



Stakeholder Forum Report

PEFC International

Dutch Timber Procurement Assessment Committee
(TPAC)

June 11, 2010

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Background documents

(provided separately on www.tpac.smk.nl)

Provided by WWF:

1. Letter from Swedish Sami people
2. final FCAG assessment
3. PEFC VS controlled wood
4. SFI-LEED Engo Foundation Submission Certification

Provided by FoE:

5. Review of PEFC adequacy in delivering ACE commitments
6. Sierra Club - Choosing a forest certification system
7. WFLC - Complaints against SFI with FTC
8. WFLC - Complaints against SFI with IRS

Introduction

The underlying document presents the contributions that have been posted on the *TPAC stakeholder forum* on PEFC International. The forum is an essential element of the assessment procedure of the Dutch *Timber Procurement Assessment Committee* (TPAC), which assesses timber certification systems on behalf of the Dutch Procurement Policy.

The forum discussion was structured along the lines of the seventeen principles of the Dutch Procurement Criteria for timber (see Box 1). The forum was open for discussion from September 8 until October 7, 2009. Post were placed on the stakeholder forum by two organisations:

- Wereld Natuur Fonds / WWF Netherlands, (WWF),
- Milieudefensie / Friends of the Earth Netherlands (FoE).

WWF provided 41 comments and four background documents on PEFC International. Most of the comments pertained to the PEFC standards and documents. FoE provided four cases on the practice of PEFC International. In addition three general comments were made.

Information about the final TPAC judgement of PEFC International can be found in the *public TPAC assessment report of PEFC International* (www.tpac.smk.nl).

Box 1 – The 17 Principles of the Dutch Procurement Criteria for Timber*)

Sustainable Forest Management (SFM)

1. Legislation and regulation
2. Interests of stakeholders
3. Health and labour conditions
4. Biodiversity
5. Regulation functions
6. Production function
7. Contribution to local economy
8. Management system
9. Management group or regional association

Chain of Custody and Logo Use (CoC)

1. Chain of Custody system
2. Chain of Custody group certification
3. Logos and Labels

Development, Application and Management of Certification Systems (DAM)

1. Standard development
2. System manager
3. Decision making bodies and appeal procedures
4. Certification bodies and procedures
5. Accreditation

*) The complete Procurement Criteria can be found at <http://www.tpac.smk.nl/nl/s517/TPAC-home/c413-Documents-TPAC>

Summary

Comments on the standard of PEFC International

WWF provided comments indicating gaps in the compliance of the standard of PEFC International with 38 TPAS criteria. For 13 criteria, TPAC shared the analysis of WWF, meaning that the Committee concluded that the PEFC requirements do not, or not fully, address the Dutch Procurement Criteria. The comments of WWF concerning the other 25 TPAS criteria did not have an effect on the score of PEFC International.

Cases

Friends of the Earth provided four cases that describe potentially unsustainable practices in PEFC certified forests. The cases pertain to the following certification systems and regions:

1. PEFC Slovakia – Low Tatras National Park
2. SFI – Washington state, United States
3. AFS – Tasmania, Australia
4. AFS - Victoria state, Australia

TPAC analysed the cases and made information requests to the respective system managers. Based on the analysis and the answers provided, the Committee concluded that the case of PEFC Slovakia did not result in adaptations to the score of PEFC International.

This conclusion could not be made concerning the cases on AFS and SFI. The cases are complex and require a more thorough analysis before the Committee can give its final reaction. TPAC therefore decided that the cases and the underlying certification systems AFS and SFI will be assessed separately. As AFS and SFI are of little relevance for the Dutch market and the Dutch Public Procurement policy, the cases have no bearing on the final judgement of PEFC, which reads that PEFC International is conforming to the Dutch Procurement Criteria for the Dutch market.

Part I

Comments on the standard of PEFC International

Matrix on Sustainable Forest Management (SFM)

Principle 1. Legislation and regulation

C1.4 The forest management unit is sufficiently protected against all forms of illegal exploitation, illegal establishment of settlements, illegal land use, illegally initiated fires, and other illegal activities.

Comment WWF

This is not required by the PEOLG and hence PEFC is in non compliance.

Relevant elements from the PEFC standard

A3 3.2 National laws, regulations, programs and policies shall be respected in forest management and certification. Certification schemes may not contradict legislation and any apparent violations of the legislation shall be taken into consideration in internal and external audits.

Score: ≈

Reaction TPAC

The observation of WWF is in line with TPAC's final judgement. PEFC scores partially addressed because the system requires compliance with national laws, but it does not explicitly require protection against illegal exploitation.

Principle 2. Interests of stakeholders

C2.1 The legal status of the management of the forest management unit and claims of the local population, including indigenous peoples, regarding the property/tenure or use rights in the forest management unit or a portion thereof have been inventoried and are respected.

Comment WWF

The PEOLG doesn't cover this aspect for the international level and hence PEFC is in non compliance. Several national PEFC schemes in countries with indigenous people doesn't or only partly complies with this, Some countries where the PEFC refers to national laws have not signed ILO 169. (NC or PC at least in Chile, Sweden, Finland, Australia)

Attachment Martin Walter FCAG assessment 2006, and ProForest report 2009

Risk: Indigenous peoples rights are not protected by PEFC Int.

Background provided by WWF

The Swedish PEFC standard does not fully address the issues relating to land tenure or land use rights of Traditional or indigenous peoples. CoC standard also does not require certificate holder to exclude timber from violation of traditional and civil rights for non-certified raw materials.

E.g. In terms of legal framework, the traditional rights of Sami are not fully

protected. Sweden has not ratified ILO Convention 169, though the rights of reindeer herding of Sami are regulated under Reindeer Husbandry Act. The Act gives the Sami the right to use land and water for their own maintenance and that of their reindeer. However, in Practice, their rights may not be sufficient covered. In May 2009, a small village has taken the State to court contesting legislation that diminishes their traditional hunting and fishing rights.

