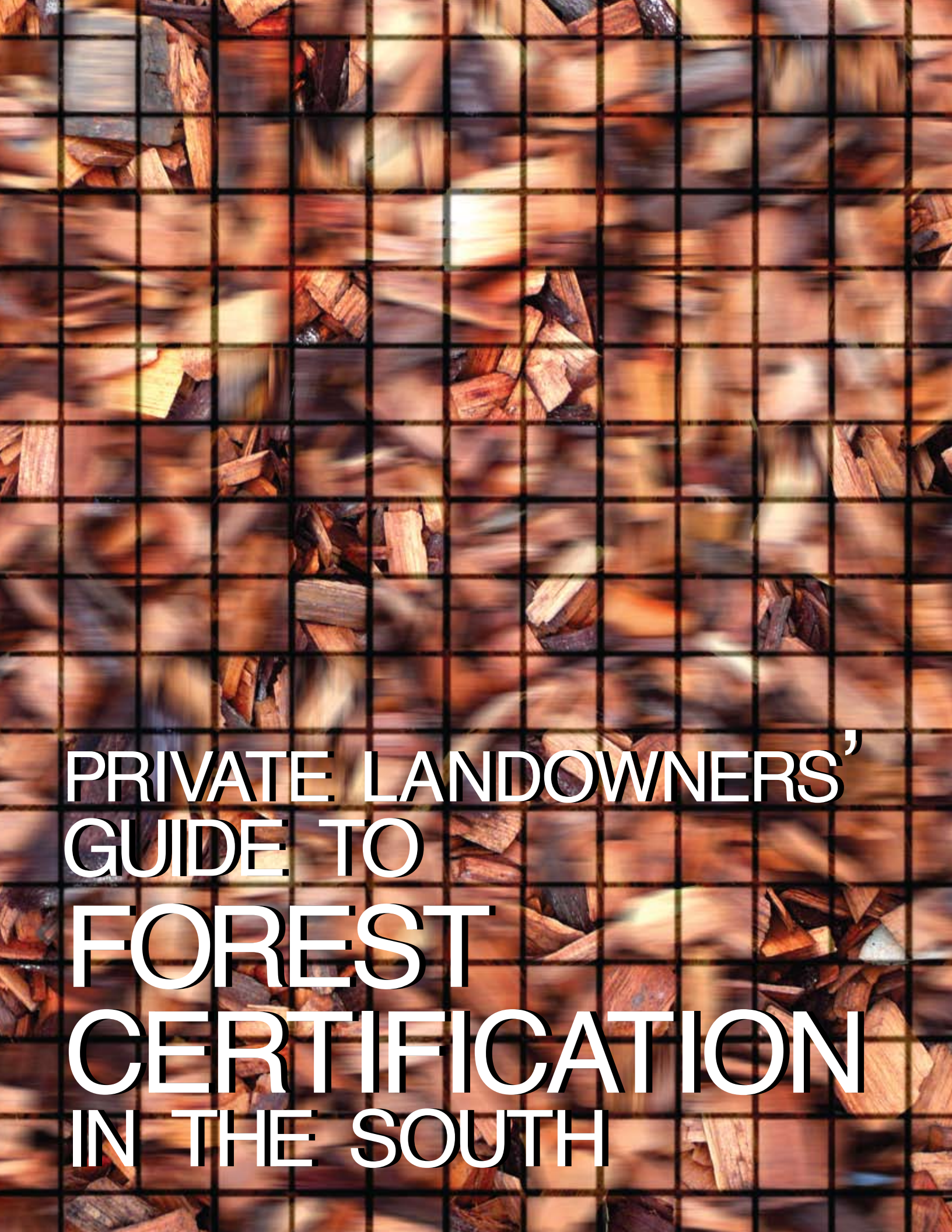

PRIVATE LANDOWNERS' GUIDE TO FOREST CERTIFICATION IN THE SOUTH

What is it?

After hearing the phrase "forest certification," many people ask, "what," "how," and "why." This publication helps forest landowners understand forest certification, how it began, why it should be considered, what types of certification systems are available, and the steps necessary to become certified.

