



FSC summary report - Comparative analysis between the FSC Controlled Wood requirements and PEFC, PEFC Germany and SFI



The Forest Stewardship Council (FSC) is an independent, non-governmental, not for profit organization established to promote the responsible management of the world's forests. It provides standard setting, trademark assurance and accreditation services for companies and organizations interested in responsible forestry.

Products carrying the FSC label are independently certified to assure consumers that they come from forests that are managed to meet the social, economic and ecological needs of present and future generations.

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www.fsc.org

FSC'S VISION

The world's forests meet the social, ecological and economic rights and needs of the present generation without compromising those of future generations.

FSC'S MISSION

The FSC shall promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

- > Environmentally appropriate forest management ensures that the harvest of timber and non-timber products maintains the forest's biodiversity, productivity and ecological processes.

- > Socially beneficial forest management helps both local people and society at large to enjoy long term benefits and also provides strong incentives to local people to sustain the forest resources and adhere to long-term management plans.

- > Economically viable forest management means that forest operations are structured and managed so as to be sufficiently profitable, without generating financial profit at the expense of the forest resources, the ecosystem or affected communities. The tension between the need to generate adequate financial returns and the principles of responsible forest operations can be reduced through efforts to market forest products for their best value.”¹

¹ FSC Global Strategy (2007): Strengthening Forest Conservation, Communities and Markets.
www.fsc.org/global_strategy.html

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1. INTRODUCTION

Since the Forest Stewardship Council (FSC) introduced the concept of controlled wood, questions were raised if other forest certification schemes could be used to provide assurance that the requirements set for FSC Controlled Wood are met by these schemes.

As the Programme for the Endorsement of Forest Certification schemes (PEFC) is a wide-spread scheme, an analysis was made by FSC ("Comparative analysis of the FSC Controlled Wood standards and the PEFC Controversial sources requirements, focused on PEFC Germany and SFI", July 2009) to see if PEFC certified material can be considered compliant with the FSC Controlled Wood standard. The focus of the analysis was on the forest management standards, the related protocols for inspection of forest management and the requirements for the uncertified component that both systems allow in their certified products in the chain of custody. Apart from the international PEFC forest management standard (the Pan European Operational Level Guidelines (PEOLG)), the PEFC chain of custody standard, PEFC Germany forest management standards and SFI forest management standard were analyzed.

The standard (principles and criteria) of a forest certification scheme defines the level of forest management practices that must be achieved. This is mainly where the differences between forest certification schemes can be found. There are two different types of standards that deliver totally different benefits.

- **Performance based standard.** Specifies the level of performance or results that must be achieved in a forest. The standard provides a guarantee of quality and therefore it is appropriate to use a product label.
- **System based standard.** No minimum level of performance that must be achieved in the forest is specified. Forest managers set their own performance targets and use a specified management system to ensure these are reached. That way two forest companies both certified by the same system based standard can achieve very different results in the forest. A label associated with this standard therefore is not a guarantee of good performance.

FSC is an international scheme that is applicable worldwide with a performance based standard that is translated to the national level. PEFC endorses national schemes and includes many elements of a system based standard.

Another important difference between FSC and PEFC is the transparency of the schemes. The FSC scheme requires certification bodies to publish reports on forest management audits and risk assessments for Controlled Wood on the internet. Under PEFC, reports are available from the certificate holder on request and risk assessments are not required to be published. FSC requires that public reports include the identified non-conformities of the certified operations. This is not mandatory in the PEFC scheme. In cases where the certificate is issued to a regional entity PEFC audit reports do not provide any details on audited forest management operations.

Based on the analysis it can be concluded that PEFC and SFI certified material does not meet the requirements for “Controlled Wood”, although they can contribute to some of them. Therefore, although PEFC and SFI certification can contribute to the compliance with FSC Controlled Wood, materials certified under these schemes can not be automatically mixed with FSC certified material without further examination of their origin and the associated risk.