Finland:

Criterion 23 of FFCS adequately covers most issues related to violation of civil rights. However, criteria 27 and 28 of FFCS only partially address the issues of traditional rights. Existing legal requirements are not sufficient to ensure that traditional rights are not Finland has not ratified ILO Convention 169 Indigenous and Tribal Peoples. However, in principle, other regulations such as the Reindeer Husbandry Act (1990) and the 2004 regulations for Metsähallitus (the Finnish Forest and Park Service), provide relatively robust protection of the rights of especially reindeer herding Sami. However, there is some evidence that these regulations may not be fully implemented in practice. For example, it has been reported that Metsähallitus adopted its latest Natural Resource Plan without the consent of either the Sami Parliament or the reindeer herding cooperatives. In addition, PEFC CoC standard does not address issue of civil and traditional rights regarding the non-certified materials.

Appendices:

- Letter from Swedish Sami people.
- final FCAG assessment
- PEFC VS controlled wood
- SFI-LEED Engo Foundation Submission Certification

Reaction TPAC

PEFC International is an 'umbrella-system' which endorses national certification systems, such as FFCS Finland and PEFC Sweden, based on one generic standard. This implies that national systems have different but similar criteria. Consequently, in order to get a complete view of PEFC International, TPAC assessed not only the international generic standard and system but also national certification systems which are relevant for the Dutch market.

Having said that, it is correct that the PEFC generic standard as well as the national PEFC systems, have not had as strong a focus on IP rights as other certification systems have had. When TPAC assessed PEFC Sweden, for example, the Committee concluded that TPAS criterion 2.1 was only partially addressed because "several ongoing disputes between (Sami) reindeer herders and owners of PEFC-certified forests regarding use rights of the forests" indicate that "the inventorying of tenure and use rights of local population/indigenous peoples previous to the forest management is not sufficient or has not lead to acceptable conclusions."

It is therefore much welcomed that starting November 2009 all national PEFC systems are bound to implement the following new PEFC criterion:

Property rights and land tenure arrangements shall be clearly defined, documented and established for the relevant forest area. Likewise, legal, customary and traditional rights related to the forest land shall be clarified, recognised and

respected. Forest management activities shall be conducted in recognition of the established framework of legal, customary and traditional rights, which shall not be infringed upon without the free and informed consent of the holders of the rights, including the provision of compensation where applicable. Where the extent of rights is not yet resolved or is in dispute there are processes for just and fair resolution. In such cases forest managers shall, in the interim, provide meaningful opportunities for parties to be engaged in forest management decisions whilst respecting the processes and roles and responsibilities laid out in the policies and laws where the certification takes place.

(Annex 3 to TD, Basis for Certification Schemes and their implementation, 13 November 2009, Annex 3. §3.5)

The implementation shall be on top of the following criterion:

PEOLG C 6.1.b Property rights and land tenure arrangements shall be clearly defined, documented and established for the relevant forest area. Likewise, legal, customary and traditional rights related to the forest land shall be clarified, recognised and respected.

For this reason TPAC concludes that PEFC International fully addresses TPAS C1.2.

C2.2 Effective communication with and consultation and participation of stakeholders take place regarding the management of the forests.

Comment WWF

The PEOLG do not have a requirement for stakeholder consultation to be carried out by forest management and hence PEFC is in non compliance.

Note: it should be considered that this is an obligation which is directly addressed to the forest owner or forest manager and cannot be fulfilled by other bodies of the certification system.

PEFC requirement

PEOLG 6.2.a Forest management practices shall make the best use of local forest related experience and knowledge, such as of local communities, forest owners, NGOs and local people.

A3 NEW . §3.5 (...) Forest management activities shall be conducted in recognition of the established framework of legal, customary and traditional rights, which shall not be infringed upon without the free and informed consent of the holders of the rights, including the provision of compensation where applicable. Where the extent of rights is not yet resolved or is in dispute there are processes for just and fair resolution. In such cases forest managers shall, in the interim, provide meaningful opportunities for parties to be engaged in forest management decisions whilst respecting the processes and roles and responsibilities laid out in the policies and laws where the certification takes place.

Score: ≈

Reaction TPAC

The observation of WWF is in line with the final TPAC judgement: PEFC scores 'partly addressed' because consultation and participation are not mentioned in the PEFC standard.

C2.3 The local population and indigenous peoples have a say on forest management on the basis of free and informed consent, and hold the right to grant or withhold permission and, if relevant, receive compensation where their property/use rights are at stake.

Comment WWF

The PEOLG criteria do not mention compensation for local population and indigenous peoples, if relevant, where their property/use rights are at stake and hence PEFC is in non compliance... No mention of free and prior informed consent.

Risk: Conflict, disadvantaging stakeholders

New PEFC requirement

A3 NEW

§3.5 (...) Forest management activities shall be conducted in recognition of the established framework of legal, customary and traditional rights, which shall not be infringed upon without the free and informed consent of the holders of the rights, including the provision of compensation where applicable. Where the extent of rights is not yet resolved or is in dispute there are processes for just and fair resolution. In such cases forest managers shall, in the interim, provide meaningful opportunities for parties to be engaged in forest management decisions whilst respecting the processes and roles and responsibilities laid out in the policies and laws where the certification takes place.

Score: =

Reaction TPAC

It is correct that up until recently PEFC did not require free and informed consent of indigenous peoples. However, during its latest revision, PEFC has formulated a new criterion addressing this issue. Subsequently, TPAC concludes that TPAS criterion 2.3 is fully addressed.

C2.4 The forest management plan and accompanying maps, relevant monitoring results and information about the forest management measures to be applied are publicly available, except for strictly confidential business information.

Comment WWF

The PEOLG do not require publication of management plans or parts of it and hence PEFC is in non compliance...

