

# ***Third International Workshop on Conformity Assessment***

***Rio de Janeiro, Brazil Dec 10 & 11, 2007***



**Mike Clark**  
**Chairman, PEFC Council Board of Directors**

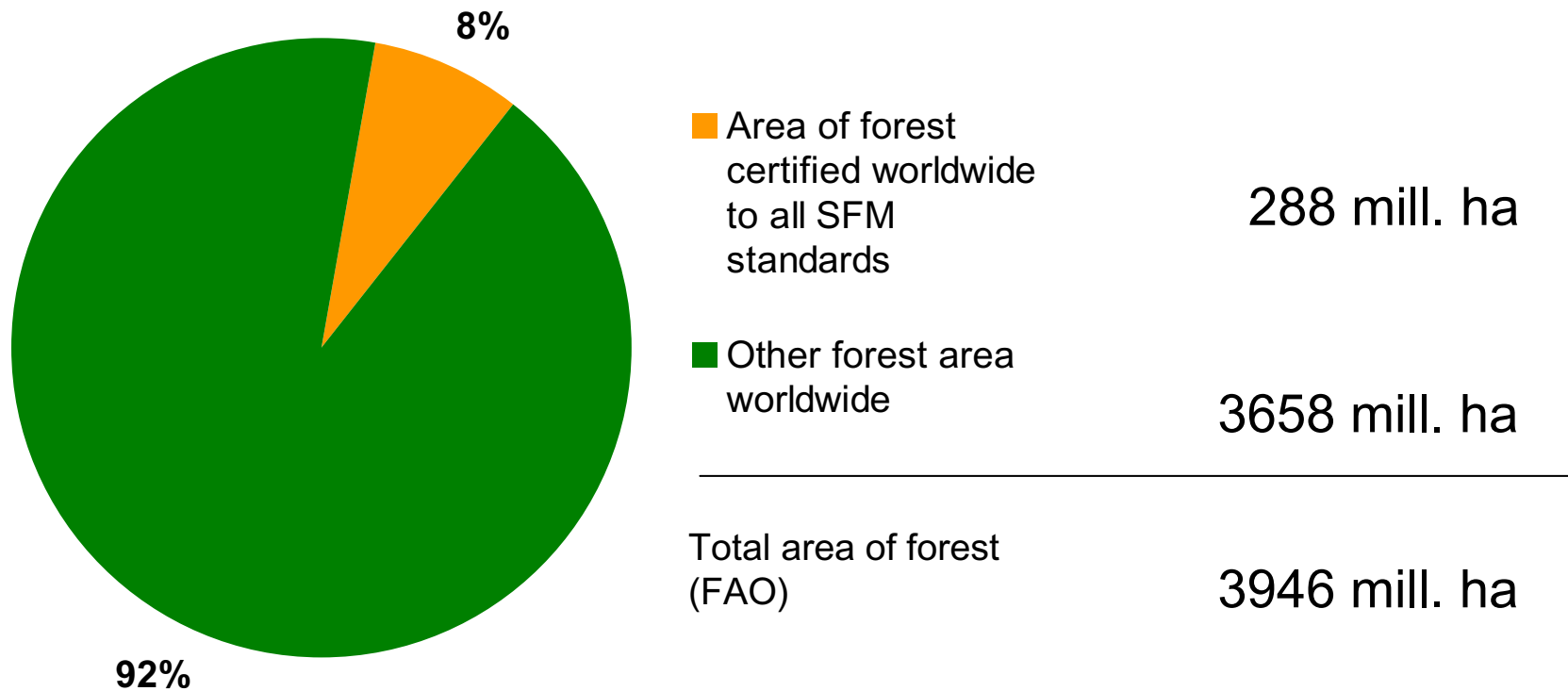
Promoting Sustainable Forest Management  
for more info: [www.pefc.org](http://www.pefc.org)



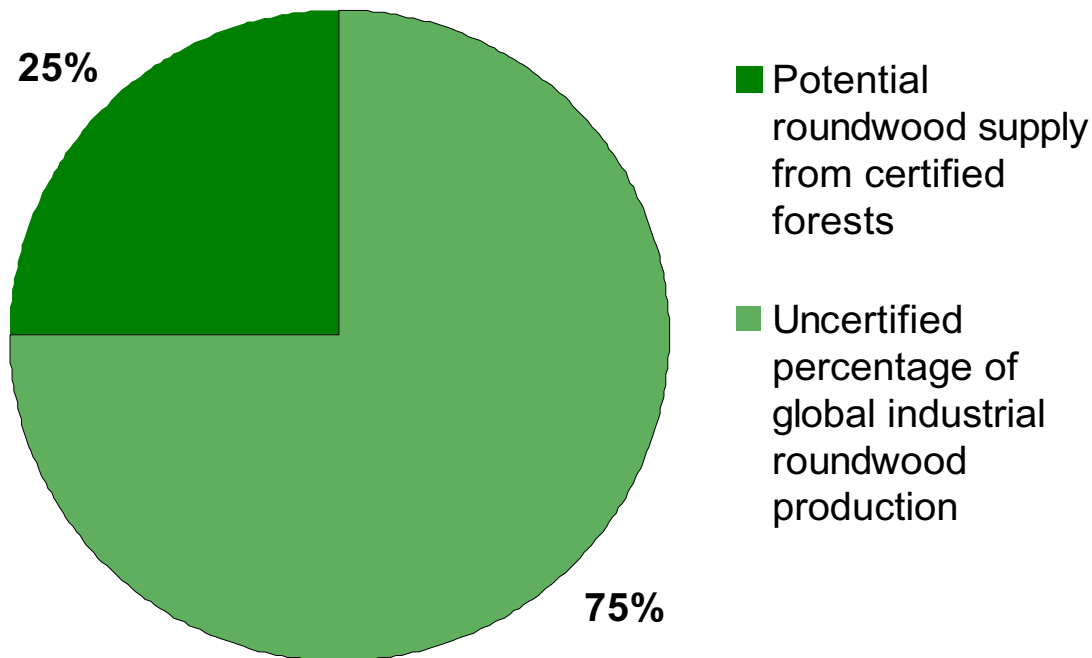
# Forest Certification Schemes

- Forest certification – Where we are today
- Likely future trends
- Increased politicisation
- The growing impact of the global consumer society
- Is there a sustainable future?

# Area of forest certified to SFM standards worldwide



# Potential supply from certified forests of global industrial roundwood production



In 2006 the estimated global industrial roundwood produced from certified forests was 370.8 million m<sup>3</sup>.

(Source: UNECE Timber Bulletin Volume LVIII 2006  
Forest Products Annual Market Review 2005-2006)



# Forest Certification Schemes

## Internationally recognised Forest Certification Schemes

PEFC (Programme for Endorsement of Forest Certification schemes)



FSC (Forest Stewardship Council)



SFI (Sustainable Forestry Initiative)\*



CSA (Canadian Standards Association)\*



MTCC (Malaysian Timber Certification Council) ×



- \* PEFC Endorsed (able to use PEFC logo)
- × PEFC Member, not yet endorsed (can not use logo)

# Forest Certification Schemes

## FSC - Forest Certification Schemes

The Forest Stewardship Council (FSC) is an international network to promote responsible management of the world's forests. FSC has two main functions:

