Annex to 2012 Statistics
Programs Delivering Verified Products

Timber trade monitoring in support of
effective, efficient and equitable operation
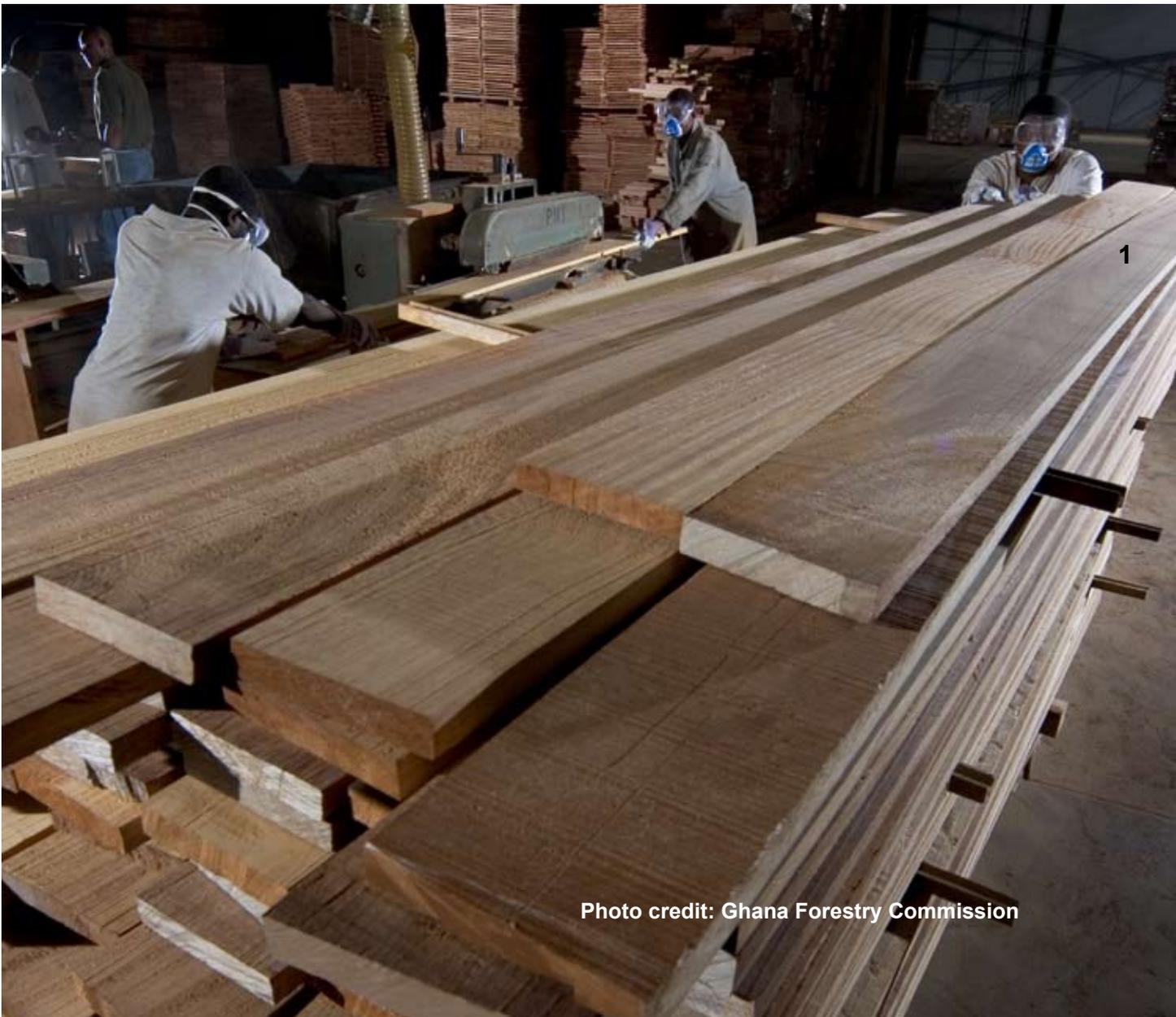of the EU Timber Regulation (EUTR)