New PEFC requirement

Annex 3 to TD, Basis for Certification Schemes and their implementation, 13 November 2009, Annex 3.

§3.5

... A summary of the forest management plan or its equivalent, which contains information about the forest management measures to be applied, is publicly available, except for confidential business and personal information.

Score: ≈

Reaction TPAC

It is correct that up until recently PEFC did not require the publication of management plans etc. However, during its latest revision, PEFC has formulated a new criterion addressing this issue. As a result, TPAC has concludes that TPAS criterion 2.4 is partially addressed as maps and monitoring results are not specifically mentioned.

C2.5 Adequate mechanisms are in place for resolving disputes regarding forest management, property/usage rights, work conditions, or social services.

Comment WWF

The PEOLG do not require forest managers or owners to have dispute resolution mechanisms and hence PEFC is in non compliance... Certification is not excluded in cases of conflicts.

Relevant elements from the PEFC standard

ISO/IEC Guide 65, Chapter 7

7.1 Appeals, complaints and disputes brought before the certification body by suppliers or other parties shall be subject to the procedures of the certification body.

ISO/IEC Guide 65, Chapter 15

The certification body shall require the supplier of certified products to

- keep a record of all complaints known to the supplier,...
- take appropriate action with respect to such complaints and any deficiencies found in products or services that affect compliance with the requirements of certification.
- Documents the actions taken.

GL 7/2007, 2. Scope

This guideline details procedures for complaints and appeals to the PEFC council which concerns decisions and or activities of the PEFC council or its members. Complaints and appeals relating to the decisions and activities of a certified entity; an accredited certification body or an accreditation body shall be dealt with by the complaints and appeals procedures of the relevant accredited certification body; accreditation body; or International Accreditation Forum

Score: =

Reaction TPAC

PEFC addresses this criterion for the greater part through the requirements of ISO 65 and GL7/2007. In addition, TPAC assumes that mechanisms for dispute resolution concerning work conditions and social services are addressed through prevailing national legislation.

Principle 3. Health and labour conditions

C3.1 The forest manager must take adequate health and safety measures, at least in compliance with relevant legislation and in accordance with ILO conventions, in order to protect the personnel, including contractors and their employees and, where appropriate, the local and indigenous population.

Comment WWF

ILO 155 and 161 not required in PEOLG or PEFC Technical Document...

Relevant elements from the PEFC standard

PEOLG C6.2.b PEFC Council Technical Document, 4.6

PEOLG C 6.2.b Working conditions shall be safe, and guidance and training in safe working practice shall be provided.

TD 4.6 The fundamental Conventions of the ILO, (outlined below) as amended, whether ratified or not, shall be respected in the implementation of SFM.

The fundamental Conventions of the ILO, (outlined below) as amended, whether ratified or not, shall be respected in the implementation of SFM.

The fundamental ILO Conventions(3) are as follows:

No 29: Forced Labour, 1930

No 87: Freedom of Associations and Protection of the Right to Organise, 1948

No 98: Right to Organise and Collective Bargaining, 1949

No 100: Equal Remuneration. 1951

No 105: Abolition of Forced Labour, 1957

No 111: Discrimination (Employment and Occupation), 1958

No 138: Minimum Age for Admission to Employment, 1973

No. 182: Worst Forms of Child Labour, 1999

(...)

The ILO Code of Practice on Safety and Health in Forestry Work is recognised as a helpful document, which should be considered when developing national and regional certification criteria.

Score: =

Reaction TPAC

Although PEFC does not specifically refer to the ILO conventions 155 (occupational safety and health) and 161 (occupational health services), it does refer to the ILO Code of Practice on Safety and Health in Forestry Work. For this reason TPAC concludes that TPAS criterion 3.1 is fully addressed.

Principle 4. Biodiversity

C4.1 Objects of high ecological value and representative areas of forest types that occur within the forest management unit are identified, inventoried and protected.

Comment WWF

The PEOLG speaks of mapping protected, rare, sensitive or representative forest areas, but not of protection. PEFC therefore has no explicit requirements for the

maintenance of critical forest areas and natural critical habitats. The PEOLG do not require that 5% of the area has to be protected. This means that it is left to the national PEFCs and national legal regulations to determine these requirements. PEOLG does mention protection of water sources, wetlands etc but that is not inclusive of the areas indicated under TPAC. National regulations are often weak and governments often have inadequate resources to enforce regulations.

Risk: Loss of high ecological value areas.

Relevant elements from the PEFC standard

PEOLG 4.2.i Special key biotopes in the forest such as water sources, wetlands, rocky outcrops and ravines shall be protected or, where appropriate, restored when damaged by forest practices.

PEOLG 4.1.a Forest management planning shall aim to maintain, conserve and enhance biodiversity on ecosystem, species and genetic level and, where appropriate, diversity at landscape level.

PEOLG 4.1.b Forest management planning and terrestrial inventory and mapping of forest resources shall include ecologically important forest biotopes....

PEOLG 4.2.c Forest management practices should, where appropriate, promote a diversity of both horizontal and vertical structures such as uneven-aged stands and the diversity of species such as mixed stands.

Score: =

Reaction TPAC

PEOLG requires that special key biotopes such as water sources, wetlands, rocky outcrops and ravines are protected and that forest management planning aims to maintain, conserve and enhance biodiversity on ecosystem, species and genetic level. In the view of TPAC this fully addresses the TPAS criterion 4.1. Please note that the 5% protection of representative areas is meant as guidance and not a separate criterion.

C4.2 Protected and endangered plant and animal species are not exploited for commercial purposes. Where necessary, measures have been taken for their protection and, where relevant, increase of their population.

Comment WWF

There is no mention of taking measures to protect and where relevant increase of populations of protected en endangered animal and plant species. The PEOLG do not require to exclude endangered plant and animal species from commercial exploitation or to protect these species. They only refer to infrastructure as a potential threat but not to other forest management practises.