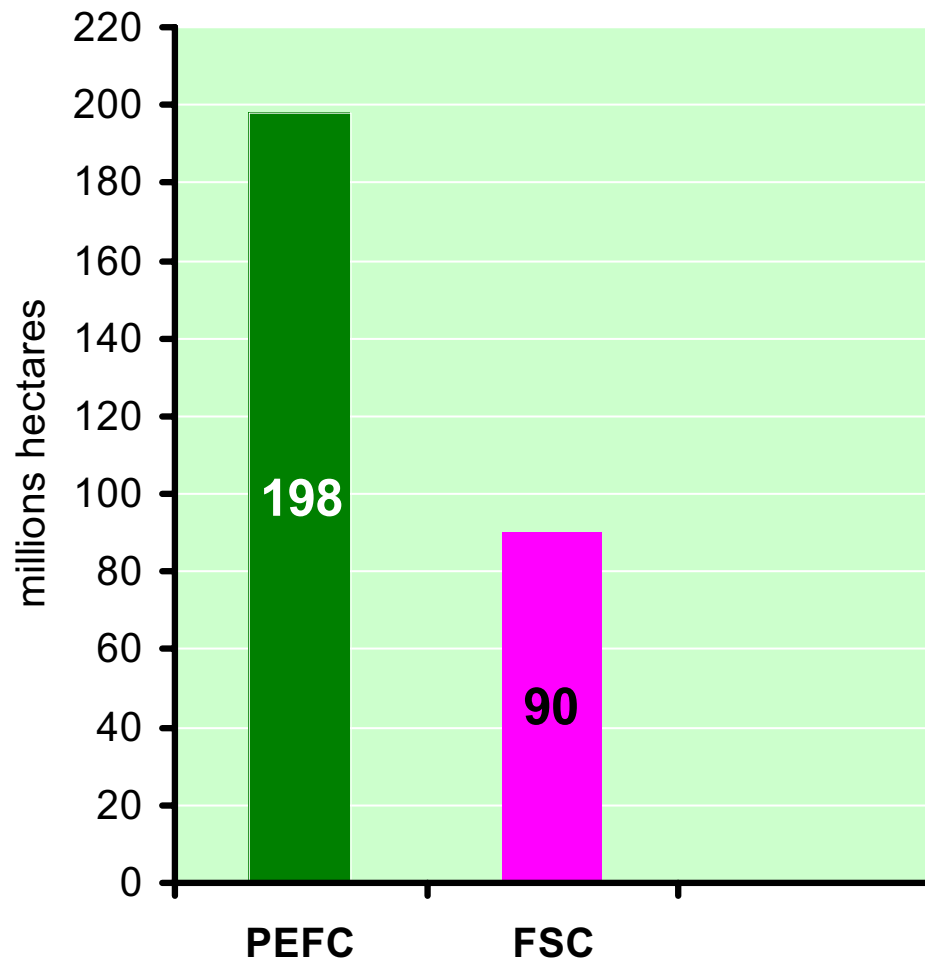
- **Standards setting** – sets international standards for responsible forest management
- **Accreditation body** - it accredited independent third party organisations who can certify forest managers and forest product producers to FSC standards, now devolved to a semi-autonomous organisation
- **Top down**

# Forest Certification Schemes

## PEFC – Programme for Endorsement of Forest Certification Schemes (including SFI and CSA)

- PEFC does not set standards, it is not an accreditation body
- Provides a framework and umbrella endorsement programme for the mutual recognition of independent, national forest certification schemes
- Global, non-profit, non-governmental organisation established in 1999 to address the certification requirements of small scale forest owners (often owning less than 5 hectares)
- Bottom up approach

## Forest area certified against schemes associated with PEFC and FSC

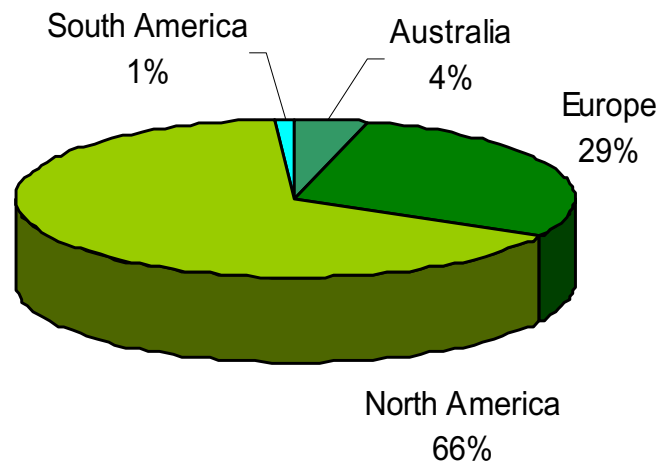


PEFC accounts for more than two thirds of the total area of certified forests globally (an area larger than the combined forest area of all 27 member countries of the EU)

