

PROTECTING FORESTS THROUGH CERTIFICATION: THE GOOD WOOD CRUSADE

In just the time it takes to blink your eyes, an acre of forest will have disappeared from the face of the Earth.

The world already has lost nearly two-thirds of its original forest cover and what remains is disappearing at the rate of more than 1.3 acres per second—42 million acres annually. This loss, in turn, contributes to global warming and is the main reason for the extinction of many thousands of plant and animal species every year. Clearly, if we want to preserve a measure of the Earth's biodiversity and pass on to our children a living planet, we must find ways to slow this extraordinarily rapid rate of deforestation, the primary cause of which is logging.

From a conservation perspective, the best way to do this is through protection. Only six percent of the world's remaining forests are adequately protected and, to ensure their survival, this figure must be greatly increased. But placing forests under protection, in areas off limits to loggers, is only part of the answer. Given the worldwide demand for timber and other forest products that drives the \$100 billion-a-year wood,



WWF/APA Agency / I. R. Lloyd

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paper, and pulp industry, it is unrealistic to expect that enough land can be set aside to ensure the preservation of biodiversity. Fortunately, there is also another solution: **independent certification.**

WHAT IS FOREST CERTIFICATION?

Certification is a voluntary process in which an independent third party confirms that a product has been produced in accordance with specified environmental and social standards.

Applied to forestry, it involves inspection, by accredited examiners, of a timber company's operations to verify that its lands are managed according to the best practices known in forestry. If a company passes the annual inspection, which is similar to a financial audit, it is entitled to stamp its lumber with a recognized seal certifying that the wood has been harvested



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from a well-managed forest. Certification is thus a tool to encourage responsible forestry through market demand by offering consumers the option of purchasing products made from responsibly harvested wood. Its promise lies in its potential to bridge the deep divisions that have always characterized the forestry debate by uniting conservation groups, timber companies, governments, and local communities behind the drive for responsible forest management.

HOW CERTIFICATION WORKS

Certification involves a commitment by a timber company to manage its properties in ways that are environmentally and socially responsible, according to internationally accepted principles such as those set forth by the **Forest Stewardship Council**, a nonprofit, independent, non-governmental organization whose members include professional foresters, conservation groups, community leaders, and

representatives of the timber industry itself.

Founded in 1993 in Toronto and now headquartered in Oaxaca, Mexico, the FSC has been mandated by its more than 200 members to develop an internationally recognized system for responsible management of the world's forests. Representing key forest sector stakeholders in more than 40 countries, the FSC does not perform certification itself, but accredits entities that do offer such services to the timber industry.

The actual standards a timber company must meet to qualify for certification are developed on a regional basis, through a participatory process involving local stakeholders, and thus may vary slightly from country to country—or even from forest to forest. But they all must meet the FSC's 10 General Principles for responsible forest management. These guidelines include conservation of the biological diversity and ecological integrity of

forests, protection of endangered species, and respect for the rights of indigenous peoples, among other considerations.

In determining whether a forest is well managed, questions that a certifier would seek to answer would include the following:

- Is the integrity of the ecosystem being maintained?
- Are the forest products being harvested at a rate that does not exceed the levels at which they can be permanently sustained?
- Are threatened species and their habitats protected?
- Are chemicals and their wastes being disposed of off-site in an environmentally appropriate manner?
- Are all applicable laws regarding the health and safety of employees and their families being obeyed?
- Are the rights and resources of people indigenous to the harvested area being respected?

When buying a wood product stamped with the FSC logo, consumers have the assurance of knowing that the answer to these questions is yes.

Originally promoted by environmentalists and foresters concerned about conservation, certification is beginning to attract the attention and support of governments and the forest product industry. Producers in countries like Sweden, Finland, Bolivia, Indonesia, Malaysia, and the United States are now planning or participating in certification schemes.



This area has been selectively logged four times.