Risk: Logging operations can further threaten endangered species and their habitats.

Relevant elements from the PEFC standard

PEOLG 4.1.b Forest management planning and terrestrial inventory and mapping of forest resources shall include ecologically important forest biotopes, taking into account protected, rare, sensitive or representative forest ecosystems such as riparian areas and wetland biotopes, areas containing endemic species and habitats of threatened species, as defined in recognised reference lists, as well as endangered or protected genetic in situ resources.

PEOLG 4.2.eWherever possible, practical measures shall be taken to improve or maintain biological diversity.

Score: ≈

Reaction TPAC

The observation of WWF is in line with the final TPAC judgement. PEFC scores 'partially addressed' for TPAS criterion 4.2 because the standard requires the protection of ecosystems and habitats but fails to mention the protection of species themselves.

C4.3 Conversion of forests in the FMU to other types of land use, including timber plantations, shall not occur unless in justified exceptional circumstances.

Comment WWF

The PEOLG lack a requirement avoiding conversion of critical natural habitats or critical forest areas during the establishment of plantations. This means that valuable forest can be converted to plantation without the urgent needs as prescribed by TPAC, a clear non-conformity with TPAC rules.

Risk: Conversion of pristine forest into plantations

Relevant elements from the PEFC standard

PEOLG 1.1.a Forest management planning should aim to maintain or increase forest and other wooded area, and enhance the quality of the economic, ecological, cultural and social values of forest resources,...

PEOLG 1.2 a Forest management practices should safeguard the quantity and quality of the forest resources in the medium and long term...

PEOLG 1.2 c Conversion of abandoned agricultural and treeless land into forest land should be taken into consideration, whenever it can add economic, ecological, social and/or cultural value.

Score: ≈

Reaction TPAC

The observation of WWF is in line with the final TPAC judgement: conversion of forest land into timber plantations or other land uses is indeed not explicitly mentioned by PEFC. However, it is required that Forest management planning should aim to maintain or increase forest and other wooded area. The Committee therefore concludes that the criterion is 'partially addressed'.

C4.4 In case of plantations native species are preferred and a relevant proportion of the plantation shall be allowed to regenerate to natural forest.

Comment WWF

The PEOLG do not require that a proportion of a plantation should be managed in a way which allows to restore the natural forest and hence PEFC is in non compliance.

Relevant elements from the PEFC standard

PEOLG 4.2.b For reforestation and afforestation, origins of native species and local provenances that are well adapted to site conditions shall be preferred, where appropriate. Only those introduced species, provenances or varieties shall be used whose impacts on the ecosystem and on the genetic integrity of native species and local provenances have been evaluated, and if negative impacts can be avoided or minimised.

Score: ≈

Reaction TPAC

PEFC does require the use of native species in case of plantations. However, there is no mention that a relevant proportion of a plantation shall be allowed to regenerate to natural forest. In this sense the comment of WWF is in line with the final judgement of TPAC and the committee concludes that TPAS criterion 4.4 is partially addressed.

C4.5 Plantations shall not be established through the conversion of valuable natural forests after 1997.

Comment WWF

The establishment of plantations is not excluded in the PEOLG and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

none

Score: ≠

Reaction TPAC

The observation of WWF is in line with the final judgement of TPAC. PEFC International does not have relevant criteria on this topic and thus criterion 4.5 is 'inadequately addressed'.

C4.6 The exploitation of non-timber forest products, including hunting and fishing, are regulated, monitored and controlled. Insofar as relevant, knowledge of the local population, indigenous peoples, and locally active environmental organisations is utilised in monitoring commercial exploitation.

Comment WWF

The PEOLG do not mention hunting and fishing being monitored and controlled and hence PEFC is in non compliance. The PEOLG do not require that knowledge of stakeholders is considered for monitoring the use of these resources.

Risk: In some areas there is also a risk for uncontrolled poaching and harvesting of endangered non-timber forest products in the concessions

Relevant elements from the PEFC standard

G 3.2.c Harvesting levels of both wood and non-wood forest products shall not exceed a rate that can be sustained in the long term, and optimum use shall be made of the harvested forest products, with due regard to nutrient offtake.

PG 4.2.g With due regard to management objectives, measures shall be taken to balance the pressure of animal populations and grazing on forest regeneration and growth as well as on biodiversity.

PG 1.1.d. Monitoring of the forest resources and evaluation of their management should be periodically performed, and their results should be fed back into the planning process.

PG 6.2.a Forest management practices should make the best use of local forest related experience and knowledge, such as of local communities, forest owners, NGOs and local people.

Score: =

Reaction TPAC

Although hunting and fishing is not specifically mentioned, the PEFC criteria do require that forest resources are monitored. This includes non-timber forest products and hunting and fishing. TPAC therefore concludes that the criterion is 'fully addressed'.

C4.7 Genetically modified organisms are not used.

Comment WWF

The PEOLG has no provision to ban the use of GMOs and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

PG 4.2.b For reforestation and afforestation, origins of native species and local provenances that are well adapted to site conditions shall be preferred, where appropriate. Only those introduced species, provenances or varieties shall be used whose impacts on the ecosystem and on the genetic integrity of native species and local provenances have been evaluated, and if negative impacts can be avoided or minimised.

PEFC Council General Assembly resolution on GMO (2005): The information currently available, including a universally agreed scientific definition of GMOs, is insufficient to provide the basis for a decision for or against GMOs. As a result of this the General Assembly agrees that:

The PEFC Council should not, at this stage, make a declaration either for or against the use of GMOs in forestry at a global level.

As the PEFC Council has not yet made a decision on GMOs, it cannot, at this stage, consider GMOs as part of its certified material.