11 November 2007

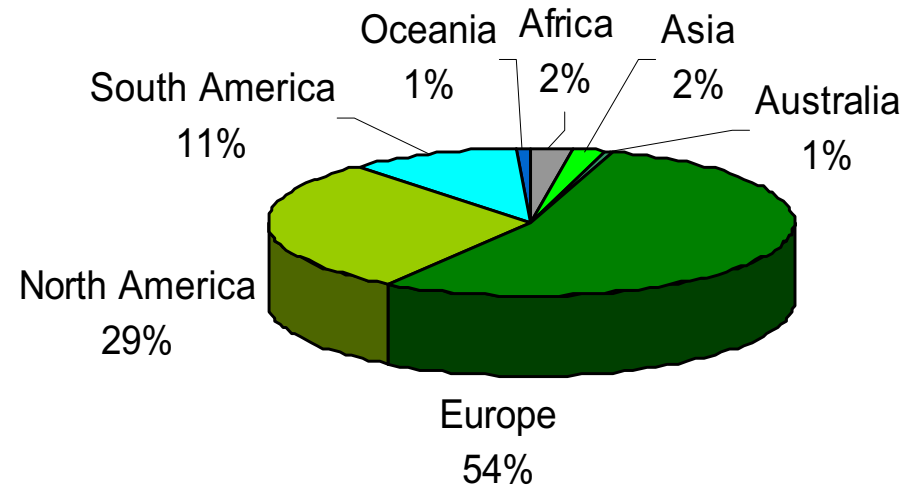


## PEFC certified forests by world regions



Total: 198,776,594 ha

## FSC certified forests by world regions

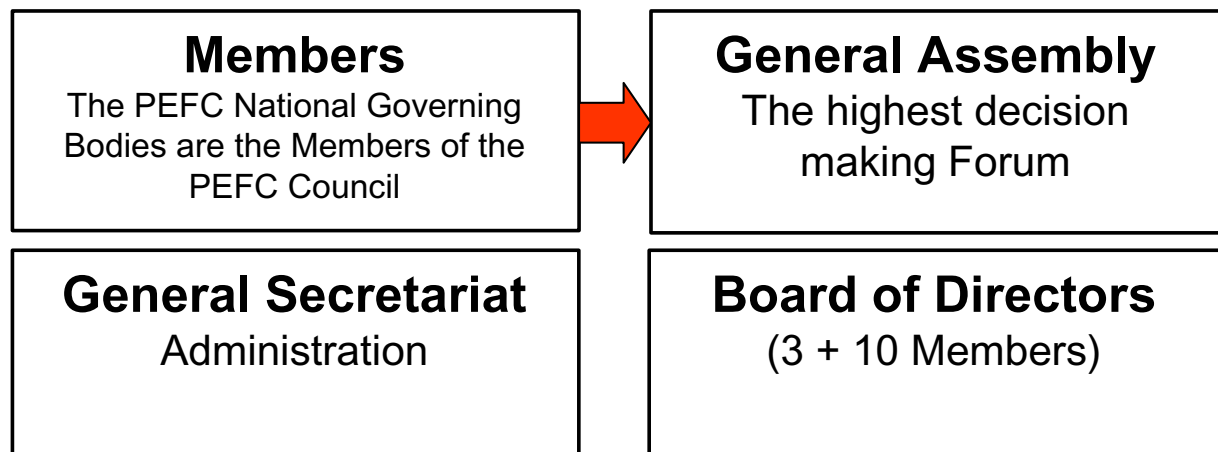


Total: 93,526,072 ha



### Extraordinary Members:

12 Extraordinary Members  
representing  
major stakeholder  
trade associations





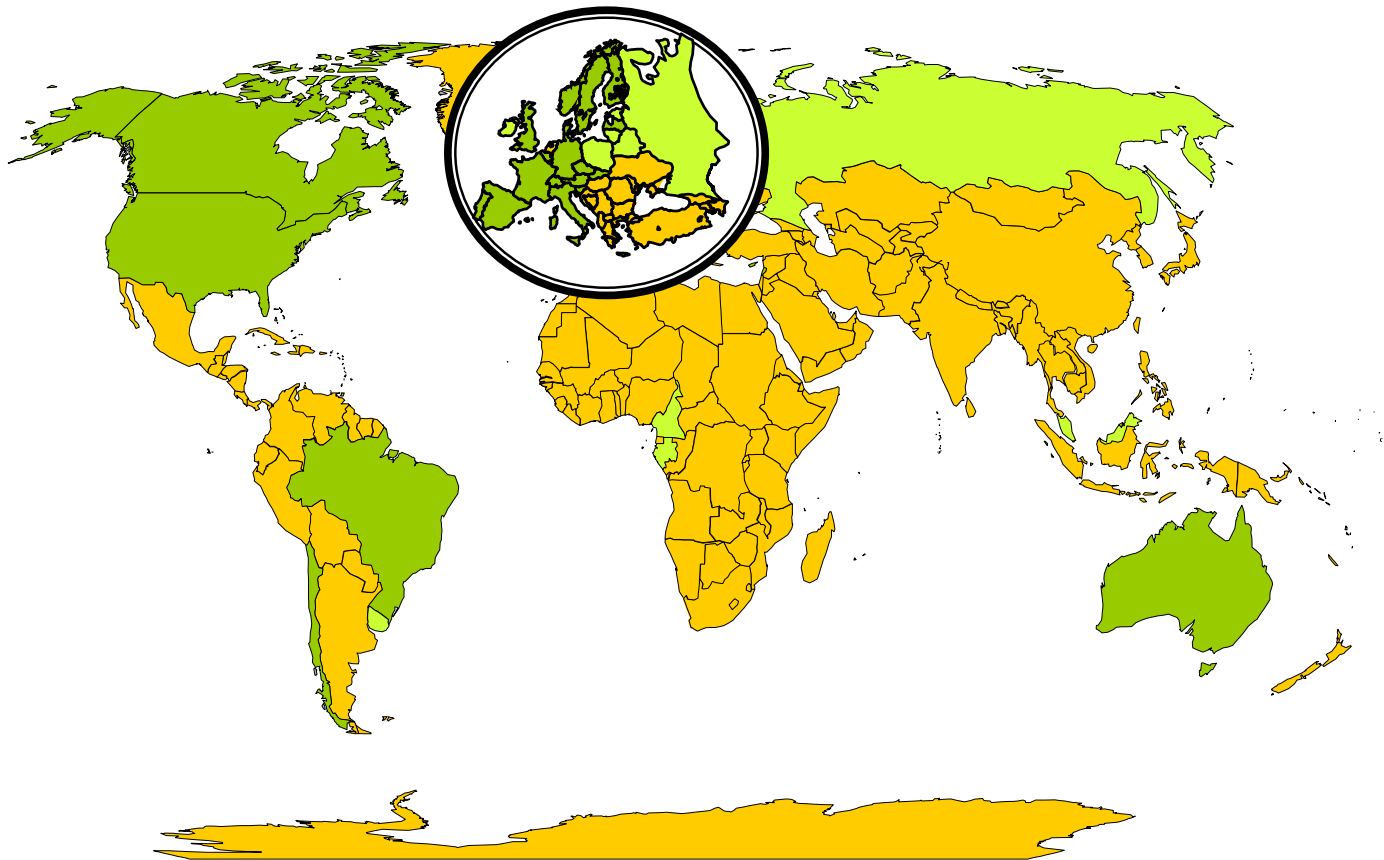
**23 national  
Systems  
endorsed  
covering  
more than  
198 million  
hectares and  
3300 Chain  
of Custody  
certificates**

*\*Only PEFC's International Chain of Custody (11 November 2007)*

PEFC / Countries	Endorsed certified forest area (ha)	Number of CoC certificates
Australia	8 541 364	13
Austria	3 960 200	246
Belgium	255 122	97
Brazil	996 244	2
Canada	76 823 046	84
Chile	1 681 578	15
China	0	5
Czech Republic	1 940 141	215
Denmark	204 789	17
Finland	22 077 982	106
France	2 508 462	930
Germany	7 287 334	583
Hungary	0	3
India	0	1
Ireland	0	1
Italy	653 871	67
Japan	0	33
Latvia	80 761	3
Luxembourg	25 462	6
Malaysia	0	1
Morocco	0	1
Netherlands	0	51
New Zealand	0	1
Norway	7 527 102	11
Philippines	0	1
Portugal	0	7
Slovak Republic	537 120	4
Spain	1 047 989	88
Sweden	6 981 988	74
Switzerland	393 845	208
UK	0	478
USA & Canada (SFI)	55 252 192	20
<b>Total</b>	<b>198 776 594</b>	<b>3372</b>



# PEFC Council International



**PEFC endorsed systems**

**PEFC member systems**

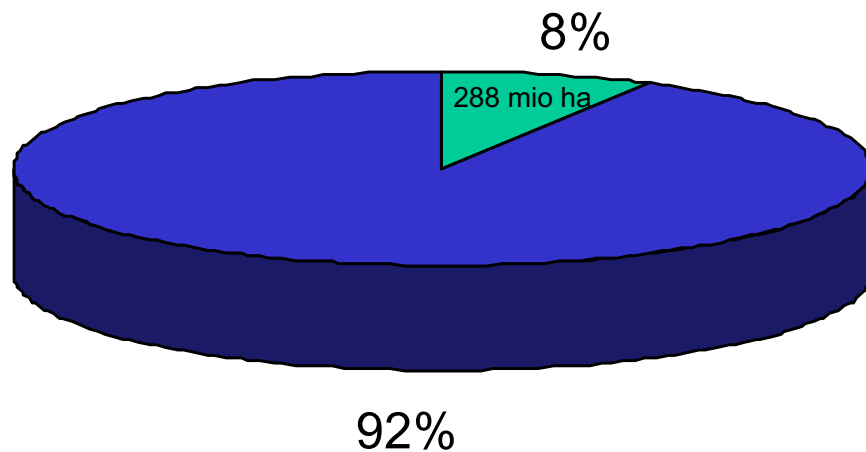
**not endorsed yet**

# Likely Future Trends

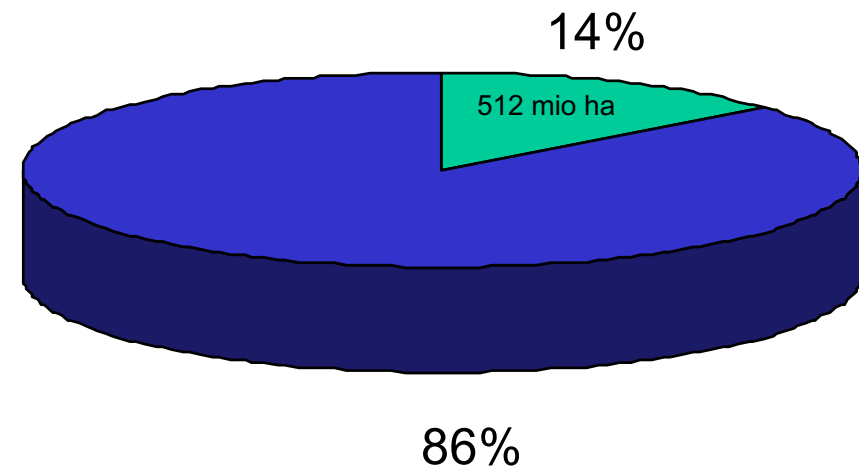


## Likely Future Trends

- The “easy” bits have been achieved
- Some key areas – Russia, Latin America, SE Asia – are in process
- The rest will be slow
- Predicted 10 year growth in SFM global certification:



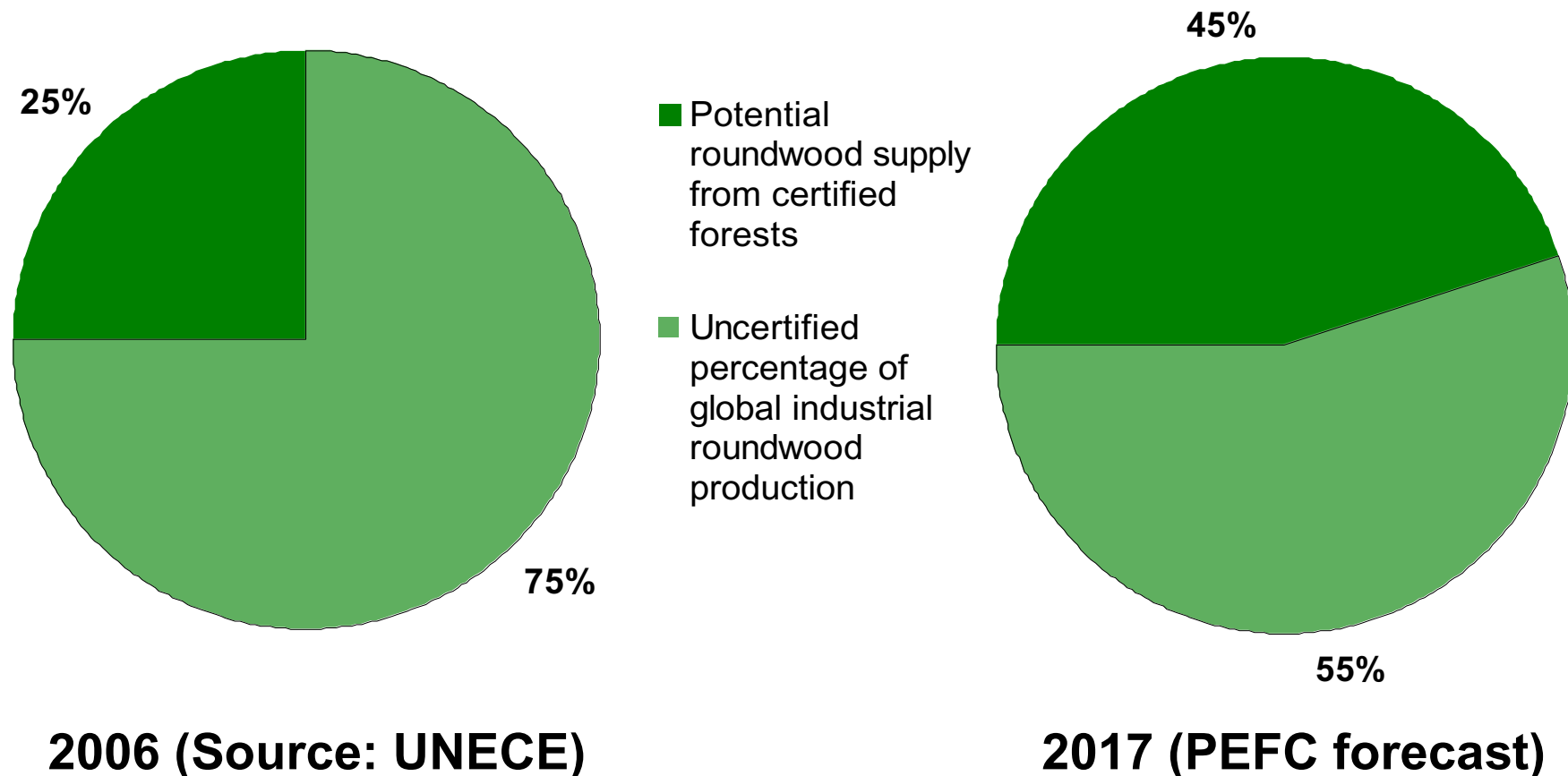
**2006 Actual  
(FAO Figures)**



**2017 Forecast  
(PEFC Strategic Plan)**

# Likely Future Trends

## Growth in the certified supply base

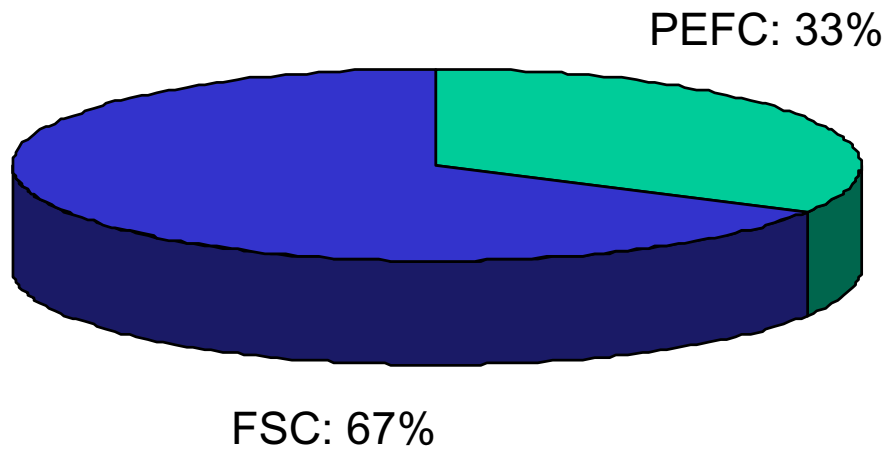




# Likely Future Trends

## Growth in Market Access/ measurement (C-O-C certifications)

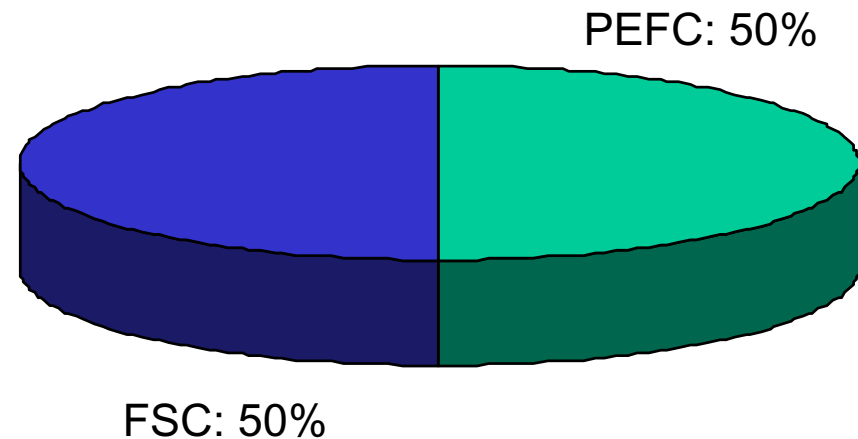
2007 (actual)



**9890 Certificates**

Source: Published records

2017 (forecast)



**32,000 Certificates**

Source: PEFC forecast





# Likely Future Trends

## Some key issues which will impact on forest certification

1. Illegal logging
2. Globalisation of procurement
3. Consumer perceptions
4. Carbon, carbon, carbon

# Likely Future Trends

## 1. Illegal Logging

- Recognised as a growing global problem
- Growing will to eradicate it
- Common goals; different routes
  - USA: Lacey Act (amended)
  - EU: FLEGT (Forest Law Enforcement, Governance and Trade)
- Threat to legal sources and supply chains
- Certification on its own does not currently deliver
- Threatens credibility of SFM Certification
- Will the EU FLEGT Voluntary Procurement Agreement (VPA process) extend to Brazil, China etc? Can FLEGT deliver?
- Opportunity for independent schemes to deliver simplified processes

## 2. Globalisation of Procurement

- Growth of government sustainable procurement policies
- Private sector initiatives – WalMart, P&G, Unilever etc
- Drive for common policies
- GLOCALisation (“Think Global act Local”)  
= Common strategies, local implementation
- Creating demand for certified products



# Likely Future Trends

## 3. Changing Consumer Perceptions

- Climate change
- Global warming
- Carbon footprints
- “Don’t understand any of it, but want to do something, providing it’s cheap and easy”
- This means that the situation is highly volatile and open to manipulation
- Energy, fuel and forests are the easiest to understand?