Forest certification is a process where an independent auditing body conducts an inspection and awards a certificate pending conformance with standards developed by a specific certification body. These standards are set by credible, independent organizations to ensure forest resources are managed in a way that promotes environmental, social, and economic sustainability.

Whether we realize it or not, we encounter certification of some sort almost every day. Certification can be broken into two basic types: those that are "quality-oriented," and those that are "process-oriented." "Quality-oriented" certification adheres to a set of standards to achieve a specific end product. "Process-oriented" certification focuses on adhering to a set of standards dictating proper methods of producing a product.

Forest certification is a "process-oriented" system and is similar to restaurant certification. Restaurants, whether fast food or five star, are generally required by state law to pass inspection and display a certificate. This certificate does not depend on how good (or bad) the food tastes. The focus is on the process of how food is stored, handled, and cooked, with the intent to minimize the risk of food-borne illness affecting consumers.

Forest certification focuses on the process by which forests are regenerated, managed, and harvested in a sustainable system to protect soil, air, water, biodiversity, and other forest benefits. Some certification systems also examine the effects on employees and communities resulting from management activities.

Figure 1

Certification can be broken into two different types: "Process" and "Quality."
Listed under each category are industries that follow each certification.

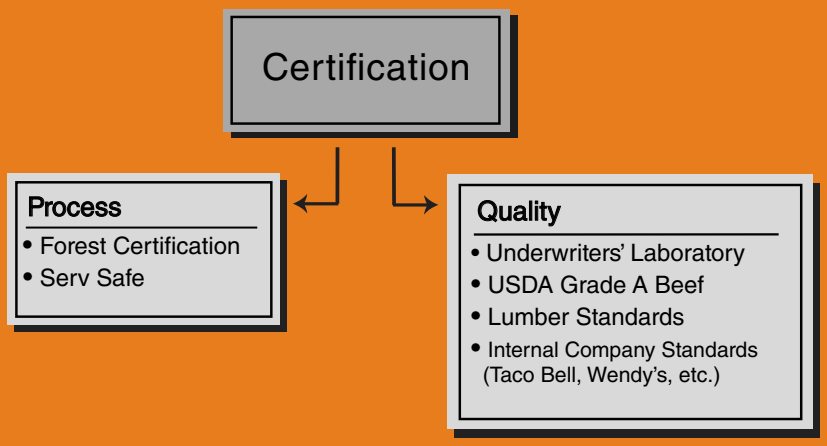

Photo courtesy of John D. Wozniak,
Assistant Director & Professor,
Department of Communications,
Louisiana State University

Over the past several years, OfficeMax, Office Depot, Lowes, and Home Depot have adopted policies giving preference to certified wood products.

Photo courtesy of Paul Bolstad, University of Minnesota, Bugwoodorg

How Did It Start?

Public concern for the environment has increased in the past 30 years. As a result, environmental issues, such as management of renewable resources, have become more important.

Society needs forest products both now and in the future. But today we have placed increased importance on air and water quality, wildlife habitat, and other benefits from forest land. Forest certification serves to ensure proper management of sustainable forest lands by establishing guidelines that protect ecosystems and their many benefits while encouraging sustainable production of forest products.

America's forests and how they are managed have been debated for more than a century. But forest certification did not emerge as a pressing issue until the 1980s amid increased concern over rapidly growing tropical deforestation. In 1988, several environmental groups encouraged the International Tropical Timber Organization to apply some type of labeling system to easily identify timber harvested from sustainably produced tropical forests.

In 1992, the United Nations Conference on Environment and Development, also known as the Earth Summit, was held in Rio de Janeiro, Brazil. During the Earth Summit, Agenda 21 Forestry Principles were devised as an action plan to address issues of sustainable forestry. While this formal, governmental process of developing standards for sustainable forest management was under way, forest certification began to take shape through other nongovernmental organizations (NGOs) as well. The idea of developing a system for certifying forests and labeling forest products was something NGOs wanted to accomplish.