Score: =

Reaction TPAC

The observation of WWF is correct: PEFC International does not explicitly prohibit GMOs in its standard. However, the PEFC General Assembly decided in 2005 that GMOs cannot be considered as part of PEFC certified material. This General Assembly decision has been communicated to all CBs. TPAC therefore considers the criterion to be 'fully addressed'.

Principle 5. Regulation functions

C5.1 The soil quality of the forest management unit is maintained and, where necessary, improved, whereby special attention is given to shores, riverbanks, erosion-prone parts and slopes.

Comment WWF

Maximum altitude and maximum gradient are not defined in the PEOLG and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

.. PG 5.1.a Forest management planning shall aim to maintain and enhance protective functions of forests for society, such as protection of infrastructure, protection from soil erosion, protection of water resources and from adverse impacts of water such as floods or avalanches.

PG 5.1.b Areas that fulfil specific and recognised protective functions for society shall be registered and mapped, and forest management plans or their equivalents shall take full account of these areas.

Score: =

Reaction TPAC

The PEFC criteria fully addresses TPAC criterion 5.1, which reads: "The soil quality of the forest management unit is maintained and, where necessary, improved, whereby special attention is given to shores, riverbanks, erosion-prone parts and slopes." Please note that maximum altitude and maximum gradient are a guidance and not a separate criterion.

C5.3 Important ecological cycles, including carbon and nutrient cycles, which occur in the forest management unit, are at least maintained.

Comment WWF

The maintenance of carbon and nutrient cycles is not a requirement in the PEOLG and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

PG CRITERION 1. Maintenance and appropriate enhancement of forest resources and their contribution to global carbon cycles.

PG 1.2.a Forest management practices shall safeguard the quantity and quality of

the forest resources in the medium and long term ...

PG 3.2 c Harvesting levels of both wood and non-wood forest products shall not exceed a rate that can be sustained in the long term, and optimum use shall be made of the harvested forest products, with due regard to nutrient offtake.

Score: =

Reaction TPAC

TPAC agrees with the observation of WWF that carbon and nutrient cycles are not explicitly mentioned. However, TPAC regards criterion 5.3 to be met through the PEOLG requirement: "Maintenance and appropriate enhancement of forest resources and their contribution to global carbon cycles." Nutrient cycles are not explicitly mentioned but are implicitly taken care of through CRITERION 1, PEOLG 1.2.a en 3.2.c.

C5.5 Initiating of forest fires is only permitted if that is necessary for the achievement of the management goals of the forest management unit and adequate safety measures are taken.

Comment WWF

Not covered by PEOLG and hence PEFC is in non compliance.

Relevant elements from the PEFC standard

none

Score: ≠

Reaction TPAC

The observation of WWF is in line with the final judgement of TPAC. PEFC International does not have relevant criteria or indicators on this topic and scores 'inadequately addressed' consequently.

C5.7 The use of chemicals is only permitted if maximum use of ecological processes and sustainable alternatives proves insufficient. The use of class 1A and 1B pesticides, as drafted by the World Health Organisation, and of chlorinated hydrocarbons is not permitted.

Comment WWF

PEOLG (2.2. c) merely states that 'The use of pesticides and herbicides should be minimized, taking into account appropriate silvicultural alternatives and other biological measures.' while TPAC explicitly forbids the use of several ecologically harmful chemicals and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

PG 2.2.c The use of pesticides and herbicides shall be minimised, taking into account appropriate silvicultural alternatives and other biological measures.
PG 5.2.b Inappropriate use of chemicals or other harmful substances or inappropriate silvicultural practices influencing water quality in a harmful way shall be avoided.

Score: =

Reaction TPAC

Although class 1A and 1B pesticides are not specifically mentioned, the essence of C5.7 is fully covered: PEOLG requires that the use of pesticides and herbicides shall be minimised, taking into account appropriate silvicultural alternatives and other biological measures.

Principle 7. Contribution to local economy

C7.2 Insofar as not provided for otherwise, a contribution is made to the development of local physical infrastructure and of social services and programmes for the local population, including indigenous peoples. This contribution is made in agreement with the local population.

Comment WWF

Not covered by PEOLG and hence PEFC is in non compliance.

Relevant elements from the PEFC standard

PG 6.1.a Forest management planning should aim to respect the multiple functions of forests to society, have due regard to the role of forestry in rural development, and especially consider new opportunities for employment in connection with the socio-economic functions of forests.

Score: ≈

Reaction TPAC

The PEFC requirements are less specific than the TPAS criteria which demand that "a contribution is made to the development of local physical infrastructure and of social services and programmes for the local population". For this reason the Committee has concluded that PEFC scores 'partially addressed'.

Principle 8. Management system

C8.1 Forest management aims to achieve the goals formulated in the forest management plan and comprises the cycle of inventory and analysis, planning, implementation, monitoring, evaluation, and improvement.

Comment WWF

The PEOLG do have a large number of provisions for forest management planning but do not require that planned activities are in fact implemented and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

A3 3.5 The national certification criteria shall: include management and performance requirements that are applicable at the level of a forest management unit and optionally also at multisite (i.e. group and regional) level.

PG 1.1.b Inventory and mapping of forest resources shall be established and maintained, adequate to the local and national conditions, and in correspondence with the topics described in these Guidelines.

PG 1.1.d Monitoring of the forest resources and evaluation of their management should be periodically performed, and their results should be fed back into the planning process.

Score: =

Reaction TPAC

TPAC holds the opinion that a specific reference to implementation is in this context not necessary. PEOLG requires amongst others that evaluation of the management of forest resources is periodically performed, and that their results are fed back into the planning process. This implies implementation.

C8.2

There is a forest management plan, consisting of, or dealing with at least:

1. a description of the current condition of the forest management unit
2. long-term objectives
3. the average annual allowable cut per forest type, and, if relevant, the annually allowable exploitation of non-timber forest products, based on reliable and current data
4. budget for the implementation of the forest management plan.