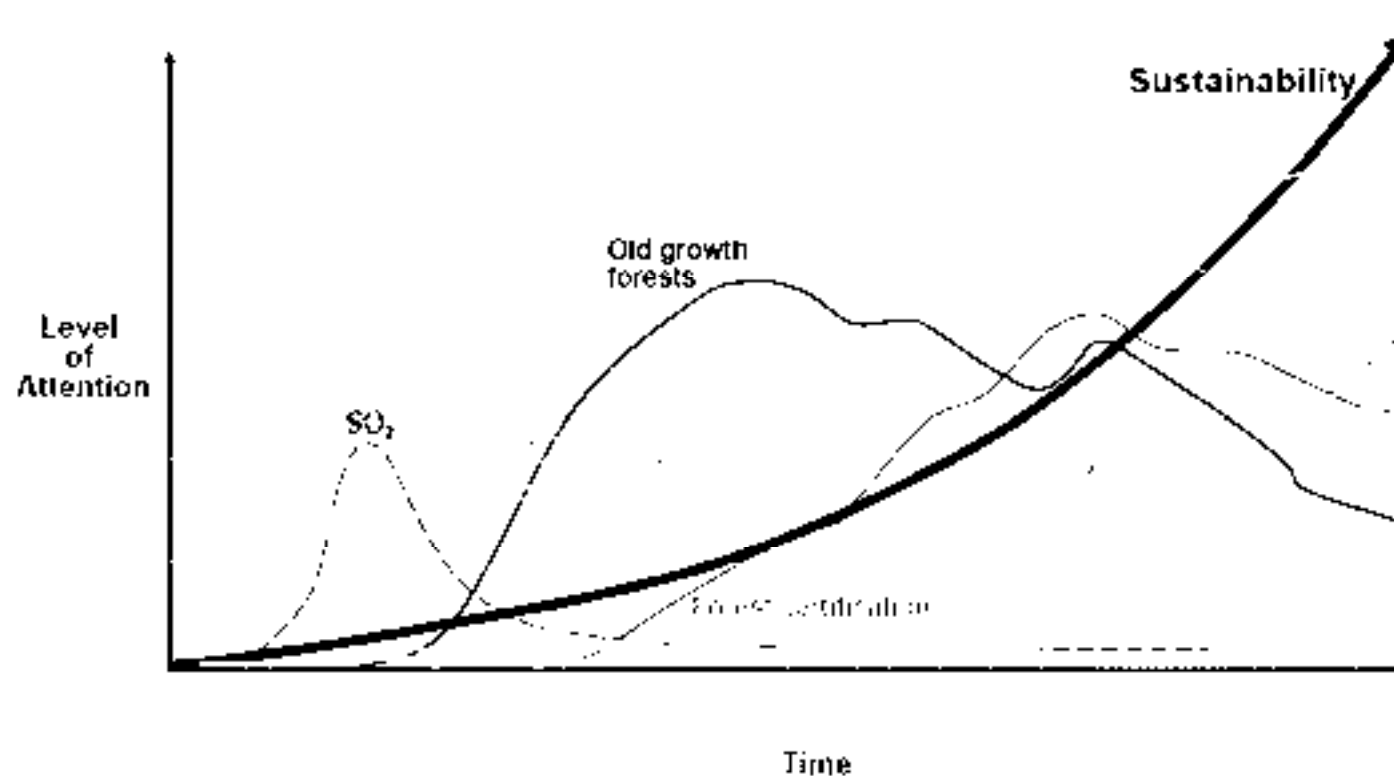
# Likely Future Trends

## Key Issues

### 4. Carbon, Carbon, Carbon

As a business driver, the environment has been a growing force over 30 years.

Issue follows issue, but with a residual accumulating impact. The collective direction is one of 'sustainability' – of life, quality, aspiration.

