

Introduction to Forest Certification

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A Manulife Asset Management Company

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Before there was Forest Certification



The Brundtland Commission Report – 1987

- Set a vision for global sustainable development
- Proposed that "sustainability" should rely on the commitment of present generations not to limit the ability of future generations to meet their own needs



What is Forest Certification?



A voluntary process to manage forest lands and promote sustainable forest management through principles, criteria and objectives consistent with government processes around the world

Began in the 1990s in response to concerns about logging practices and forest conversion, especially in tropical regions Today there are more than 50 different standards worldwide



The Early Days of Standard Development Factors Driving Forest Certification

- Growing concern over deforestation and illegal logging
- Increasing concern about the environmental provenance of goods people buy
- Industry and public authorities are looking for proof of legality and sustainability in products they buy, whether paper or solid wood products
- Rio de Janeiro (1992) UN Conference on Environment and Development (aka Earth Summit)
 - Montreal Process
 - Pan-European (Helsinki) Process





Emergence of the Contemporaries





- All depend on third-party audits to measure planning, procedures, systems and performance of on-the-ground forest operations
- All provide the basics by ensuring harvested areas are reforested, laws obeyed and there is no unauthorized or illegal logging
- Standards were created for different context: SFI developed for North America, FSC developed for tropical regions, and ATFS developed for family forest owners



Certification of the Supply Chain Why land managers and manufacturers certify



- Demonstrate and communicate environmental commitment
- Access to markets
- Assurance to customers
- Use of a certified labels



Forest Management

Forest Management Planning

Soil Conservation and Forest Productivity

Protection & Maintenance of Water Resources

Conservation of Biological Diversity including Areas of High Conservation Value

Management of Visual Quality & Recreational Benefits

Protection of Cultural, Archeological and Historical Sites

Efficient Use of Forest Resources

8

2

3

5

6

Respect Indigenous Peoples' Rights, Worker's Rights, and Community Relations



Fiber Sourcing in North America



Broadening the practice of sustainable forestry when sourcing fiber within North America

Landowner Outreach

Providing landowners with information on reforestation, use of best management practices, protection of wildlife habitat and biodiversity

Qualified Resource and Logging Professionals

Encouraging landowners to use qualified resource professionals

Best Management Practices

Promoting and monitoring use of best management practices





Chain of Custody

A mechanism for tracking certified material from the forest to the final product to ensure that the wood or wood fiber contained in the product or product line can be traced back to certified forests

- Chain of Custody (CoC) is a third-party audited accounting system for tracking fiber flows
- Certified companies can make claims about how much of their product comes from certified lands, certified sourcing and/or preand post-consumer recycled content



Off-Shore Sourcing & Controlled Wood

- When sourcing from outside North America, SFI participants must conduct risk assessments to avoid fiber from:
 - Biodiversity hotspots and high-biodiversity wilderness area
 - Controversial sources including illegal logging
 - Areas without effective social laws addressing
- FSC controlled wood risk assessments identify unacceptable material, including:
 - Illegally harvested wood
 - Wood harvested in violation of traditional and civil rights
 - Wood harvested in forests in which High Conservation Values are threatened by management activities
 - Wood harvested in forests being converted to plantations or non-forest use
 - Wood from forests in which genetically modified trees are planted



Certification by the Numbers





Certification by the Numbers





Certification by the Numbers



Source: UNECE/FAO Forest Products Annual Market Review, 2011-2012



Certification in a Global Marketplace Consumer Attitudes

terrachoice

2009 TerraChoice Environmental Marketing Inc. study*:

83% of North American companies were expected to increase green purchasing by end of 2011 SFI & FSC labels among top ten eco-labels



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http://www.terrachoice.com/files/EcoMarkets%202009%20Summary%20Report%20-%20Oct%202009.pdf

Certification in a Global Marketplace Procurement Policies



Growing trend for procurement policies to include forest certification

- Proven environmental performance
- Readily available supply of certified products
- Broad support
- Comprehensive certification, labeling,& CoC options for the entire supply chain



What Forest Certification Delivers



- Social, economic and environmental representation in decision-making Avoidance of illegal timber
- Identification of special biological, cultural, heritage sites
- Management strategies to protect species at risk
- Management strategies to maintain wildlife habitat
- Sustainable harvest levels
- Prompt regeneration
- Third-party accredited certification audits
- Audit reports publicly available with corrective action clearly highlighted



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