Photo credit: Ghana Forestry Commission

Programs Delivering Verified Wood Products

Independent Forest Certification Systems

Definition

Forest certification programs combined several elements typically taken to involve:

- establishment of forestry and chain of custody standards through a balanced consensus-building multi-stakeholder process;
- alignment of forestry standards with international principles of sustainable forestry management;
- independent third party assessment of on-ground forestry performance and chain of custody management systems against these standards;
- conformance of accreditation and certification bodies with, at minimum, appropriate ISO standards.

International frameworks

Forest Stewardship Council (FSC)

The FSC is an international framework for independent third party certification of forestry performance. Forest management is assessed against standards developed in accordance to the FSC Principles and Criteria. Third party independent certification bodies are accredited by Accreditation Services International (ASI), a company owned by FSC. Accredited certification bodies may operate internationally and may carry out evaluations in any forest type within the scope of their accreditation. The FSC Logo, comprising the 'check-mark' tree icon and the initials FSC is copyright. FSC has developed a comprehensive series of chain of custody standards and rules for on-product and off product claims of conformance to FSC standards.

Programme for Endorsement of Forest Certification (PEFC)

The PEFC Council is an independent, non-profit, non-governmental organisation established to promote the independent third party certification of environmentally appropriate, socially beneficial and economically viable management of forests. The PEFC Council operates by assessing forest certification systems evolved through a national process against specific ISO-related requirements for standards-setting, certification and accreditation. National forest certification standards are required to align with the PEFC International Standard for Sustainable Forest Management. The PEFC Logo, comprising two trees encircled and the initials PEFC is copyright. PEFC has developed a comprehensive series of chain of custody standards and rules for on-product and off product claims of conformance to PEFC standards.

National/regional frameworks

Canadian Standards Association (CSA)

CSA, a not-for-profit private association, is the largest standards development organization in Canada. The CSA forest certification framework is a voluntary tool to help organisations achieve sustainable forest management (SFM). The CSA forest certification standard is consistent with the Canadian Council of Forest Ministers SFM criteria and elements which are in turn conform to those of the inter-governmental Montréal process. The standard gives organizations a system for continually improving their forest management performance and engaging interested parties in a focused public participation process. Certification to the standard involves regular independent, third-party certification audits. The CSA SFM Program is based on, and operates according, to the ISO and International Accreditation Forum specifications, requirements and guidance. The CSA forest certification system has been endorsed by the PEFC.

Sustainable Forestry Initiative (SFI) Inc.

SFI Inc. is an independent, charitable organization dedicated to promoting sustainable forest management in the USA and Canada. The SFI 2010-2014 Standard is based on principles and measures that promote sustainable forest management and considers all forest values. Certification bodies performing third-party audits to SFI forest, chain-of-custody or fiber sourcing requirements must be independent, objective and qualified. Depending on the scope of the certification audit, they must have completed an accreditation program through one or more of the following independent, international accreditation bodies:

Photo credit: AHEC

American National Standards Institute (ANSI), ANSI-ASQ National Accreditation Board (ANAB), and the Standards Council of Canada (SCC). The SFI forest certification system has been endorsed by the PEFC.

Malaysian Timber Certification System (MTCS)

The mission of the MTCS is to establish and operate a credible and internationally recognised national timber certification scheme towards promoting SFM in Malaysia. The Malaysian Timber Certification Council (MTCC), a Malaysian company governed by a Board of Trustees, was established in 1998 to develop and operate the MTCS. The original MTCC forest certification standard (known as the MC&I 2001) was based on the 1998 ITTO Criteria and Indicators for Sustainable Management of Natural Tropical Forests. This standard has been phased out and replaced by the MC&I 2002 which uses the FSC Principles and Criteria as the template (although it is not endorsed by FSC). A separate MC&I (Forest Plantations) was finalised in 2008 and now provides the basis for certification of forest planations. Development of these forest management standards was through a participatory multi-stakeholder consultation in which MTCC played the role of facilitator. Forest management and chain of custody assessment is undertaken by independent Certification Bodies accredited by the Department of Standards Malaysia (Standards Malaysia), Malaysia's national Accreditation Body. The MTCS forest certification system has been endorsed by the PEFC.