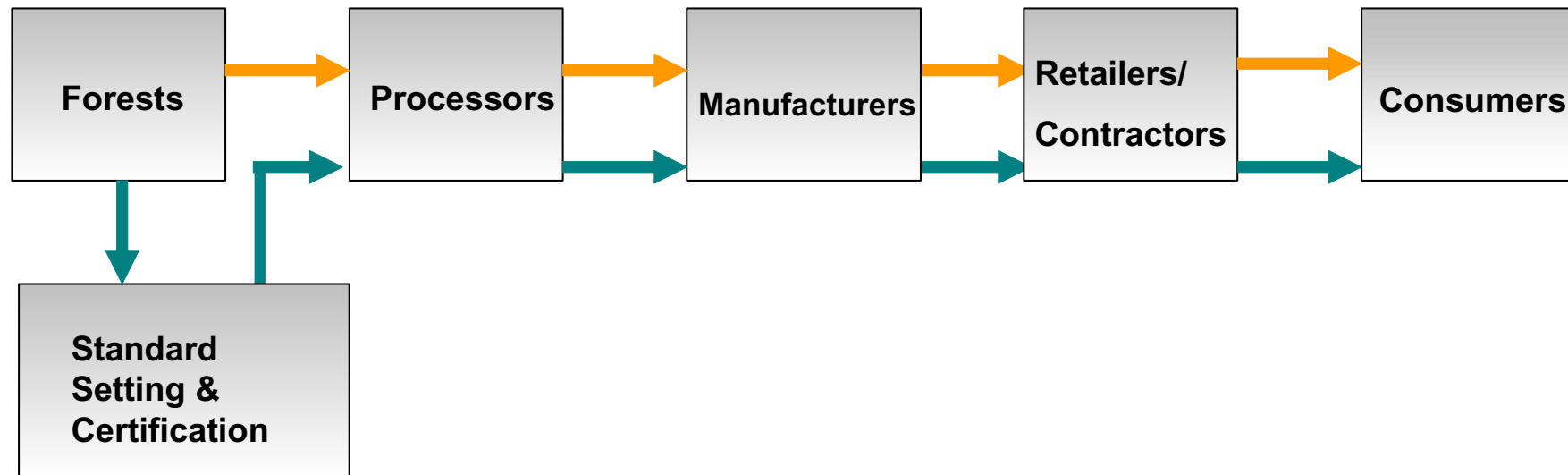




# Increased Politicisation

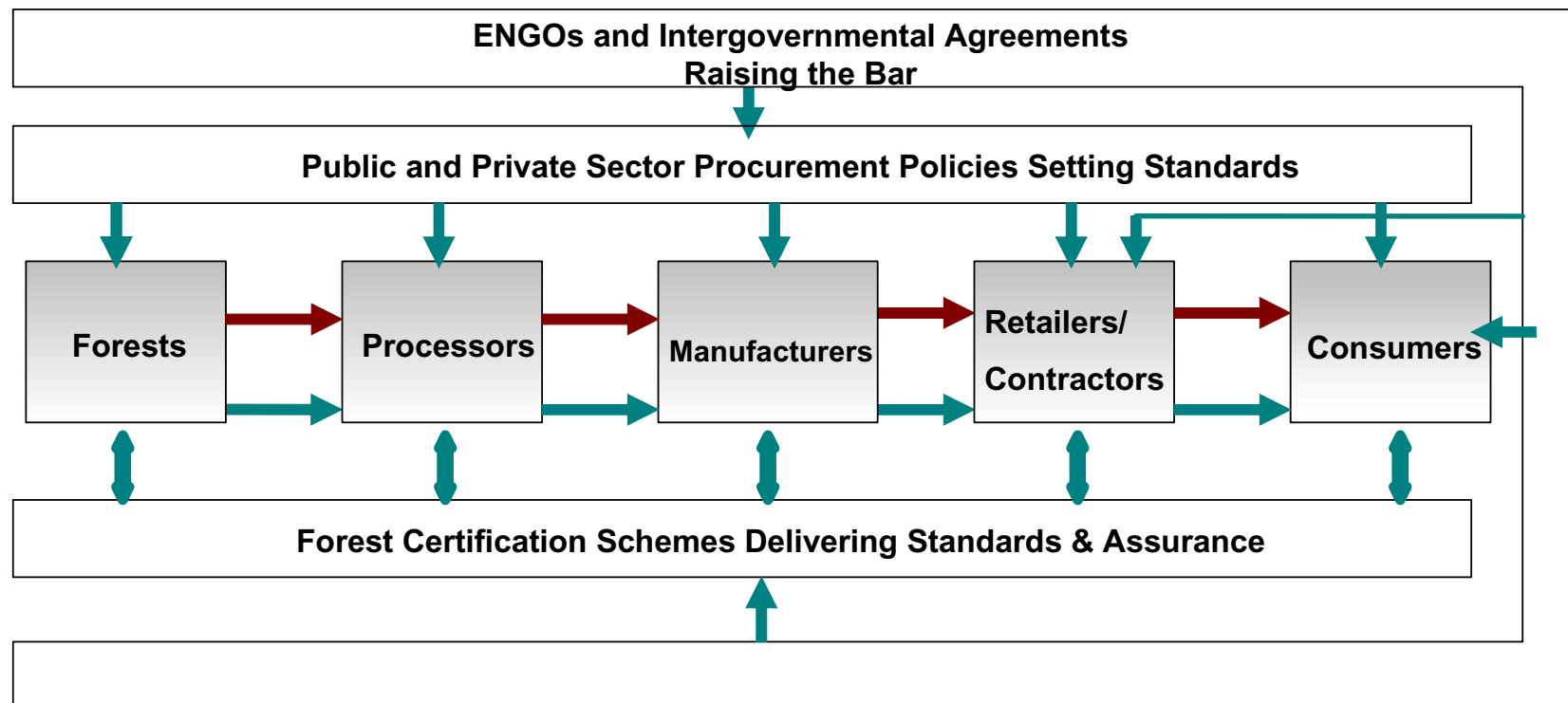


## The World as it seemed – driven by the experts



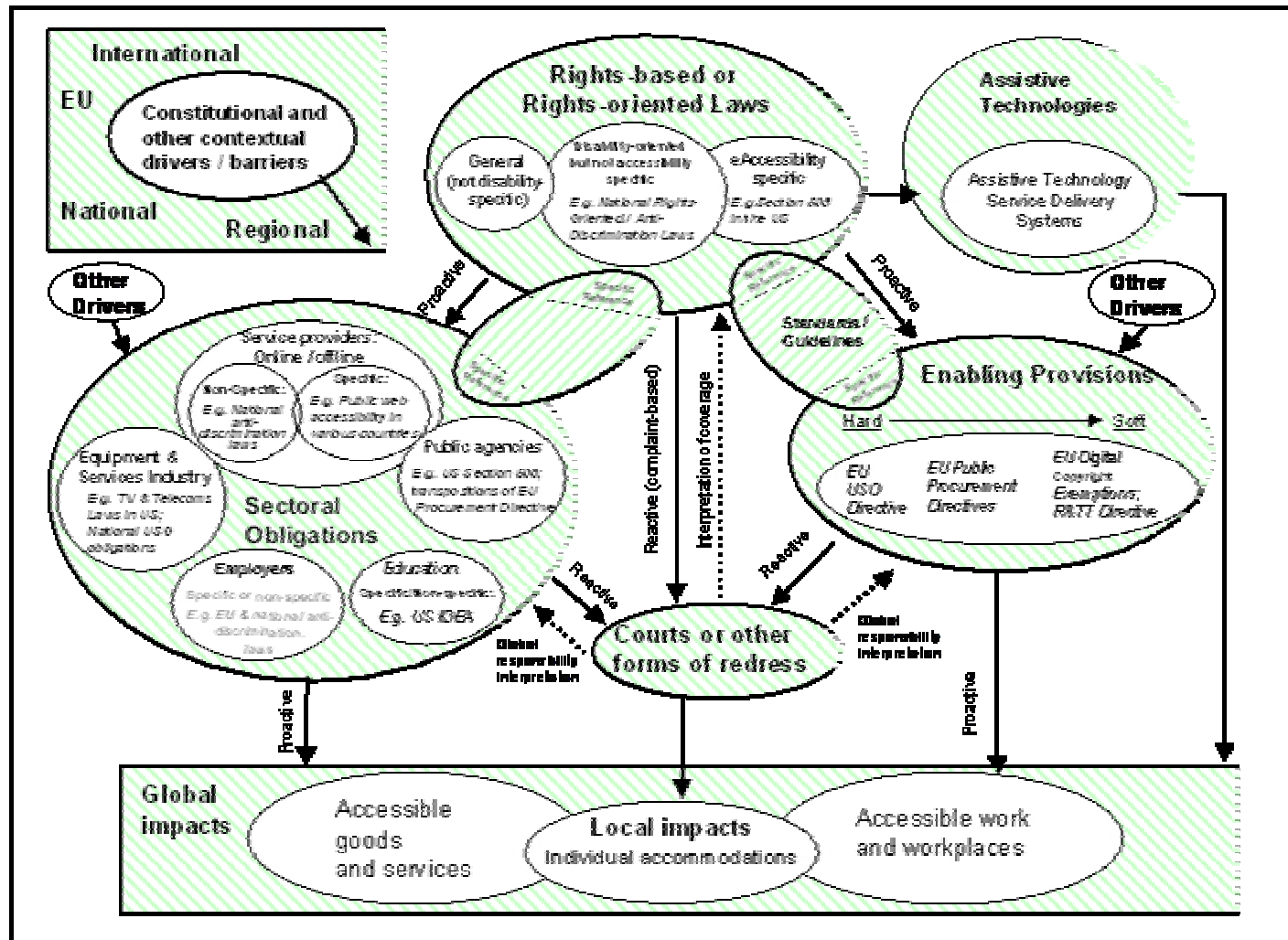
# Increased Politicisation

## The World as it is – driven by the politicians and lobbyists





# The Growing Impact of the Global Consumer Society



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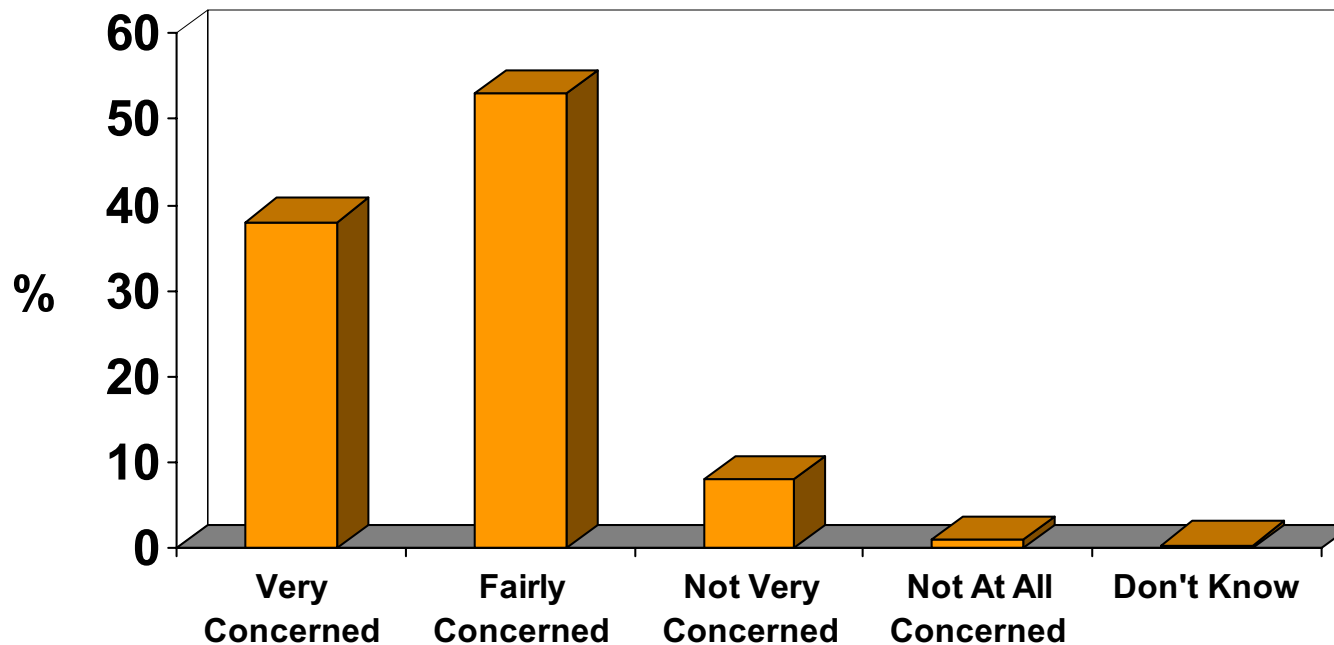




# The Growing Impact of the Global Consumer Society

The vast majority of global consumers (91%) worry a “great deal” or “fair amount” about environmental concerns

(9,000 respondents; 9 countries)



Source: “90% of Americans Concerned About Environment”, GMI Poll Release, April 2006



# The Growing Impact of the Global Consumer Society

## Consumerism impacts directly on Forest Certification

- Growing acceptance of global warming and the need for industry and civil society to reduce its “environmental footprint.”
- Thus consumers are becoming increasingly concerned about the environmental provenance of the goods they buy
- Sustainability is high on the agenda of governmental, intergovernmental and international fora
- Concerns about illegal logging have led consumers, industry and public authorities to seek proof of legality and sustainability
- Financial institutions are increasingly looking to CSR reporting on a wide range of environmental issues which affect a company’s risk rating



# The Growing Impact of the Global Consumer Society

## What does the consumer understand?

- That there is a problem
- That someone ought to do something about it
- That they would like to help, providing . . . .
- In summary, virtually nothing!