This document reflects the outcome of the analysis and presents the main differences between FSC Controlled Wood and PEFC and SFI. Its conclusions can be used to support the implementation of FSC Controlled Wood by FSC certified companies and FSC accredited certification bodies. FSC will endeavor to update and extend this analysis as necessary, to include additional detail on different national PEFC schemes and reflect improvements in these systems.

2. FSC CONTROLLED WOOD

In response to industry's needs for eliminating wood from unacceptable sources until sufficient supply of FSC-certified material is available, FSC developed the "Controlled Wood" approach. The FSC Controlled Wood standard is a result of checking alternatives (e.g. legality verification, other certification schemes, etc.) and experience gained in tracking, certifying and marketing wood in over 80 countries worldwide.

The "FSC Mixed Sources" label allows manufacturing companies, printers, publishers and traders to mix FSC certified material with non-certified material. The non-certified material must comply with the FSC Controlled Wood standards to avoid:

- illegal harvesting
- violation of traditional and civil rights
- threats to High Conservation Values
- conversion from forests and other wooded ecosystems
- use of Genetically Modified Organisms

Only when the assessment is independently verified by an FSC accredited certification body can this non-certified material enter the FSC supply chain.

There are two FSC Controlled Wood standards:

- for forest management enterprises (FSC-STD-30-010), designed to help forest management enterprises demonstrating that they are not supplying "unacceptable" wood
- for company evaluation of FSC Controlled Wood (FSC-STD-40-005), designed to help FSC certified companies in the chain of custody avoid purchasing "unacceptable" wood

On-product labeling of, or promotional claims for, FSC Controlled Wood are not allowed. Forestry operations adopting FSC Controlled Wood standards can demonstrate their commitment in business-to-business communication through sales and shipping documentation only. The purpose of FSC Controlled Wood is to support the production of FSC Mixed Sources and not to create a parallel market. FSC Controlled Wood may serve as an intermediate step for forest operations that would like to achieve FSC certification within a defined period of time.

3. PEFC FOREST MANAGEMENT STANDARD AND FSC CONTROLLED WOOD

3.1 Comparison of standards

To answer the question if products of 100% certified PEFC material can be considered acceptable under the FSC Controlled Wood standard, the international PEFC standard (the Pan European Operational Level Guidelines (PEOLG)) and two PEFC-endorsed national standards – PEFC Germany and SFI from the US – were analyzed. The outcome of this analysis is presented in the table below.

The outcome of the analysis shows there is some overlap between the PEFC standards and the FSC Controlled Wood standard. However, the gaps are considerable. None of the examined PEFC standards addresses all categories avoided under FSC Controlled Wood standard. Clearly PEFC International, PEFC Germany and SFI do not meet the requirements for FSC Controlled Wood.

The outcome of the analysis also indicates that requirements set by PEFC International are not always fully integrated in the national standards. While required by PEFC International, PEFC Germany and SFI both lack provisions for the recognition of traditional rights and the SFI standard in addition does not prohibit conversion of forests to other land uses.

As the PEFC certification claim does not identify the national system / standard against which a product has been certified 100% PEFC certified material cannot be automatically considered as acceptable input into FSC products due to the difference and gaps in the national PEFC systems.

4. PEFC controversial sources and FSC Controlled Wood

FSC Controlled Wood Category	PEFC International	PEFC Germany	SFI
Illegally harvested wood	Covered	Covered	Covered
Wood harvested in violation of traditional or civil rights	Covered: traditional rights Not covered: civil rights	Covered: civil rights Not covered: traditional rights	Covered: civil rights Not covered: traditional rights
Wood harvested from forest in which high conservation values are threatened by management activities	Covered: forest areas that provide basic services of nature in critical situations Not covered: forest areas containing significant biodiversity values forest areas with or in endangered ecosystems forest areas fundamental to local communities	Covered: forest areas that provide basic services of nature in critical situations Not covered: forest areas containing significant biodiversity values forest areas with or in endangered ecosystems forest areas fundamental to local communities	Covered: forest areas that provide basic services of nature in critical situations forest areas fundamental to local communities Not covered: forest areas containing significant biodiversity values forest areas with or in endangered ecosystems
Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses	Covered	Covered	Not covered
Wood harvested from forests in which genetically modified trees are planted	Not covered	Covered	Not covered