Comment WWF

The PEOLG do not require that the management plan includes a realistic budget and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

PG 1.1 a Forest management planning shall aim to maintain or increase forest and other wooded area, and enhance the quality of the economic, ecological, cultural and social values of forest resources, including soil and water.

PG 1.1.c Management plans or their equivalents, appropriate to the size and use of the forest area, shall be elaborated and periodically updated. They shall be based on legislation as well as existing land use plans, and adequately cover the forest resources.

PG 1.1.b Inventory and mapping of forest resources shall be established and maintained, adequate to the local and national conditions, and in correspondence with the topics described in these Guidelines.

PG 3.1.b Forest management planning should aim to achieve sound economic performance taking into account possibilities for new markets and economic activities in connection with all relevant goods and services of forests.

Score: ≈

Reaction TPAC

The PEFC requirements are indeed less detailed than the TPAC requirements: a budget or annual allowable cut are not specifically required. For this reason TPAC concludes that criterion 8.2 is 'partially addressed'. It should be noted however that PEFC does require "sound economic performance" which is expected to imply sufficient means to implement the management plan.

C8.5 Forest management is based on scientific research and, if needed, information on comparable forests types.

Comment WWF

Not covered by PEOLG and hence PEFC is in non compliance.

Relevant elements from the PEFC standard

PG 6.2.a Forest management practices shall make the best use of local forest related experience and knowledge, such as of local communities, forest owners, NGOs and local people.

Score: =

Reaction TPAC

It is correct that PEFC does not mention scientific research *explicitly*. However, 'local forest related experience and knowledge' is considered to include scientific research. Therefore the final score of PEFC is 'fully addressed'.

C8.6 Forests are managed by professional staff and forest workers. Adequate periodic training secures the level of skills, including knowledge of relevant laws and treaties.

Comment WWF

Not covered by PEOLG and hence PEFC is in non compliance.

Relevant elements from the PEFC standard

PG 6.1.e Forest managers, contractors, employees and forest owners shall be provided with sufficient information and encouraged to keep up to date through continuous training in relation to sustainable forest management.

Score: =

Reaction TPAC

The formulation of PEFC '*encourage to be trained*' is weaker than actually be trained (TPAC criterion). The implication of this criterion is however considered to be similar, hence, PEFC International scores 'fully addressed'.

Principle 9. Management group or regional association

C9.2 The management system of a group or regional association offers sufficient guarantee to fulfil criterion 9.3.

Comment WWF

PEFC International does not have specific rules for the management capacity or management system of the independent regional entity.

Relevant elements from the PEFC standard

A3 4.1.a/b The applicant is responsible: to assure the compliance of all participants with the certification requirements,... to implement rules for regional/group certification.

A3 4.1.a/b The forest certification scheme shall define the authorities and responsibilities of the applicant and participating forest owners/managers including the procedures for (1) inclusion of new participants and informing the relevant certification body thereof, (2) internal control of conformity and follow up corrective and preventive measures.

Score =

Reaction TPAC

One of the requirements of PEFC International is that "procedures for internal control of conformity and follow up corrective and preventive measures" are defined and that "the applicant is responsible to assure the compliance of all participants". TPAC therefore concludes that the criterion is 'fully addressed' by PEFC.

Matrix on the Chain of Custody (CoC)

Principle 1. Chain of Custody system

C1.1 Each individual organisation in the CoC possesses an operational CoC system.

Comment WWF

- 1.** Note on TPAC criterion: If or if not all organisations have an appropriate CoC system is normally verified through certification but TPAC does not require that all participants in the Chain of custody are certified against the relevant CoC standard.
- 2.** In PEFC regional certification forest owners do not hold chain of custody certificates issued by accredited certification bodies, i.e., that at this level certified and uncertified timber can easily be mixed.
- 3.** PEFC does not specify the qualification of the auditors in the PEFC standard and does not specify the frequency of the audit program. Under PEFC the suppliers in the whole supply chain have to be included in the sample of the verification program i.e. that only a fraction of the controlled companies are forest companies. Their number depends to a large extent on the depth and complexity of the supply chain. Therefore it is possible that the assessment misses suppliers without a certified CoC.

Risk: Suppliers without a CoC enter the system

Relevant elements from the PEFC standard

A4 2.2.2 The organisation shall require documentation from all suppliers of the certified raw material, which proves that the criteria set for the supplier of the

certified raw material have been met.

A4 2.4.1 At the point of sale or transfer of the certified products to another entity, the organisation shall provide the customer with a document verifying compliance with the chain of custody requirements.

Score: =

Response TPAC

TPAC judged that PEFC International fully addresses this criterion, because the combination of the PEFC requirements 2.2.1 and 2.4.1 in Annex 4 imply that each individual organisation in the CoC shall have an operation CoC system. The answers to the specific comments of WWF are answered hereafter:

1. Please note that the Procurement Criteria are intended for the assessment of certification systems, not individual "chains", the Procurement Criteria therefore include requirements for the quality of the chain of custody without specifying details.
2. PEFC requires that all entities that sell/supply a product using a PEFC claim are CoC certified (Technical Document §7.1). The holder of the group certificate (an entity which might not own any forest itself) is thus not required to have a CoC certificate as long as the entity operating in the forest and trading the timber is CoC certified.
3. The audit size used by PEFC is in line with ISO Guide 65 and is therefore considered adequate. (Note: This is reflected by the score of DAM C4.3: In case of group or regional certification an adequate sample of group members must be audited.)

C1.2 The management system of each organisation in the CoC provides sufficient guarantees that the requirements of the CoC standard are being met.