In 1993, the Forest Stewardship Council (FSC), a voluntary nonprofit organization, was formed with the coalition of the World Wide Fund for Nature (WWF), other environmental organizations, and forest product companies. FSC eventually developed standards for forest management based on 10 principles. In 1994, the Sustainable Forestry Initiative (SFI) was formed, and principles were developed and implemented on lands owned primarily by major forest industries.

Since then, more than 50 forest certification systems have been developed, many as national certification systems for specific countries. In the United States, systems such as the FSC, SFI, ISO 14000 Environmental Management Standard, Programme for the Endorsement of Forest Certification (PEFC), Green Tag, and the American Tree Farm System (ATFS), have been implemented.

Why?

People own forest land for a variety of reasons, including as an asset for their heirs, recreation, privacy, and other reasons. Though important, timber income is often a secondary consideration. For many landowners, certification offers a way to measure and demonstrate responsible forest management that has a positive effect on the environment and is consistent with their long-term goals. Many landowners and manufacturers also view certification as a means of establishing a competitive advantage in the marketplace for forest products.

Image

Certification shows environmental groups, industry leaders, and the public the commitment forest landowners have invested in environmentally sound management. Certification also offers assurances that forest resources will remain sustainable through responsible forest management practices.

Market Access

Certification may create opportunities to access new markets, which increasingly favor certified forest products. Green Building gives preference to certified wood products, and this market is growing in popularity. Increasing numbers of publishing companies and retailers prefer to buy certified wood products, and retailers anticipate that the demand for certified products will increase. For landowners, certification can ensure market access to area mills that supply certified forest products to manufacturers and retailers. The emerging carbon credit market is an opportunity for landowners, and certification provides the required documentation that forests are sustainably managed.

Credibility

Certification measures existing management practices against predetermined standards or principles. A favorable outcome ensures that forest resources are managed in a sustainable and responsible manner, or that changes are made to gain or retain certification. While participation in a certification system is a voluntary decision, it shows a landowner's commitment to forest forest stewardship, sustainability, and ecosystem health.

Premiums

Currently, landowners do not receive a significant premium for certified wood. A recent survey of major home retail centers found that of those selling certified products, half paid no premium, 40 percent paid a 1 to 10 percent premium, and 10 percent paid greater than a 10 percent premium. However, certified products have the potential to bring premium prices if demand for forest products continues to increase. As previously noted, market access is the current driving economic force.

Nontimber Benefits

Certification can improve wildlife habitat, water quality, and other benefits important to landowners. Certification systems have standards or principles designed to protect and enhance natural resources. Input from natural resource professionals in the certification process can be a valuable part of improving various nontimber benefits.

“Certification is an assurance, like the Good Housekeeping Seal of Approval.”

- Paul Pingrey, Forest Certification Coordinator, Wisconsin Department of Natural Resources

Photo courtesy of Alicia Jo McMahan

Photo courtesy of Michal Zacharzewski

Challenges with Forest Certification in the South

- Most certification systems are designed for large landholders (such as industry, government, NGOs);
- It can be costly to become and remain certified with some systems;
- Forest land ownership in the South is dominated by 5 million private nonindustrial landowners who own 71 percent of the forest land; and
- Surveys reveal landowners are concerned about certification costs.

As a result, for certification to work in the South, it must be economically feasible to these private landowners.

Get Certified

How do I become certified?

The exact process to obtain certification varies by the specific system. The general process involves initial discussions, a pre-assessment, field inspection and verification, obtaining a certification status, and follow-up audits and inspections (Figure 2). Once certified, less intensive audits occur periodically as required by the certification system.

What certification systems exist?

Listed in this manual are five of the better-known forest certification systems in the United States, and basic information regarding each system.

These systems include:

- Forest Stewardship Council (FSC)
- Sustainable Forestry Initiative (SFI)
- Programme for the Endorsement of Forest Certification (PEFC)
- Green Tag
- American Tree Farm System (ATFS)

The ISO 14000 Environmental Management Standard is a well-known international system, but is directed towards developing environmental management systems for large corporations. Due to the lack of options for small landowners in this system, it was left out of the comparison chart.