In the United States, the first timber company to embrace certification was **Collins Pine** of Portland, Oregon, which received certification for 93,000 acres of land in Chester, California, in 1993 (see page 4). Since then, Collins has gone on to win certification for an additional 200,000 acres of forest, including those of its subsidiary **Kane Hardwood**, in Pennsylvania, Oregon, and California. Other major U.S. suppliers of certified wood include **Seven Islands Land Company** of Bangor, Maine, **Menominee Tribal Enterprises** of Keshena, Wisconsin, **Keweenaw Land Association** of Ironwood, Michigan, the **Hardwood MacKenzie Company** of California, **Red Hills Lumber** of Thomasville, Georgia, and **Two Trees Forestry** of Coopersville, Maine.

To date, nearly 25 million acres of forest worldwide have been certified according to FSC standards, including 3.5 million acres in the United States.

Two FSC-accredited organizations currently offer certification services in the United States: **The Rain Forest Alliance Smart Wood Program** and **Scientific Certification System's Forest Conservation Program**.

Both organizations offer two types of certification: Forest management and chain-of-custody. The former applies to harvested wood and has to do with responsible forestry practices. The latter extends the certification process from the forest through the mill and all the way to the retail outlet where a finished wood product, such as a piece of furniture or window molding, is sold. Companies that do not have forest holdings, but that manufacture goods made from wood harvested from certified forests, can apply for this second (and simpler) type of certification, which entitles them to put an FSC stamp on their finished products.

BUYERS' GROUPS:

THE MARKET FOR GOOD WOOD

Although demand for certified wood is growing, it still represents only a very small share of the market. In part, this reflects the classic chicken-and-egg dilemma confronting most new ideas in the marketplace. Because the concept is relatively new and supply is still limited, consumers lack the awareness to ask for certified wood. Absent greater demand, timber companies and retailers see little commercial incentive for supplying it.

In an effort to jump-start demand, conservationists, professional foresters, and environmentally conscious suppliers and retailers have joined forces in a number of countries to create buyers' groups to push for the supply of more certified wood.

Buyers' groups now exist in Australia, Austria, Belgium, Denmark, France, Germany, Great Britain, Greece, Ireland, Japan, the Netherlands, Spain, Sweden, Switzerland, and the United States. The British buyers' group now comprises more than 70 companies, including some of the largest retailers in England, who have committed to buying all of their wood products from certified sources by the year 2000. In North America, the **Certified Forest Products Council** was established as a nonprofit, independent buyers' group in April 1997. One year later, it already has 150 members that include Colonial Crafts, Donghia Furniture, EcoTimber, Habitat for Humanity, the Loft Bed Store, and the Turner Construction Corporation.

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James E. Quinn, President and CEO of Collins Pine Company

THERE WAS A TIME in the timber industry when Jim Quinn was almost as rare a bird as the spotted owl. President and CEO of the Collins Pine Company of Portland, Oregon, Quinn was among the first in the industry to embrace forest certification. In 1993, Collins became the first timber company to be certified in the United States. Five years and many profitable contracts later, all of Collins' 300,000 acres have been certified according to FSC standards and Quinn has been named "Man of the Year," by Timber Processing, a leading industry trade magazine, which praised his "vision...of true forestland sustainability."

An interview with Quinn follows.

Q. You have been hailed by *Timber Processing* as something of a visionary—which is another way of saying that you're one of the very few industry executives who supports

certification. Why is the industry so reluctant to follow your lead?

A. I think there is still a certain amount of apprehension among corporate landowners and managers about what certification is. It's a concern about potential loss of control, of having somebody else having a say over what you're doing.

Q. Is that concern justified?

A. Not in our experience. We have just as much control over how we manage our properties as we've always had. We have not compromised that in the least. We did have to make some adjustments in forest management that increased costs slightly. But these have been offset by benefits. Overall, we have not found certification to be onerous.

