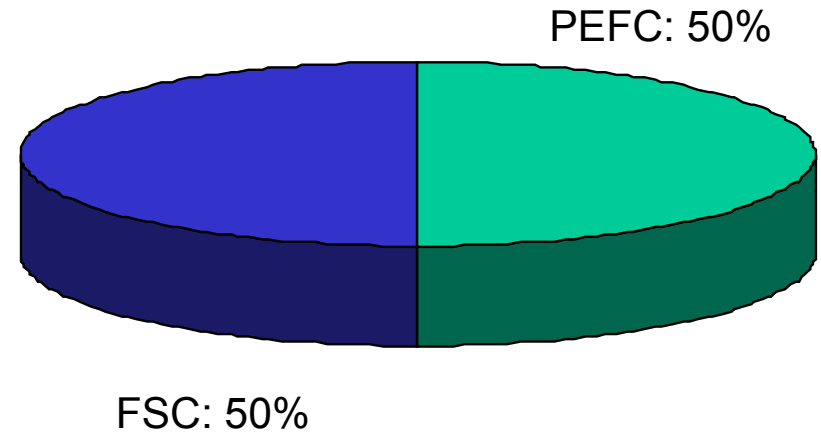
PEFC will deliver growth in Market Access (C-O-C certifications)

2007 (actual)



9890 Certificates

2017 (forecast)