Retailers and suppliers are taking responsibility to give the lead

The Forestry Industry is no longer in control



# Is there a Sustainable Future?





# Is there a Sustainable Future?

## Sustainable: Possible Definitions?

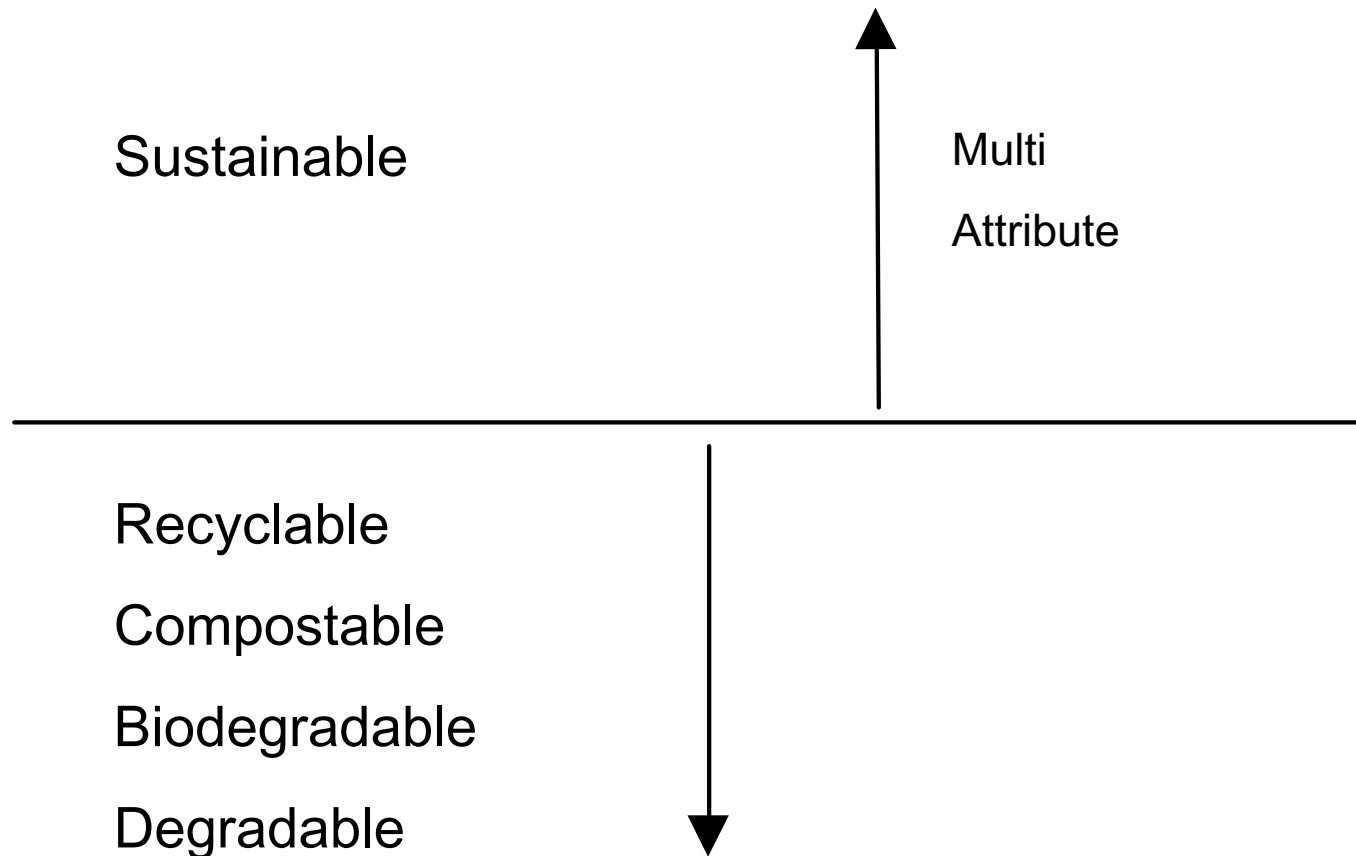
- Sustainable = lasts a long time ?
- Sustainable = made from a material that is grown ?
- Sustainable = something that is recyclable ?
- Sustainable = something that can be compostable ?
- Sustainable = something with the potential to be reused ?
- Sustainable = something that is degradable ?

Source: Packaging Consumer Research, Belgium.



# Is there a Sustainable Future?

## What terms are we talking about ?







# Is there a Sustainable Future?

## Sustainable Forest Management

### ***Sustainable Forest Management is defined as***

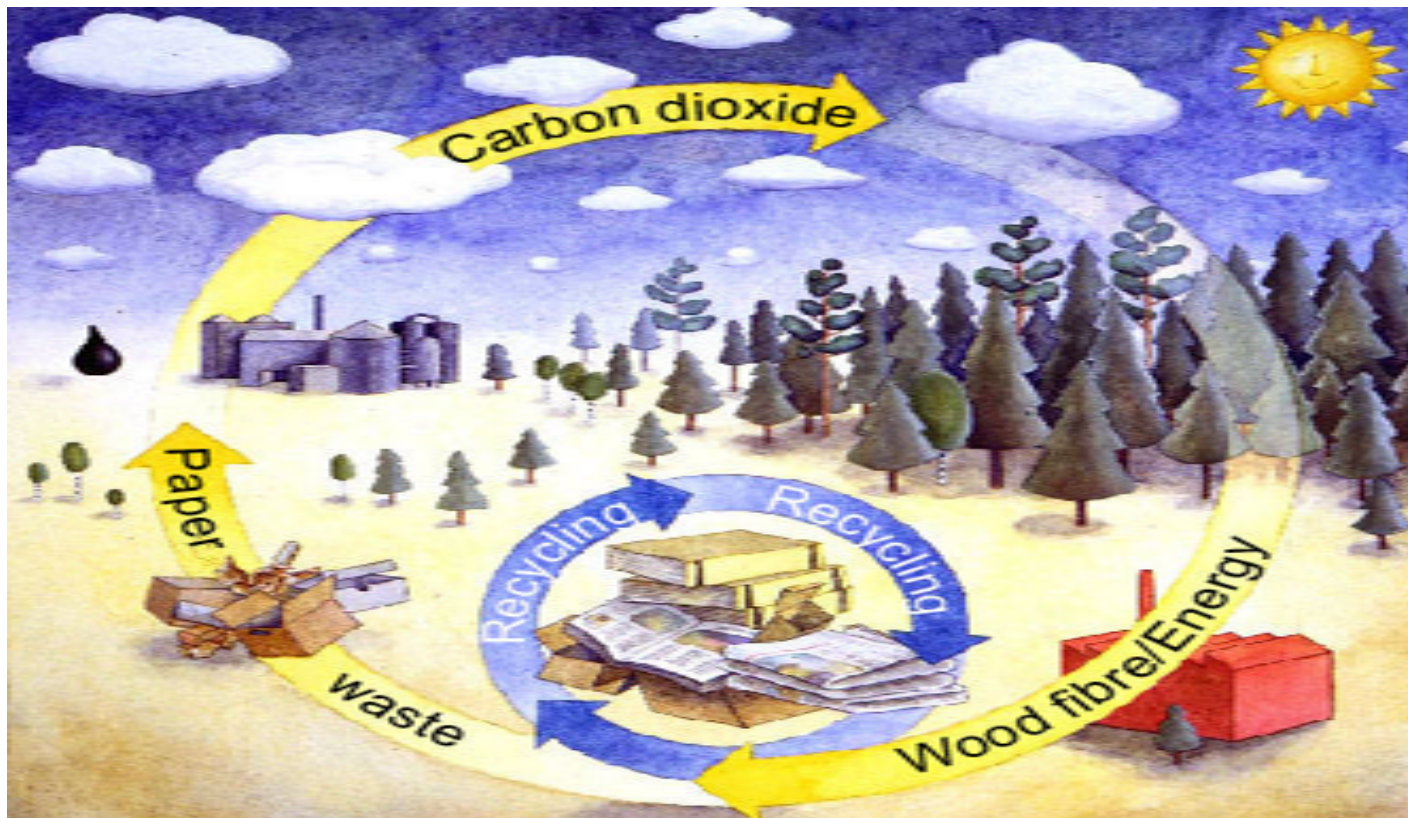
“the stewardship and use of forests and forest lands in a way and at a rate that maintains their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfil now and in the future, relevant ecological, economic and social functions at local, national and global levels, and that does not cause damage to other ecosystems”.