Q. What have been the benefits and how have they stacked up against the costs?

A. The bottom line is that certification has been profitable for us in a couple of ways. We've been able to improve our product and our management practices.... And as to cost, I'm not sure that certification really increases it in the long run because what we spend on certification other companies spend on advertising and political contributions aimed at creating a favorable image. We get the favorable image, and a lot

of good publicity, for free. And it has even greater credibility because it's not our advertising.

Q. How do your employees feel about certification?

A. It's hard to quantify, but it's had a very positive impact on morale. There is a sense of pride and comfort that people take, which is particularly important at a time when a negative image has been created around people who work in forests. Certification has helped all our employees tell their story and say that what they're doing is honorable and creative. We find it also helps with our recruiting, because we have a story that people want to be part of.

Q. When and why did you decide to seek certification?

A. We started with 93,000 acres in Chester, California, in 1993. We already had an environmental focus and thought we were doing a pretty good job with forest management. We saw the certification movement, which originally focused on tropical forests, as a marketing opportunity. Since then, we have expanded on it because we found that certification actually helped us to improve our management practices. All our property is now fully certified. It's just like an audit, although it costs us less to "audit" our property and management practices than it does to audit our books.

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Other companies using certified wood include States Industries, a major manufacturer of panel products; Gibson Musical Instruments, whose “Les Paul Standard” line of guitars is made entirely from certified wood; and Boden Store Fixtures, which produces display fixtures made from certified wood and recycled materials.

MISCONCEPTIONS ABOUT CERTIFICATION

While certification can be an effective means of encouraging the development of more responsible forest management practices, the concept is not without its detractors, who include critics from both the environmental community and the timber industry.

Some environmentalists, who believe there should be no logging at all, see certification as a way of “green washing” the timber industry. They fear the eco-labeling concept on which certification is based will be used to undermine opposition to logging in areas where they think it should be banned altogether.

Much of the timber industry, for its part, remains highly suspicious of—and, in some quarters, downright hostile toward—inde- pendent certification.

To timber companies that practice wholesale clear-cutting and treat their forests more like spoils than living systems, certification appears threatening because it would entail significant changes in current management practices. Even companies that acknowledge the benefits of

sustainable forestry may view certification with suspicion or resentment because they fear it represents an attempt by outsiders to question their practices and regulate their industry.

In the view of WWF (and many other conservation groups), the fears on both sides are unjustified.

Like it or not, environmentalists must realize that the current—and rising—demand for wood and wood products makes it utopian in the extreme to believe that enough forests can be placed in protected area status to ensure the preservation of the Earth’s biodiversity. No more than six percent of the world’s remaining forest cover is currently protected—much of it ineffectually.

Expanding those protected areas and creating new ones is essential—but not enough in and of itself. Certification is not a panacea for the problem of deforestation, or a replacement for the creation of more protected areas. But it is a way of keeping the areas we do set aside as protected from ending up as lonely islands in a vast, flat sea of degraded lands. The choice is not between protection and certification. The choice is between protection reinforced by responsible forestry practices on the one hand, and unsustainable, unregulated logging on the other.

The timber industry, meanwhile, needs to understand what a growing number of its members already have begun to realize: The long-term benefits of certified and sustainable forestry far outweigh the immediate costs. This is as true from a business

perspective as it is from an ecological one. As a recent study by the MacArthur Foundation pointed out, the cost of producing forest products is going to rise over the next two decades, with or without sustainable management. It will rise much more sharply without it, however. This is because over the long run the only alternative to voluntary certification is more government regulation—at the country, state, and province level—which ultimately will drive costs even higher.

The immediate costs of certification are not nearly as great as some in the industry seem to fear and they can be largely offset by other benefits.



C F Martin



The Joinery

Shown here are two kinds of certified wood products.