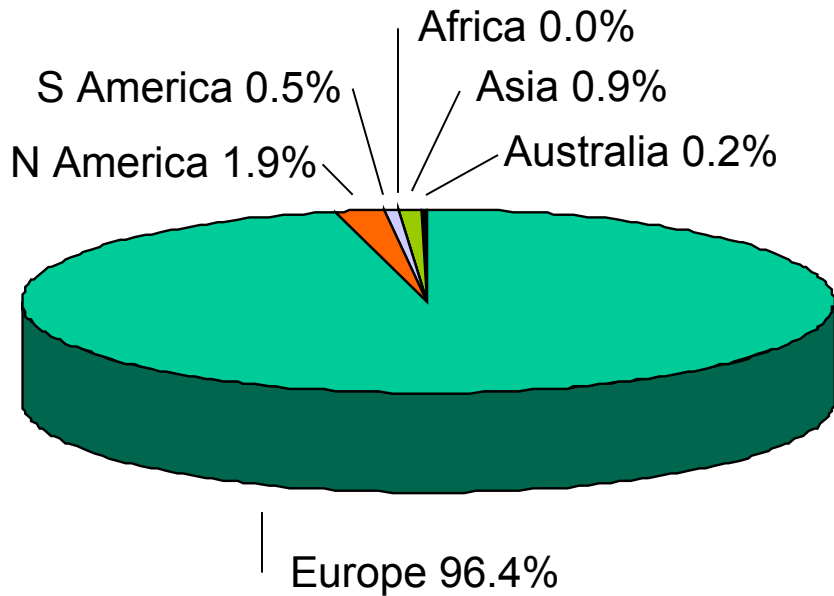


32,000 Certificates

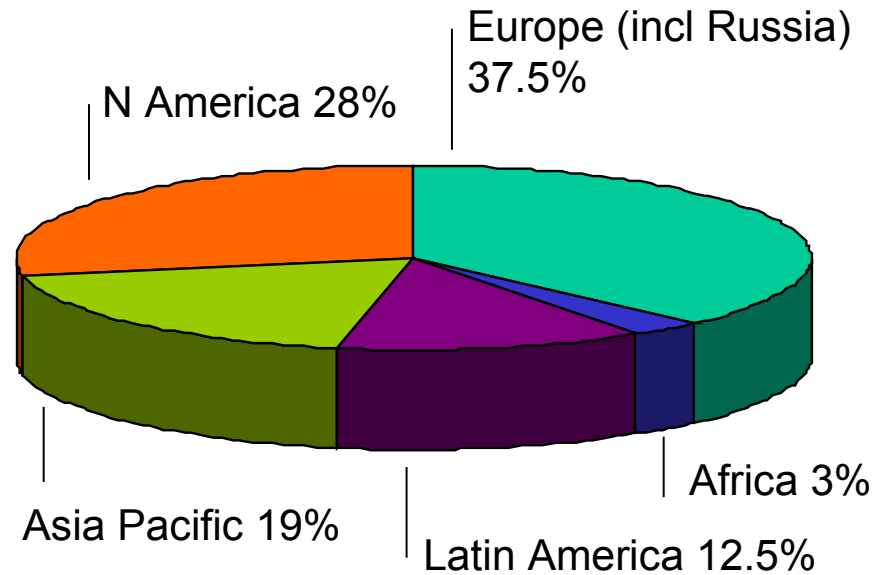
A Strategy for the Next Decade



PEFC's Market Access (C-O-C certifications): Regional Split



Basis 3290 Certificates
2007 (actual)



Basis 16,000 Certificates
2017 (forecast)

A Strategy for the Next Decade – Key Objectives

1. Growth

Objectives

- Over the next ten years, PEFC plans to maintain its current share of over 60% of the total global capacity of certified industrial roundwood thus providing an increasing feedstock of certified material to the market
- Growth to be achieved by targeting key geographic regions, which can be demonstrated to provide most synergy with the needs of existing members and logo users and where PEFC's strengths, competences and skill can be most effectively employed

Key Objectives

2. Market Access and Communications

2.1 Market Access

Objectives

- To ensure free, open markets for PEFC's certified products throughout the world, measured in terms of market acceptance
- To increase its share of global chain of custody certificates from 36% to 50%
- To target chain of custody growth in North America and in Asia/ Pacific and Latin America
- To increase PEFC's value to key stakeholders and international institutions

Key Objectives

2. Market Access and Communications

2.1 Improved Communications

Objectives

- The development of a communications strategy in line with the overall PEFC strategy
- Communicate PEFC's activities to ensure increased awareness of PEFC
- Increase credibility and acceptance of the PEFC brand

Key Objectives

2. Market Access and Communications

2.2 Improved Communications

Objectives

- The development of a communications strategy in line with the overall PEFC strategy
- Communicate PEFC's activities to ensure increased awareness of PEFC
- Increase credibility and acceptance of the PEFC brand

A Strategy for the Next Decade

Key Objectives

3. Governance and Operations

3.1 Governance issues

Objectives

PEFC recognises governance, in its broadest sense, as the key strategic determinant in achieving its overall strategic goals

- Improving external perceptions of PEFC's governance
- Making the PEFC organisation more effective
- Ensuring the PEFC's rules and standards are simple and easy to understand; implement and operate
- Ensuring that PEFC robustly implements and continuously monitors its own requirements at all levels
- Removing obstacles to dialogue with international ENGOs

A Strategy for the Next Decade

Key Objectives

3. Governance and Operations

3.2 Operational Structure (PEFC Council Secretariat and the NGBs)

Objectives

- To support, strengthen and grow the combined central and regional structures of PEFC to deliver the overall strategy
- To have a secretariat which can deliver strategies agreed by the General Assembly in a cost effective manner and which supports the NGB structure
- Proactively implement change and steer the NGBs by regular performance measurement
- To reorganise and relocate the secretariat to deliver the above objectives
- To reinforce the current organisation by adding additional professional competencies capable of implementing the strategic plan and to provide key support to NGBs



A Strategy for the Next Decade

PEFC strategic plan will provide added benefits for its stakeholders

Economic Benefit

- Provide a financial return for the SFM community
- Encouraging external funding to the benefit of the SFM community
- Provide a cost efficient service for stakeholders

Rural Development

- Contribute to maintaining and strengthening local communities and jobs
- Provide sustainable employment



A Strategy for the Next Decade

Funding:

- To deliver the plan, PEFC funding is planned to be increased from:
\$2.6 million in 2007 to \$5.3 million in 2012
- The strategy is to move funding from the “forest gate” towards the consumer
The funding proportion from chain of custody certification will increase from 0% to a minimum of 29% in 2012
- External funding will be maintained and expanded
In 2012 external funding from government and institutional sources will be 39% of total expenditure



A Strategy for the Next Decade

PEFC has a clear vision and robust plan for the future

Funding for the implementation of the planning and background research phases, including office relocation, is secure

All extra membership funding will go directly into delivery of the plan

Thank you for your attention