

BEDP ENVIRONMENT DESIGN GUIDE

TIMBER AND WOOD PRODUCTS FROM ENVIRONMENTALLY CERTIFIED FORESTS AND PLANTATIONS

Andrew Walker-Morison

The note PRO 3 was originally published in November 2004, and was reviewed and expanded by Andrew Walker-Morison to form 3 papers:

PRO 33: Timber and Wood Products from Environmentally Certified Forests and Plantations – Overview

PRO 34: Timber and Wood Products from Environmentally Certified Forests and Plantations – Background

PRO 35: Timber and Wood Products from Environmentally Certified Forests and Plantations – in Australia

This summary is the same for all 3 papers, although the papers themselves contain varying useful appendices and tables.

Summary of

Actions Towards Sustainable Outcomes

Environmental Issues/Principal Impacts

- Deforestation of high quality forest habitats continues and is a major cause of global biodiversity pressures.
- Many wood products, particularly imported wood products, continue to be sourced from areas where there is insufficient regulation or control in place to give confidence in sustainable forest management.
- In Australia there is evidence that native forest and plantation management has significant room for improvement, and that current practices may have an adverse effect on environmental sustainability.
- Plantation management is also a concern for some stakeholders, particularly through the clearing of forests for plantation establishment and the use of some chemicals.

Basic Strategies

In many design situations, boundaries and constraints limit the application of cutting EDGE actions. In these circumstances, designers should at least consider the following:

- Specify and demand wood products accredited by broadly-supported third-party environmental certification systems where possible. The range of such timbers available is expanding quickly, with increasing demand from specifiers being the most important driver of reform.
- Avoid timbers known to be at risk of coming from poorly regulated or illegally logged forests (refer Table 2 in PRO 34)
- Favour the use of locally grown (Australian and New Zealand) timbers and wood products where possible. Credible certified wood products should be the primary priority as the specification in Australia of certified products drives global demand for improved management, and lower-impact practices locally and globally.
- Utilise the decision-making tree in the note *PRO 30: Timber and Wood Products – Applications and ESD Decision Making*

Cutting EDGE Strategies

- Not all certification systems are third-party certified with chain-of-custody verification. Consider environmental claims against who is making the claim, and whether the claim is first party (self certification) second party (e.g. industry association certification) or genuinely independent third-party.
- Not all third-party certification schemes have equal credibility. There are a range of useful resources including this note to assess the differences between schemes. There is evidence that the best third-party schemes globally are delivering improved social and environmental outcomes.
- What constitutes 'sustainable forest management' is still poorly understood and the subject of intensive research. There is ample evidence that existing management practices, even in certified areas, will need to be improved to deliver environmental sustainability in the longer term. Striving for best possible practice now is crucial.
- When comparing schemes, consider in particular the breadth of stakeholder input, the degree of transparency and accountability, and the recommendations of key stakeholders in informing your approach. Most stakeholders have important perspectives in the protection and management of forests, which are a crucial component of global climate and biodiversity protection. No stakeholders' interests should be discounted. Standards that have multi-stakeholder support are likely to be more durable and deliver better outcomes for environmental management.

continued

Synergies and References

- Refer to the appendices in the companion papers mentioned above.
- There are a range of further useful resources at the end of this note. This note does not recommend any one reference at the time of writing as definitive.
- For information about the conservation status of global forests refer to the UN-WCMC site <http://www.unep-wcmc.org> and FAO's <http://www.fao.org/forestry/index>
- *BEDP Environment Design Guide: PRO 30: Timber and Wood Products – Applications and ESD Decision Making*

BEDP ENVIRONMENT DESIGN GUIDE

TIMBER AND WOOD PRODUCTS FROM ENVIRONMENTALLY CERTIFIED FORESTS AND PLANTATIONS – OVERVIEW

Andrew Walker-Morison

Rapid advancement and change within Australia's predominant timber certification schemes has led to the revision of the original November 2004 paper PRO 33: Timber and Wood Products from Environmentally Certified Forests and Plantations.

This paper now forms the summary for extended content contained within the papers PRO 34: Timber and Wood Products from Environmentally Certified Forests and Plantations – Background, and PRO 35: Timber and Wood Products from Environmentally Certified Forests and Plantations – in Australia.

Keywords

Australian Forest Standard (AFS), certification schemes, chain of custody, forest management, Forest Stewardship Council, (FSC), timber, stakeholder participation

1.0 SUMMARY OVERVIEW

Forests are essential to global ecosystems, countless species, millions of people, and are a vast source of economic activity. In the 20th century almost half of the planets' tall forests were destroyed, and forests became one of the most visible sites of the struggle to balance interests competing for finite and fragile resources.