Certification Flowchart

To become certified, the audit team meets the forest landowner for inspection. If the management plan and implementation meet the standards of the chosen system, the forest land is certified. If the standards are not met, recommendations are made, and another inspection will occur.

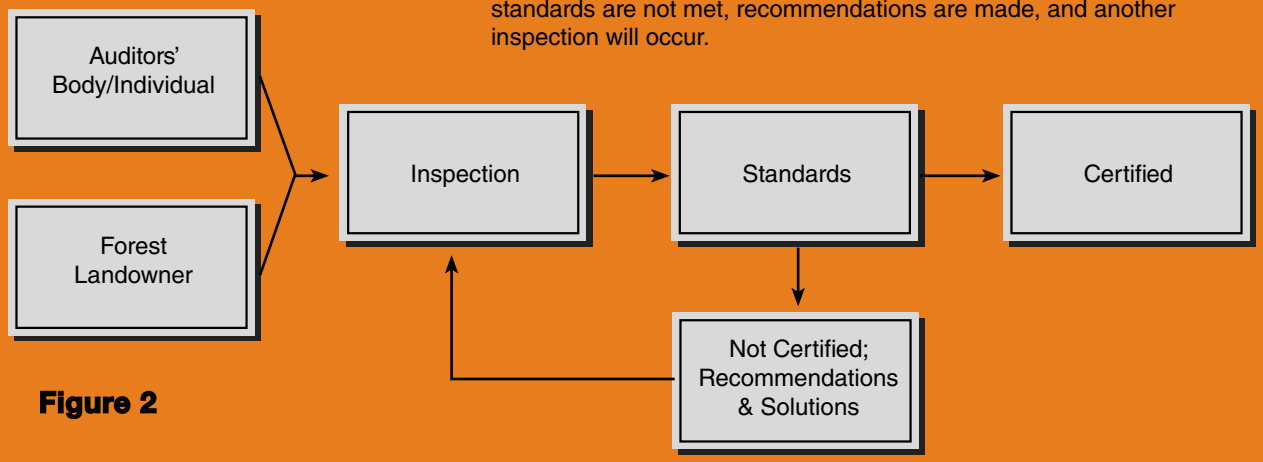

Figure 2

Certification Systems

SYSTEM	DATE ESTABLISHED	SPONSOR	GROUP CERTIFICATION AVAILABILITY
FSC Forest Stewardship Council	1993	World Wide Fund for Nature, SCS, SmartWood	yes
SFI Sustainable Forestry Initiative	1994	1)Initially through the American Forest and Paper Association (AF&PA) 2)Since 2002, through the Sustainable Forestry Board.	no
PEFC Programme for the Endorsement of Forest Certification	1999	PEFC	not for currently-endorsed US certification system (SFI)
Green Tag	1998	National Forestry Association (NFA)	no
ATFS American Tree Farm System	1941*	American Forest Foundation (AFF)	yes

*ATFS was established in 1941 to set an example on proper forest management. In 2004 ATFS instituted changes to become a certification system.

PRINCIPLES	SUITABLE FOR	HOW TO
The FSC has10 principles and 57 criteria for landowners to meet to become certified.	large ownerships or grouped small ownerships	Locate an FSC accredited third-party certifier. An auditor will be sent to inspect the management plan and implementation. (www.fscus.org/certifiers/)
The SFI has 9 principles and 119 indicators for landowners to meet to become certified.	large ownerships	Contact the SFI, Inc. by reviewing the process and steps (www.sfiprogram.org/progress.cfm). This includes an application and list of certifiers. Develop a management plan. A third-party certifier will be sent to audit.
The PEFC uses a system of internationally recognized standards.	PEFC is designated to create standards to sanction certification groups. They certify the certifiers.	Contact your national PEFC office. For the U.S., contact the SFI.
Green Tag has 10 principles for landowners to meet to become certified.	small ownerships	Call 1-888-Grn-Tree (NFA) for a preliminary evaluation. Fill out the Green Tree application (www.greentag.org/GreenAppForm.htm). An auditor is then sent to review the management plan and implementation.
The American Tree Farm System has 9 standards, each with performance measures for landowners to meet to become certified.	private landowners with 10-10,000 contiguous acres	Fill out request form. (www.treefarmsystem.org/cms/pages/64_3.html) An ATFS auditor will be sent to inspect the management plan and implementation.