3.2 Analysis of procedures

The reliability of a certification scheme does not only depend on the standard, it also depends on how the standard is applied. PEFC International, like FSC, requires third party (= independent) certification. PEFC Germany however deviates from this certification requirement. Certification is carried out per region, with forest owners receiving a document from PEFC Germany stating their participation in a regional scheme. The certificate can be issued on the basis of documentation and the certification process does not require evaluation of forest management against the German PEFC standard. Although the overall picture is blurred, it can be concluded that forest management under PEFC Germany does not fulfill the requirements of the international PEFC scheme.

4. PEFC CONTROVERSIAL SOURCES AND FSC CONTROLLED WOOD

4.1 Comparison of standards

The FSC and the PEFC scheme both allow the mixture of certified and uncertified timber in certified (labeled) products. Under FSC, the uncertified timber has to meet the requirements of the FSC Controlled Wood standard. The PEFC requirements for uncertified material are included in the PEFC CoC (chain of custody) standard.

To answer the question if the PEFC requirements for avoiding timber from controversial sources match the FSC Controlled Wood standard, the following analysis was made. As the PEFC Council is currently in the process of revising its standards, this analysis also includes the latest draft of the revised PEFC standard. The outcome of the analysis is presented in the table below.

FSC Controlled Wood Category	Existing PEFC CoC standard for controversial sources	Draft (July 2009) new PEFC CoC standard for controversial sources
Illegally harvested wood	Covered	Covered
Wood harvested in violation of traditional or civil rights	Not covered	Not covered
Wood harvested from forest in which high conservation values are threatened by management activities	Not covered	Not covered
Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses	Not covered	Not covered
Wood harvested from forests in which genetically modified trees are planted	Not covered	Covered

The outcome of the analysis shows that the PEFC CoC standard does not provide measures for avoidance of material that is considered unacceptable in 3 of the 5 categories of the FSC Controlled Wood standard.

Although the outcome of the revision process of the PEFC standard is not predictable, the new PEFC CoC standard may avoid genetically modified organisms as a controversial source. Genetically modified organisms however, can still be included in PEFC certified material. In consequence this could lead to the situation that on the issue of genetically modified organisms PEFC's requirements for uncertified timber would be stricter than its requirements for PEFC certified timber.

4.2 Analysis of procedures

The overall approach followed by PEFC for identifying controversial sources is similar to the process defined in the FSC Controlled Wood standard. There are differences though, and some have a considerable impact on the intensity and reliability of the evaluation systems. Contrary to PEFC, FSC for example requires stakeholder consultation and a complaints mechanism. Also, FSC does not accept other verification mechanisms and certification schemes, whereas PEFC does.

An important difference are the requirements for identifying the origin of the uncertified timber. FSC requires documented evidence. PEFC only requires a supplier declaration, which does not provide a credible and independent assurance that controversial material is avoided, as both supplier and customer have an economic interest in classifying the origin as low risk.

As a result, the FSC Controlled Wood standard is more likely to cover future legal requirements in the US and the EU. The PEFC supplier declarations may not provide sufficient evidence for the proof of legal origin.

5. ABBREVIATIONS

CAR	Corrective Action Request - equivalent to "conditions"
CB	certification body
CH	certificate holder
CoC	chain of custody
CW	Controlled Wood
FM	forest management
FSC	Forest Stewardship Council
FSC A.C.	FSC Asociacion Civil (membership organization in Mexico)
FSC IC	International Center (subsidiary of FSC A.C.)
GMO	genetically modified organisms
HCV	High Conservation Value
HCVF	High Conservation Value Forest
NGO	non-governmental organization
PEFC	Programme for the Endorsement of Forest Certification schemes
PEOCCG	Pan European Operational Level Guidelines
P&C	FSC Principles & Criteria
SFI	Sustainable Forestry Initiative