In the early 1990s the Forest Stewardship Council (FSC) formed a pioneering market-based initiative to use demand for environmental assurance to drive improved forest management through the mechanism of certification. Certification assurance was to be provided through a bold, non-traditional governance structure with three equally weighted environmental, social and economic 'chambers', each representing a competing real-world interest. An important innovation was that to certify any timber at all these competing interests had to reach consensus agreement on what constituted 'well managed' forestry, how it should be undertaken, and how a scheme should function (Cashore, Auld and Newsom, 2005).

The FSC captured market share and imagination, and in the years that followed other certification schemes, created by forest industry and other stakeholder interests, followed. These schemes grew quickly but were sometimes criticised for lacking important protections, including the balanced-interest, three-chamber governance structures of the FSC. Over the following years the FSC struggled with maintaining its growth and standards, while many other schemes improved their requirements to meet market expectations. Today there is evidence that the best industry-developed schemes are driving tangible improvements in forest practices, and while FSC has retained its reputation for global best-practice, some certifications have been criticised for failing to maintain appropriate standards.

Today environmental certification is recognised as a key tool to protect against illegal logging and by being integrated into tools like Green Star has thus come to

the attention of specifiers. However certification itself has become contested, with contrasting positions taken by the various schemes and stakeholders. Originally pioneered in Australia for imported timbers to be used in the construction of the Olympic Games works, two forest certification schemes are now in place for Australian forests and plantations *PRO 34: Timber and Wood Products from Environmentally Certified Forests and Plantations – an Introduction*, and *PRO 35: Timber and Wood Products from Environmentally Certified Forests and Plantations – in Australia*, aim to provide specifiers with guidance in this important but complex area. The following is a summary of key findings.

Table 2 outlines similarities and differences between schemes in Australia.

2.0 SOURCING AND SPECIFYING – THE BOTTOM LINE

Specifying certified wood products is today relatively straightforward for many product types. FSC has a large number of Chain of Custody certified organisations and product types including veneers, panel products, joinery and structural (softwood) timbers. A number of imported hardwood species are also available. At the time of writing the supply of FSC certified Australian hardwoods remains extremely limited, although if planned state forest certifications proceed, Victorian hardwoods should be readily available potentially by the end of 2008. Information about current products can be found on the FSC Australia website.

At the time of writing AFS had only a small number of Chain of Custody certified outlets and organisations, but as AFS certification covers many public forests in Australia, this is expected to change rapidly. A wide range of Australian structural and appearance hardwoods will be available as well as veneer and wood panel products. Information is available through the AFS and PEFC websites (refer to the Resources section at the end of this note).

Internationally

Two schemes dominate the global market

- The Forest Stewardship Council (FSC)
- The Programme for the Endorsement of Forest Certification (PEFC).

Government Support

- A number of governments have recognised the value of certification for procurement assurance to bolster traditional governance structures failing to address illegal logging and poor practices in both the developing and developed world. A number have recognised the FSC, the PEFC, and most member schemes of the PEFC.
- A number of governments explicitly support certification through aid development agencies on the basis that specification of certified timber provides economic incentive in supply chains to supplant destructive practices with low-impact, socially sustaining economic activity in developing economies.

Differences

- Certification schemes compete, and while similarities have increased, many differences remain. The PEFC remains strongly backed by industry groups and some governments, but is criticised by conservation and indigenous/social, non-government groups. The FSC remains supported by a wide range of industry, social, and conservation stakeholders. Claim and counter claim has led to the development of different methods to measure certification performance, none of which has been accepted by both schemes. Reviews of the schemes have largely been paper-based due to costs. Few on-the-ground assessments have been done, but those completed have shown weaknesses in all schemes at either a global or local implementation level.

Other issues

- A principal challenge remaining for all schemes is ensuring that content in mixed label sources is not from illegal or unsustainably managed sources.
- Clear consensus is emerging that performance measurement, multi-stakeholder involvement, transparent development, certificate review, and effective dispute resolution are crucial to the ongoing credibility of schemes.
- Underlying all certification development is the fact that what constitutes 'sustainable management' remains poorly understood by science.

In Australia

In Australia there are two schemes in operation:

The FSC and the Australian Forestry Certification Scheme (AFCS, incorporating the Australian Forestry Standard), which is recognised internationally under the PEFC.