Certification Systems

SYSTEM	DIRECT COST*	TIME
FSC Forest Stewardship Council	1) Less than 2,470 acres, minimum of $3,000. Contact local certification body for a price quote. 2) Group certification will reduce costs by spreading across multiple ownerships.	Certification awarded for 5 years.
SFI Sustainable Forestry Initiative	$5-9 per acre for most private landowners**	Certification awarded for 5 years.
PEFC Programme for the Endorsement of Forest Certification	Cost is dependant upon certification system chosen.	Certification awarded for 5 years.
Green Tag	One time $150 registration fee. Site inspection fees range from $0.10 - $1.25 per acre depending on size of property and completeness of manage - ment plan. Smaller tracts of land (20-75 acres) may cost more. Must maintain active membership in National Woodland Owners Association.	Certification awarded for 5 years.
ATFS American Tree Farm System	Individual certification: free. Group certification is fairly new, and accurate cost estimates are not available. We anticipate costs comparable to other systems designed for small landowners.	Certification awarded for 5 years.

*All certification systems require a written management plan, the cost for which is not included here.
**SFI certification costs were $9 per acre (Cubbage 2003) for small tracts, less for larger tracts

STATS	LABELS	LOGO	SITE
As of 4/17/08: 24,894,788 acres in USA 255,537,306 acres worldwide	Logo is permitted for usage on certified wood and paper products.	The Forest Stewardship Council logo identifies products which contain wood from well-managed forests certified in accordance with the rules of the Forest Steward - ship Council. ©1996 Forest Stewardship Council A.C.	www.fsc.org www.fscus.org
As of 4/22/08: 54,739,055 acres in USA 90,011,331 acres in Canada	Logo is permitted for usage on certified wood products.	SUSTAINABLE FORESTRY INITIATIVE	www.sfiprogram.org
As of 4/30/08: 149,071,443 acres in USA & Canada. 507,078,860 acres worldwide	Logo is permitted for usage on certified wood products.	"Promoting Sustainable Forest Management" Reproduced with the permission of the PEFC Council.	www.pefc.org
As of 5/13/08: 66,516 acres in USA	Logo is permitted for usage on certified wood products.	Green Tag NATIONAL FORESTRY ASSOCIATION Certified Forest Practice Forest	www.greentag.org
As of 5/13/08: 26,800,000 acres in USA	Certified farmers receive a sign to place on land.	No endorsement of this product or service by the American Forest Foundation or the American Tree Farm System® is implied or intended.	www.treefarm system.org

Cost and Compare

Forest landowners are concerned about forest certification costs. A 2005-06 survey of forest landowners in Louisiana and Mississippi found that 77 percent would not pay to become certified, while an additional 13 percent would pay $0.50 to $1.00 per acre. Certification systems must address cost concerns among landowners if they are to be widely adopted by private landowners.

Total costs will vary by the certification system chosen and the changes necessary to meet the standards of that system. These costs can be broken into direct or indirect costs.

Direct Costs

Depending on the certification system chosen, the costs of an initial assessment can vary considerably. The more detailed a system is, the more it will cost. Because of the varying intensities of assessments among the systems, the estimated cost would range between $0-$10 per acre (Figure 3). A system may also require the landowner to pay for the travel and lodging of the auditing team as well as a certification fee upon approval. Over time, however, these costs decrease , as periodic audits and re-assessments are less costly than the initial assessment.

Indirect Costs

At times it may be necessary for a landowner to change or modify certain practices to meet the standards of a system. The changes result in indirect costs and will be dependent on the scale of the work. Examples include:

- a written management plan,
- more intensive record keeping,
- compliance with standards, and
- time associated with assessment or re-assessment process

Implementing and maintaining a plan will require time. Fortunately, many foresters have found that once the certification planning and recordkeeping system is in place, their business run smoother and costs less in the long run.