Companies like Seven Islands Land and Collins have discovered that certification can open up new markets, both domestically and abroad, offering them a way to distinguish their products from the pack. Seven Islands has used certification to gain a strong foothold in the highly competitive hardwood flooring market and now manufactures about a million square feet of certified wood flooring a year. Collins has penetrated export markets in Europe and recently received an order to supply certified lumber for the Olympic Games in Sydney, Australia. As Jim Quinn, president and CEO of Collins, notes elsewhere in this paper, certification has also helped to create a favorable image for his company and has been invaluable to morale among his employees. As to the costs, Quinn says they're less than what some of his competitors pay to advertising agencies and political action committees to create the favorable image that Collins gets from being certified.

SECOND- VERSUS THIRD-PARTY CERTIFICATION

There are some in the industry who accept these arguments but who still resent independent certification as interference by outsiders. They feel that the industry itself is the best judge of what constitutes good management and that only the industry should have a say in setting the standards for sustainable forestry.

The advantage of third-party certification can be summed up in one word: credibility.

In 1991, a WWF survey of British retail outlets turned up 360 wood products advertised as having come from responsibly

managed forests. When challenged for proof, the manufacturers withdrew all but one of the claims. Unfortunately, the problem of bogus claims is a serious one.

Numerous marketing studies have confirmed that consumers are skeptical and tend to distrust self-serving claims even when they are true. Independent third-party certification remains the best way of validating those claims and thus is often worth more than its cost, just as a marketing tool.

But certification is about much more than marketing. It is about empowerment—about giving consumers the means to register their concern about the well-being of the planet whenever they purchase a product made of wood. It is about partnerships—about bridging a divide that for too long has put conservationists and foresters on opposite sides of an increasingly bitter debate. Most importantly, it is about posterity—about preserving for our children and grandchildren all the life, wealth, beauty, and biodiversity that forests bestow upon us. To save them, however, we must act quickly. Two-thirds of the world's original forest cover is already gone and, at current rates of deforestation, the remainder of these primary forests will be gone within the space of five or six generations.

Compared to the time they took to grow, that is just the blink of an eye.

WWF AND FOREST CONSERVATION

The world's largest conservation organization, WWF is committed to saving the Earth's remaining forests. It has been working in the field of forest conservation

for more than 35 years and currently devotes some \$40 million annually to forest projects in nearly 70 countries.

WWF's international forests campaign has two turn-of-the-century goals: to establish an ecologically representative network of protected areas covering at least 10 percent of the world's forests by the year 2000, and to help achieve the independent certification of 50 million acres of well-managed forest by 2001.

In addition, WWF and the World Bank have formed a global alliance on forest conservation and sustainable use that will seek to put 125 million additional acres of forest under strict protection and bring 500 million acres of production forests under independently certified sustainable management by the year 2005. One of the first achievements of this alliance is a pledge by Brazil to triple the amount of Amazon rain forest currently under protection by the turn of the century.

Contacts

WWF-US

1250 24th Street, NW
Washington, DC 20037
Ph: (202) 293-4800 Fax: (202) 293-9211
www.worldwildlife.org

Forest Stewardship Council (FSC)

Avenida Hidalgo 502
Oaxaca 68000, Mexico,
Ph: 011-52-951-46905 Fax: 011-52-951-62110
www.fscoax.org

FSC-US

P.O. Box 10
Waterbury, VT 05676
Ph: (802) 244-6257 Fax: (802) 244-6258
www.fscus.org

Certified Forest Products Council

14780 SW Osprey Dr. Suite 285
Beaverton, OR 97007-8424
Ph: (503) 590-6600 Fax: (503) 590-6655
www.certifiedwood.org

Scientific Certification Systems (SCS)

Park Plaza Building, 1939 Harrison St., Ste. 400
Oakland, CA 94612-3532
Ph: (510) 832-1415 Fax: (510) 832-0359
www.scs1.com

Smart Wood Program

3 Millet St., Goodwin Baker Building
Richmond, VT 05477
Ph: (802) 434-5491 Fax: (802) 434-3116
E-mail: smartwood@ra.org