Private Sector Legality Verification and Phased Certification Systems

Definition

The relative recent emergence of private sector legality verification systems has meant that they have not yet been subject to the same degree of analysis and scrutiny as independent forest certification programs. As a result there is not yet any common understanding of core elements of these programs. Some are structured to see legality verification as only a stage in a broader process of certification, while others are specifically designed with legality of verification as the goal. The following list of programs is not exhaustive.

WWF Global Forest and Trade Network (GFTN)

The WWF's Global Forest and Trade Network seeks to provide a comprehensive framework for wood trading chains to shift progressively through various stages including "legally verified" to full certification status. GFTN is an association of national and regional Forest & Trade Networks (FTNs). It is active in nearly 30 producer and consumer countries in Europe, Africa, the Americas and Asia. It encompasses both forest participants and wood trading companies. GFTN Forest Participants must commit to achieving credible certification of at least one Forest Management Unit (FMU) within 5 years, and all other FMUs they manage within 10 years. Forest participants are encouraged to use the Modular Implementation and Verification System (MIV) developed by Proforest allowing phased introduction of the various components of FSC certification which are divided into a set of standardised modules.

Rainforest Alliance/Smartwood Smartstep system

In addition to being an FSC Accredited certifier under the Smartwood brand, Rainforest Alliance operates Smartstep, a phased approach to FSC forest certification. The first step of the process is to demonstrate that wood is "Verified Legal Origin (VLO)" – a third party assurance covering the legal right to harvest, approved planning authorizations, payment of fees and taxes required to maintain rights, and chain of custody. The second step is to demonstrate that wood is "Verified Legal Compliance (VLC)" – a third party assurance covering VLO plus fulfilment of all environmental regulations and social regulations and control of unauthorized activities.

The Forest Trust (TFT)

TFT is a UK registered charity with offices in Indonesia, Vietnam, China, Malaysia, Gabon, the UK and Switzerland. The TFT helps Member businesses – comprising retailers and suppliers of tropical wood products - to find out where their wood comes from, and to link them with acceptable forest sources. As a minimum first step, their wood must come from legally verified forest operations. TFT Members are also committed to increasing the volume of wood that they source from well managed forests. TFT staff also link the forests to Member's supplying factories through robust 'Wood Control Systems' that prevent any unknown or potentially illegal wood from being introduced at any point in the supply chain or during manufacturing. Forest Managers are required to pass through various stages in accordance with an agreed Certification Action Plan (CAP) with the ultimate objective of achieving and maintaining FSC certification.

Tropical Forest Foundation (TFF)

The Tropical Forest Foundation is a non-profit, educational institution dedicated to the conservation of tropical forests through sustainable forestry. TFF operates a two tiered step-wise approach to promote certification of sustainable forest management:

1) The "Legal Verified" label uses a definition of legality focused on the legal right to harvest.
2) The "Reduce Impact Logging (RIL) Verified" label uses a more inclusive definition of legality. To qualify for the label, a forest management unit must be verified through independent audit as conforming to the TFF RIL Standard. Product bearing this mark may be referred to as "transition wood" in the context of comprehensive forest certification schemes.

TFF has also formulated minimum requirements for the establishment of a CoC verification system, including the entity that holds the harvesting mark and all other entities that trade, store and process RIL Verified products.

Keurhout/NTTA Protocol for Validation of Legal Claims.