How do they compare?

There is no single forest certification system that is “best” for all landowners. These systems vary somewhat in process and requirements, but all attempt to produce sustainable forests. Deciding which system is best requires that each landowner consider 1) certification costs, 2) suitability of management practices with certification standards, 3) availability of inspectors or auditors in the area, and 4) current and projected demand for forest products certified by the respective certification systems.

Most private, nonindustrial landowners in the South own less than 500 acres. The relatively small ownership size makes cost a significant concern. Additionally, all certification systems require that landowners have a written management plan for their land, and adhere to its guidelines.

Finding auditors or inspectors to conduct an assessment/inspection can be difficult. In many states, ATFS, because of its long history with small landowners, has a readily-available supply of inspectors. FSC has a more limited supply of trained auditors, though their numbers are increasing.

Photo courtesy of Corne van Braak

J.K. Rowling's final installment of her Harry Potter book series, *Harry Potter And The Deathly Hallows*, is printed on at least 65 percent FSC certified paper.

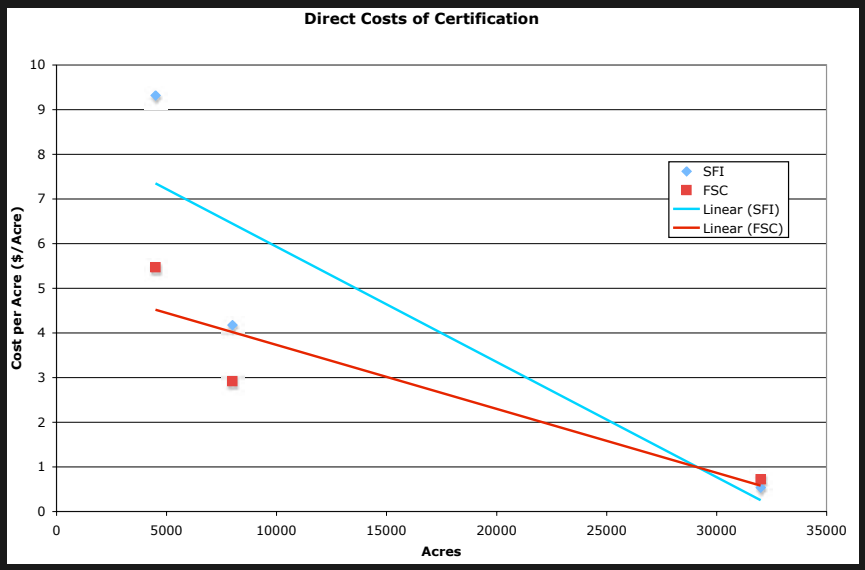

Figure 3

This comparison chart was taken from Dr. Fred Cubbage's article "Forest Certification of State and University Lands in North Carolina: A Comparison" from the December 2003 issue of the *Journal of Foresty*.

- "Those costs are for the initial certification (Cubbage et al. 2003). The required annual revisits by the FSC team will add annual management costs, as will the required management changes.
- Smaller tracts had greater costs per acre because the fixed costs of auditors and preparation were spread over fewer acres."

Photo courtesy of Heriberto Herrera

Present and Future

Group Certification:

As noted previously, group certification is available through ATFS and FSC. An example would be where a consulting forester holds a certificate for several clients. For ATFS, group certification is more rigorous than individual Tree Farm certification, and is more attractive to some large purchasers wanting to clearly demonstrate third-party certification of forest products. Costs are borne by the group members. FSC is increasingly using group certification as a way to make their system more appealing to small landowners understandably concerned about certification costs. FSC Group Certification, by increasing the acres certified, thereby reduces the per acre costs.

Best Options for Small Landowners

For most landowners in the South, the major certification systems most applicable to their land will be 1) the American Tree Farm System (both individual and the new Group Certification), and 2) Forest Stewardship Council (new Group Certification only). Green Tag, though designed for small ownerships, has certified only 29 woodlands nationwide. Both SFI and individual FSC certification systems are less suited for most private landowners due to significant certification costs incurred.