- Australia reflects the global situation in many respects. The AFCS is supported by industry and some social groups and governments, but is criticised by conservation groups. The FSC is supported by conservation and some government, social and industry stakeholders.
- There are structural differences between the standards with regards to their governance, stakeholder participation and accountability structures. The FSC is a more inclusive model that requires broad participation and consensus in full standard development and forest certification. The AFS requires stakeholder consultation with narrower emphasis on participation in standard development and certifications.
- There is evidence that the FSC, even in the Interim Standard form, can lead to substantial additional conservation provisions. It is not yet clear if the AFS has, or is likely to substantially improve on conservation outcomes required under law.
- Whether existing conservation provisions need to be changed, and whether specifiers can have confidence that certification is always leading to 'sustainable' outcomes, is not clear. Recent (currently under appeal) legal findings and some scientific opinion indicate that we may not be preventing threatening processes in some areas, including for some certified forests.
- A small number of reviews have been undertaken of Australian certification schemes; however these have not been field-based, and have not been backed by all major stakeholders. One review did review on-the-ground benefits, but addresses only FSC schemes and was completed by an FSC auditor.
- Broad stakeholder perspectives in decision-making, monitoring and evaluation have been found internationally to be central to scheme accountability, as well as market confidence (Cashore, et. al. 2006). A cornerstone of this is the ability of schemes to demonstrate and improve performance with review from relevant stakeholders. Clear evidence was found that this is occurring with FSC in Australia. It is currently less clear with the AFS.
- The AFS devolves many mandatory requirements to external mechanisms such as the Regional Forest Agreements and State forestry codes, which have limited community participation. The FSC includes more provisions within assessments, has a more inclusive structure (and in the Full Standard under development, a requirement for consensus decision-making) and would appear to expand the ability of a broader stakeholder group to review, monitor, and assess forest and plantation management.
- There are areas of clear difference between both the schemes in development, implementation, feedback and improvement. There are many areas that are more difficult to assess, and that rely on interpretation by auditors of multi-layered criteria and requirements, often using documents not readily accessible or protected by commercial confidentiality. Only summary reports are available in most instances. Discussions with stakeholders identified claim and counter claim that are difficult to objectively assess on the merits of such claims.
- An independent on-the-ground review of implementation of both schemes including consultation with stakeholders (including conservation, social, industry and government) is required to provide confidence that schemes are delivering the outcomes they claim.

Table 1. Certification schemes

(Source: Author compilation)

Item	Australian Forestry Certification Scheme	Forest Stewardship Council (Interim Standard)
Governance structure	Board made up of government, industry, 'general' and union interests.	Board made up of social, economic and environmental interests.
Recognition as a standardising body	Yes, Standards Australia	Yes, International Standards Organisation
Independent certification	Yes, through third-party certification bodies (e.g. SAI Global, DNV, NCIS)	Yes, through third-party certification bodies (e.g. Woodmark, Smartwood)
Separation of standard setting from accreditation	Yes, through JAS-ANZ (refer also AFS criticisms)	Yes, through Accreditation Services International (refer also FSC criticisms)
Stakeholder support	Strong support from industry, government, union. Strong opposition from Australia conservation groups.	Mixed support from industry, government, union. Generally strong support from conservation sector (refer dispute resolution below)
Standard development Process	Established under Standards Australia processes. Standard developed by final Technical Reference Committee including government, industry, union, scientific, forest-users, and an ex-ATSI representative. Boycotted by mainstream environmental groups.	Established under FSC International policy requirements. Generic Interim Standards adapted by Certifiers to Australia and passed by FSC International. Full standard under development with representation by industry, social and environmental groups.
Use of performance standards defined at the national level compatible with generally accepted principles of sustainable forest management	Not clear. While established on widely accepted principles, performance requirements often not clearly defined in standard and referenced documents, and operationalised in confidential management plans.	Not clear. Performance requirements not clearly defined in generic standard or in generic Interim Standards adopted by Certifiers, and operationalised in confidential management plans.
Based on objective and measurable criteria	Partial. Criteria are objective and measurable, however how these are operationalised on the ground is much less clear (refer Transparency in PRO 9)	Partial. Criteria are objective and measurable, however how these are operationalised on the ground is much less clear (refer Transparency in PRO 9)
Continuous improvement	The Standard has a requirement for continuous improvement at the enterprise level.	Continuous improvement identified as policy at international FSC Policy level and identified by auditors as important part of certification (Mason and Jones, 2007). Generic standards are written as pass or fail.
Stakeholder engagement during certification	Limited. Standards require consultation (rather than participation) and demonstration that input 'was considered'; in practice some have been highly selective (refer 'Stakeholder engagement').	Good to limited. Standards require consultation (rather than participation) and demonstration that input was 'considered'; in practice at least some consultations have demonstrated extensive participation.
Conversion of old growth to plantation	Allows <10% of Unit to be converted up to 40 Ha. Time period not identified. No requirement for offset benefits. No requirement to have support of environmental NGO ¹ and social stakeholders.	Allows 5% of Unit to be converted in any 5-year period. Must demonstrate net conservation benefit over area. Must have support of environmental NGO and social stakeholders.
Carbon cycle	Partially addressed. Guidelines encourage minimising fuel consumption of equipment and recognition of forests as carbon sinks.	Not addressed.
Transparency and public disclosure	Very limited. Limited stakeholder involvement in certification process (refer above). Performance indicators of standard difficult to ascertain. Implementation details addressed only in brief public summaries. Audits of public summaries vary extensively in depth and detail, but provide insufficient data for critical appraisal. Certification audit by auditor and managers only, no external participation. (refer Transparency in PRO 35)	Good to limited. Varies significantly between certifications and auditors. Some certifications have included extensive public participation and consultation (Jones, 2007). Performance indicators of standard difficult to ascertain. Some audit of public summaries very extensive, others less so. Certification audits include external stakeholders in review process. (refer Transparency in PRO 35)
Protection of existing ecosystems, restoration of forest cover	Largely calls up existing legal requirements with further non-mandatory requirements outlined in Standard to be assessed by manager and auditor.	10% conservation zone required over and above legal requirements (50% of this to be set aside from commercial activity as a protected area) in Woodmark standard. Smartwood has voluntary provisions. Restoration activities required to be defined during certification process.
Chemicals use	No restrictions beyond legal requirements. Standard states manager 'shall reduce reliance on chemicals with potential for environmental harm' but no indicators or verifiers given.	Range of chemicals prohibited above requirements in law. Some of these in use in Australia under ruling on condition of development and trial of alternatives. 1080 permitted for use targeting feral but not native browsers ² .
Genetically Modified Organisms	Not restricted but subject to a risk assessment process	Prohibited