Sustainably managed forests are those whose management implements performance standards based on internationally agreed environmental, social and economic requirements

# Is there a Sustainable Future?

**Well managed forest have a vital role to play in the climate change battle**

Forest certification is an assurance of good management

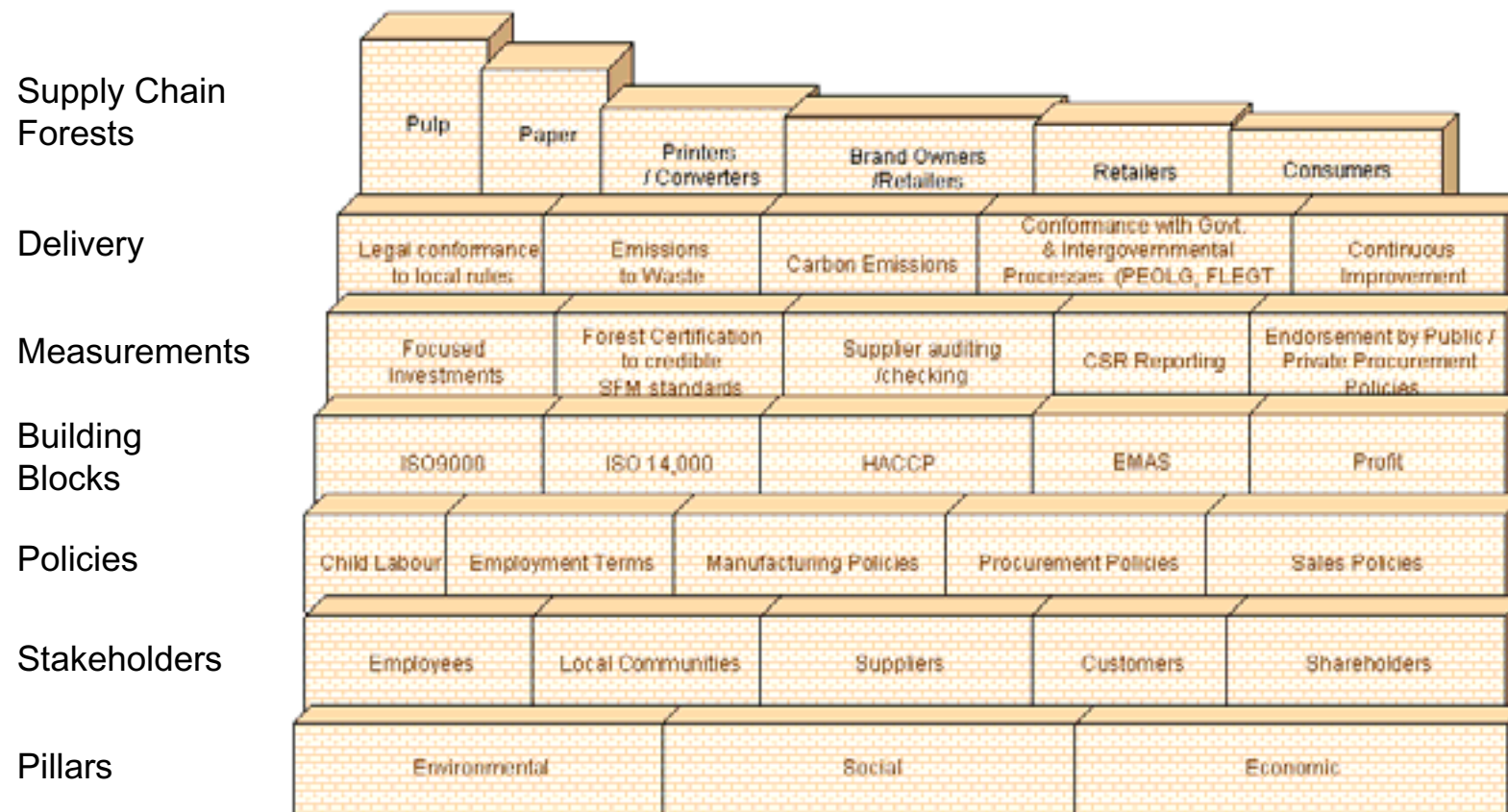


Source: Skogsindustriema

# Is there a Sustainable Future?

## The Walls of Sustainability – eg. Pulp and Paper

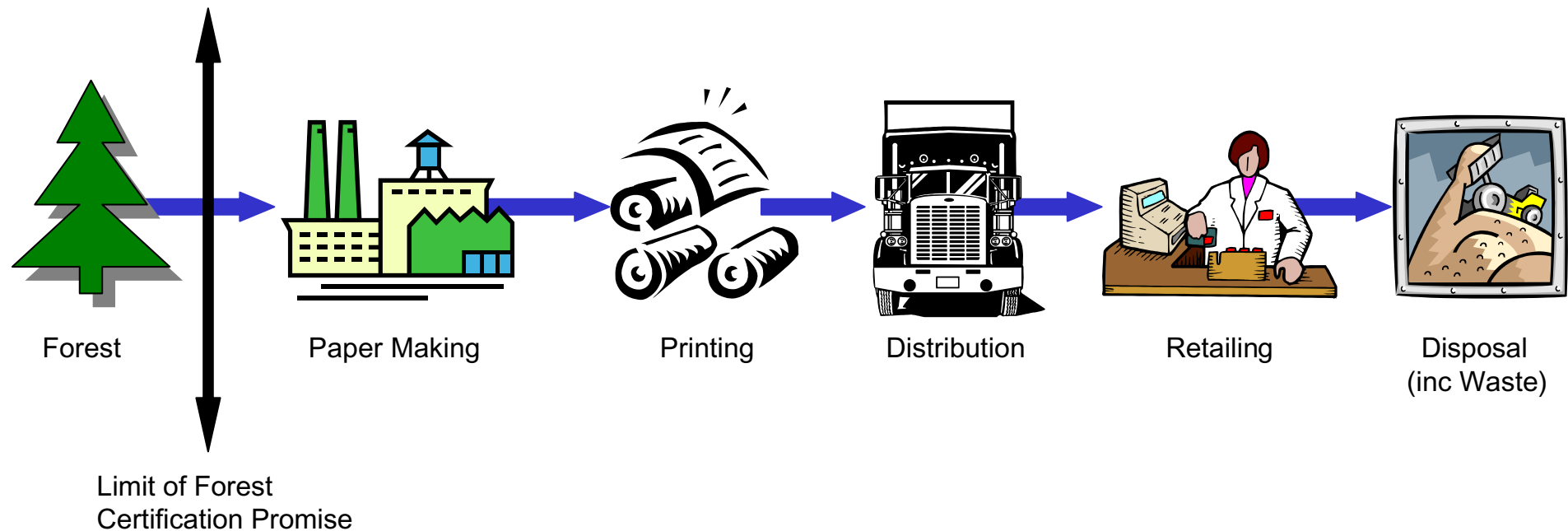
Forestry is one brick in a bigger wall



The bricks are shown as illustrative only. They are not always relevant and the list is not exhaustive.

# Is there a Sustainable Future?

## The risk of over promising



A forest certification logo only tells you that all/ some of the wood fibre came from sustainable sources – not that the end product is “sustainable”.



# Is There a Sustainable Future?

## Conclusions:

- We have to believe
- Forest certification has a vital vote to play
- We must avoid the seductions of brand marketing and focus on the core issues
- We must reduce chain of custody complexity
- We must work together to deliver a sustainable future
- We can not afford to fail
- PEFC is committed to play its part