Comment WWF

See C1.1. At the level of forest management requirements for management systems are not applicable or are not enforced through certification. Under PEFC it is the responsibility of the supplier to declare that the material does not originate from a controversial source and it is up to the supplier to inform the certificate holder about the origin of the delivered material. As the origin of a product with a PEFC claim cannot be related to an individual PEFC scheme it is not sure if in all instances certification covers the compliance with PEFC standards for the forest management unit.

Risk: Timber from illegal or controversial sources enters the system.

Summary comment of WWF

1. Forest management requirements of PEFC are not enforced through certification.
2. Secondly, the origin of a PEFC product cannot be related to an individual PEFC scheme.

PEFC requirement

A4 1.1 An organisation's quality (ISO 9001:2000) or environmental management system (ISO 14001:1996) can be used to meet the minimum requirements for the management system defined in section 4 of this standard....

A4 1 The organisation shall operate a management system in accordance with the following elements of this standard, which ensure correct implementation, and maintenance of the chain of custody process:

- 4.2 Management responsibilities.....,
- 4.3 Documented procedures.....,
- 4.4 Record keeping.....,
- 4.5 Resource management.....,
- 4.6 Inspection and control.....,

Score: =

Reaction TPAC

1. TPAC regards the requirements as laid down in PEFC Annex 4 sufficient to ensure that PEFC labelled products are sourced from PEFC certified forests. The comment on controversial sources is dealt with under TPAS criterion 1.4.
2. It is correct that a PEFC certified product can in most cases not be related to an individual PEFC scheme. Please note that the same holds true for other certification systems. This in itself is no predicament for the Dutch Procurement policy.

C1.3 Each individual organisation in the CoC registers quantities and the names and certificate numbers of the organisations from which it purchases timber and to which it sells timber.

Comment WWF

See C1.1, there is no requirement to register certificate numbers of the organisation to which timber is sold.

Relevant elements from the PEFC standard

A4 4.4.1The organisation shall keep at least the following records:
records of all suppliers of forest based raw material including information which confirms that the requirements at the supplier level are met,
records of all purchased forest based raw material including information on its origin,
records of all forest based products sold and their claimed origin,
records of internal audits, non-conformities which occurred and corrective actions taken.

Score: =

Reaction TPAC

PEFC requires that records are kept of all forest based products purchased and sold and their claimed origin. TPAC considers this to imply record keeping of certificate numbers.

C1.4 If the system allows for mixing of SFM-certified and non-SFM-certified material, the non-SFM certified material is covered by a verifiable system to ensure that it is from non-disputed, at least legal sources. This applies to new-, including pre-consumer recycled material, and post-consumer recycled material.

Comment WWF

PEFC's definition of controversial sources is limited to 'illegal or unauthorized harvesting'. This means that PEFC does not attempt to exclude wood harvested in violation of traditional or civil rights, wood harvested from forest in which high conservation values are threatened by management activities, wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses or wood from forests in which genetically modified trees are planted. All of these surely are disputed sources. In the PEFC system verification mechanisms for controversial sources are triggered when the supplier declares an area of origin which is then considered high risk after the risk assessment. No mechanism exists for control of this declaration. It is the responsibility of the supplier to declare that the material does not originate from a controversial source and it is up to the supplier to inform the certificate holder about the origin of the delivered material. As the risk assessment is not carried out independently and companies may have a genuine interest to avoid the cumbersome obligations for evaluation of high or unspecified risk sources the verification of the findings is an important element. As both partners, the supplier and its client, have an economic interest classifying supplies as low risk. PEFC also accepts other conformity assessment schemes and verification mechanisms as low risk sources.

Risk: Timber from controversial sources enters the system.

Summary of the comment of WWF:

1. PEFC's definition of controversial sources is limited to 'illegal or unauthorized harvesting', timber harvested in violation with traditional or civil rights, high-conservation value forests, conversion, GMO organisms are not excluded.
2. There is no independent control mechanisms to check if sources are controversial in a situation where both sides, supplier and client, have economical interest in labelling the timber as not-controversial.

Relevant elements from the PEFC standard

A4 Definitions 1.3.4 Controversial sources

Illegal or unauthorised harvesting.

Ap7 2.1 The organisation shall require from all suppliers of forest based products, which do not include raw material classified as certified raw material, a signed self-declaration that the supplied raw material does not originate from a controversial source.

Ap7 3.1 The organisation shall carry out the risk assessment of procuring raw material from controversial sources for all supplies of forest based products which do not include raw material classified as certified raw material.

A4 3.6.3 The organisation shall evaluate the potential risk of procuring raw material from controversial sources and establish a sampling based programme of second or third party verification of the suppliers self-declarations if a high risk

exists that raw material originates from controversial sources.

Score: =

Reaction TPAC

The Committee agrees that the PEFC definition of controversial is rather narrow. However, the TPAS requirement is "at least legal", this requirement is met.

Principle 2. Chain of Custody group certification

C2.2 Comment WWF

Intermediary organizations between forest management operations and certification bodies can be certified. In these situations the certificate is not issued to the forest management unit but to the intermediate organization for its management system. However, the certificate holder has no control over the forest management or monitoring unit at the FMU level. In the case of PEFC Germany compliance with the forest management standard is not covered by the certificate issued to a regional entity.

Risk: Timber from non-controlled sources can enter the system.

Summary of the comment of WWF

Non-controlled sources can enter the system, because the certified organization does not conduct the forest management.

Relevant elements from the PEFC standard

Ap4 Function and responsibilities:

The central office ... shall:

- a. provide a commitment on behalf of the whole multisite organisation to establish and maintain a chain of custody in accordance with the requirements of this standard,
- b. provide all the sites with information and guidance
- c. provide organisational or contractual connection with all sites covered by the multi-site organisation including commitments by the sites to implement and maintain the chain of custody in accordance with this standard.
- e. operate an internal audit programme, and audit all the relevant sites (including its own central administration function)
- f. operate a review of the conformity of sites based on results of internal audits; establish corrective and preventive measures if required and evaluate the effectiveness of corrective actions taken.