¹ Non-Government Organisations

² Forestry Tasmania has voluntarily ceased use of 1080 in State forest since December 2005.

Continued

Grievance procedures	Provision and recourse identified; responsiveness unclear.	Provision and recourse identified; apparently responsive.
Pre-logging review	As required by law or agreed by manager under management plans.	As required by law or agreed by manager under management plans. More public involvement required under FSC (Forest and Wood Products Australia, 2003)
Use of uncertified wood in mixed-source products	Uncertified content to be subject to a signed self-declaration from a supplier that the wood product was not sourced from an illegal logging operation. Risk review to be done at regional/country level. No public report of risk assessment required.	Uncertified content to be subject to a signed self-declaration from a supplier that timber not illegal, violate civil rights, be from areas converted, or from where genetically modified trees are being planted. Risk review to be done at watershed/eco-region level. Public report of risk assessment required.

Table 2. Overview of selected certification scheme characteristics

(Source: Author compilation)

Specifiers are encouraged to consider the following:

1. Their role in driving improved environmental and social outcomes in Australia and globally by specifying certification for all timber and wood products. Specifiers can ask uncertified suppliers, 'if it's best practice and it's 'sustainable', then why isn't it certified?'
2. Use certification to avoid specifying products from worst practices, such as illegal sources (e.g. from an illegally logged rainforest). DO NOT specify tropical hardwoods such as Merbau, Meranti, Luan, Kapur unless specifically labelled as from a credible certified source as described in this paper. Where products have 'mixed content' aim for as high a percentage of certified content as possible.
3. Understand differences between certification schemes and evaluate *for yourself* what you consider constitutes best-practice certification, including using resources identified in this paper. The finding of this paper was that for Australia, at the time of writing, the FSC appears to have more extensive requirements, more transparency, and more evidence of improved conservation outcomes, and broader stakeholder support than the AFS. However certification schemes, and stakeholder support, can be highly dynamic, and it should be noted that the FSC has yet to certify significant areas of the most contentious forest type - Australian hardwoods managed for sawn timber. Specifiers should maintain a watching brief on a range of stakeholder viewpoints (refer to websites in the reference section of this paper) for a more rounded perspective. Internationally the FSC remains, according to independent formal comparative reviews, the most rigorous certification scheme and the only scheme that has broad support from social and environmental non-government organisations as well as governments and industry (Cashore, Auld and Newsom, 2005; Mechel et al. 2006; Tollefson et al. 2006).
4. Demand that suppliers of certified products demonstrate the validity of claims by delivering public, peer reviewed and independent analysis based on on-the-ground assessments.

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BIOGRAPHY

Andrew Walker-Morison B.Arch. (Hons), is a former architect, and for four years managed the Sustainable Materials Programme at RMIT's Centre for Design. Andrew was Centre for Design's manager for the commercialisation of the green specification guide – Ecospecifier, developed the Building Assembly and Materials Scorecard initiative, and is currently involved in a wide range of research and commercial activities related to sustainable materials and the built environment.

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