This Dutch-led program establishes a three step process towards SFM certification. The first step requires independent verification of Legal Origin (including chain of custody, harvesting rights and regulations). The second step requires verification of compliance with all other forestry related laws including labour and environmental standards. The third step involves independent verification against the Keurhout Sustainable Forest Management (SFM) standard. Timber delivered under the first and second steps is termed "Transition Timber". "Transition" licence holders are expected to enter into a third-party verified programme for progressive realisation of SFM standards against agreed time-bound targets.

SGS 'Timber Legality & Traceability Verification (TLTV)

SGS, a private corporation providing certification and inspection services conforming to relevant ISO quality and accreditation standards, has developed the 'Timber Legality & Traceability Verification' (TLTV) Programme to assist forestry companies to demonstrate that their products have been legally produced, acquired and/or sold. "Legality-Verified" timber is further traced down the supply chain through Chain-of-Custody verification. SGS Generic TLTV Standard for Legality of Production covers compliance by the forestry operator with all relevant forestry laws and other legal requirements and also requires the operator to: respect its social obligations towards local communities, workers, and contractors; comply with its environmental obligations imposed by laws, regulations and other relevant national and international environmental requirements; adhere to regulations of forest declarations and taxes; comply with processing, transport and trade regulations; and have management and chain-of-custody monitoring systems in place which ensure adequate control and traceability of its production.

Global Forestry Services

Global Forestry Services Inc (GFS) provides assessment and monitoring of manufacturers and traders under a Wood Tracking Program (WTP) based on a formal CoC system. The WTP follows the GFTN responsible purchasing guidelines in recognizing environmental status as: Credibly certified; In Progress/Controlled Wood and Legal. Companies participating in WTP are required to develop a scheduled Action Plan with the objective of increasing purchases of products from Credibly Certified Sources. GFS' Legal Verification Service, forming part of the WTP, confirms the legal origin of raw material from high risk forest areas through a formal supplier evaluation system. GFS provides a standard for Verification of Legal Origin (VLO) within the WTP. Monitoring of continued compliance to the requirements of the Legal Verification Service is based on regular 6-month surveillance of the client's supply chain. GFS also operates the Forestry Support Program (FSP) which is designed to provide a formal stepwise approach for forestry companies to meet requirements for FSC certification.

Certisource

Certisource, a private company, aims to move interested parties towards sourcing timber from credibly certified forests. Certisource's system of legality verification is built around the WWF GFTN's guidelines, which provide baseline requirements which need to be met for timber to be described as 'Verified Legal'. As such, in addition to confirmation of the concessionaire's legal right to harvest, Certisource also assesses the legality of the harvesting process, such as the payment of relevant taxes, completion of cruising reports and confirmation (through analysis of log numbers) that tree felling, log extraction and logistics have been conducted according to legally authorized harvesting and management plans. Audits include field inspections as well as examination of documentation. The 'verified legal' concept also includes checks on transportation and chain of custody. Certisource verifies the source of timber using the best available technologies, including DNA, bar coding and RFID.

Eurocertifor-BVQi

Bureau Veritas describes itself as "a trade facilitation services provider" and is one of the world's leading providers of import control and inspection services. It conforms to relevant ISO quality and accreditation standards. Bureau Veritas recently acquired Eurocertifor, an FSC accredited certifier that also operates the Origin and Legality of Timber (OLB) system. The objective of OLB is to guarantee both the geographical origin of a wood product and the legality of the logging operations in that area. The OLB certificate is based on compliance with a locally adapted legality standard. The standard sets out requirements covering:

- compliance with national and international laws and regulations concerning: management and harvesting of the forest; labour, health and safety; and environment.
- minimum requirements with respect to concession boundaries, management planning, conflict management, and control of external purchases.
- traceability of the logs from the forest to the client or, where relevant, to the processing unit
- follow-up tracking of the wood during processing using a volume credit system

Photo credit: J. Martin & AHEC