Future of Certification:

Currently, there is a limited demand for certified wood, but the market is changing as more end users demand certified forest products. Wholesalers, retailers, and forest corporations recognized that certified products and sound conservation efforts provide a positive image.

As certified products become more sought after, producers may get a premium price for their certified products.

Future of Certification Systems

As certification becomes more popular, more certification options will be created, thus providing more appropriate choices for both small and large landowners. Competition among certification groups will inevitably cause the groups to modify their requirements, or establish mutual recognition agreements with complementary certification systems. SFI and Tree Farm have signed a mutual recognition agreement, and SFI recognizes Tree Farm as a source of certified wood. PEFC has recognized SFI's standards as acceptable and sanctioned SFI as the contact group for PEFC certification in the United States. Tree Farm has also submitted their standards for PEFC approval, and this application is pending.

Certification just may be the key to helping landowners maintain a competitive and sustainable supply of forest products. By implementing forest certification, we help ensure sustainable production of forest products; protect air, water, wildlife, and other benefits from forest lands; and protect this treasures resource for both current and future generations.

Glossary

Accreditation – A procedure by which an authoritative body gives formal recognition that a group or person is competent to carry out specific tasks.

American Tree Farm System (ATFS) – The world's oldest sustainable forestry program, developed in 1941. In 2004, ATFS adopted changes to become a certification system.

Assessment – An independently verified individual or group that inspects management plans and implementation to determine if a landowner meets certification requirements. See also Inspection.

Chain of Custody (CoC) – After being certified, some systems offer a set of chain-of-custody (CoC) requirements, the paper trail enabling certified products to be tracked from harvest to purchase by a consumer.

Forest Stewardship Council (FSC) – A certification program developed in 1993.

Green Tag – A certification program developed in 1998.

NGO's – Non-governmental Organizations.

Group Certification – The option for a group of landowners to band together and go through the certification process as a whole. The certificate is held by a single entity.

Inspection – Examination of a management plan and forest practices by an independently verified individual or group to ensure that the landowner conforms to certification requirements.

Management Plan – A working instrument that guides actions and changes in response to feedback and changed conditions, goals, objectives, and policies (SAF).

Programme for the Endorsement of Forest Certification (PEFC) – A certification program developed in 1999.

Sustainble Forestry Initiative (SFI) – A certification program developed in 1994.

Sustainability – The capability of forests, ranging from stands to ecoregions, to maintain their health, productivity, diversity, and overall inetgrity in the long run, in the context of human activity (SAF).

Sustainable Forest Management – The practice of meeting the forest resource needs and values of the present without compromising the similar capability of future generations (SAF).

Sources

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www.affoundation.org

American Forest & Paper Association
www.afandpa.org

American Tree Farm System
www.treefarmsystem.org

Association of Consulting Foresters
www.acf-foresters.org

Chicago Climate Exchange
www.chicagoclimateexchange.com

Forest Certification Resource Center
http://www.metafore.org/index.php?p=Forest_Certification_Resources_Center&s=147

Forest Stewardship Council
www.fsc.org

Forest Stewardship Council – United States
www.fscus.org

Green Tag Forestry
www.greentag.org

International Organization for Standardization
www.iso.org

International Tropical Timber Association
www.itto.or.jp/live/index.jsp

Louisiana Forestry Association
www.laforestry.com

Mississippi Forestry Association
http://msforestry.net/

National Association of State Foresters
www.stateforesters.org/

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http://www.nationalwoodlands.org/

Programme for the Endorsement of Forest Certification scheme
www.pefc.org

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www.southernsustainableforests.org

Southern Group of State Foresters
http://www.southernforests.org/

Southern Regional Extension Forestry
http://sref.info/

Sustainable Forestry Initiative
www.sfiprogram.org/

Sustainable Forestry Initiative in Mississippi
www.msforestry.net/sfi.php

Funded by the Sustainable Agriculture Research and Education (SARE) program.
www.sare.org

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