Score: =

Reaction TPAC

Please note that the essence of group (or regional) certification is that the certificate is not issued to the forest management unit but to a group manager. To ensure that all SFM and/or CoC requirements are met on the level of the FMU, the group manager has to have a management system and procedures in place. TPAC considers the PEFC procedures sufficient to ensure this compliance at FMU level; consequently, PEFC International scores 'fully addressed'.

Matrix on Development, Application and Management (DAM) of Certification systems

Principle 1. Standard development

C1.1 The development process of the standard fulfils the requirements established in the ISEAL 'Code of Good Practice for Setting Social and Environmental Standards', the ISO Guide 59 'Code of Good Practice for Standardisation' or equivalent requirements. The development process and application of the standard at least fulfil the following criteria: 1.2. through 1.10.; 2.1. and 2.2.; 3.3. through 3.6. of this assessment table.

Comment WWF

1. PEFC International is not a member of ISEAL what would guarantee conformity with these rules. Moreover, PEFC International is not a standardisation organisation endorsed by ISO, i.e. that compliance with ISO Guide 59 is not ensured by ISO related monitoring mechanisms.

In the absence of endorsement mechanism compliance with this TPAC criterion can only be verified through evaluation of PEFC International against the referenced documents.

2. The PEOLG as the core standard of the system were developed in a government led process by the European forest ministers. By definition, this process cannot conform to the ISEAL Code or ISO Guide 59.

Relevant elements from the PEFC standard

TD 5Requirements for standard setting procedures are based on ISO Guide 59 and are listed in *Annex 2 (Rules for Standard Setting)*.

Score: =

Reaction TPAC

1. TPAS requires that the standard development process fulfils the requirements established by ISEAL, ISO Guide 59 or equivalent requirements. A membership of ISEAL is not required. Please note that there is no ISO endorsement procedure and that the PEFC technical document states that standard setting procedures are based on ISO 59 thereby meeting DAM C1.1.
2. It is correct that the PEOLG has been developed by European Forest ministers. However, please note that PEOLG in itself is not "the standard" upon which national PEFC systems are endorsed. The PEFC minimum requirements checklist is to be regarded as "the standard", this checklist includes PEOLG requirements, but also other requirements. The checklist is established under auspices of the Standard Setting Forum. The standard setting procedures meet ISO 59 (TD §5).

Note: WWF repeated the second argument in relation to TPAC DAM criteria 1.1, 1.2, 1.3, 1.4, 1.5, 1.6 and 1.7. TPAC concluded for the same reason that these criteria are not affected by this observation: the checklist which refers to the PEOLG is established under auspices of the Standard Setting Forum which meets ISO Guide 59.

C1.2 The standard development body comprises the relevant interested groups that serve the economic, social and environmental interests without undue dominance of one interest.

Comment WWF

1. The PEOLG were developed by European governments. Thus, no process is defined which would allow the involvement of interest groups and hence PEFC is in non compliance.
2. As for other standards the decision making process in international PEFC bodies is dominated by the national PEFC working groups. These are often composed of forest owners associations and other industry representatives who together have the majority of voting rights so that economic interests have a dominating role in the decision making processes, e.g. PEFC Germany and PEFC Austria. This means that PEFC does not have safeguards to ensure that 'The decision-making and advisory bodies comprise the relevant interested groups without undue dominance of one interest', as is the case in PEFC Germany and PEFC Austria, clearly in breach with the TPAC criterion. The PEFC governance structures at international level allow for the invitation of external parties for General Assembly meetings but their participation is limited to an observer status without influence on decisions. Full membership in the international governing bodies is granted to national schemes which are represented by nominated delegates in the General Assembly and the Governing Board. This does not guarantee that the standard development body comprises the relevant interest groups. The new PEFC Stakeholder Forum will, in the best scenario, create a broader interest base for the decision-making process. However, it will fall far short of guaranteeing a process which elicits balanced decisions. The Stakeholder Forum will as a collective have a maximum of one-third of the votes in the PEFC General Assembly (note TPAC secretariat: Forum has voting right at Board of Directors). However the situation remains that there are no mechanisms to ensure that decisions are not dominated by a single interest group.

Risk: Dominance by single interest group

Summary of the WWF comment

1. The PEOLG were developed by European governments. Thus, no process is defined which allows the involvement of interest groups.
2. Economic interests dominate standard setting at national level.

Relevant elements from the PEFC standard

A2 3.4.1 Forum for Standard Setting

The process of development of certification criteria shall be initiated by national forest owners' organisations (...). All relevant interested parties will be invited to participate in this process.

A Forum (...) shall be created to which interested parties are invited to participate in the process. The invited parties should represent the different aspects of sustainable forest management and include, e.g. forest owners, forest industry, environmental and social non-governmental organisations, trade unions, retailers and other relevant organisations at national or sub-national level.

Participation in the Forum shall be organised according to its respective consensus – building procedures which should provide for balanced representation of interest categories such as producers, buyers, consumers, etc.

(...)

Formal approval of standards shall be based on evidence of consensus.

GL 5/2006

No single concerned interest shall be allowed to dominate the process.

Score: ≈

Reaction TPAC

The first comment was already answered under DAM C1.1

Although PEFC specifies that parties including environmental and social non-governmental organisations shall be invited to the standard setting body, in practice the social and/or environmental interests are weakly represented in several of the national standard development bodies. For this reason the Committee concludes that the criterion is partially addressed.

C1.10 The standard contains both process and performance criteria and consists, where appropriate, of measurable, unambiguous parameters with guidelines for interpretation.

Comment WWF

The PEOLG do not include guidance on interpretation or measurable parameters and hence PEFC is in non compliance...

Relevant elements from the PEFC standard

A3 3.5 Certification criteria shall be auditable and express clearly the objectives for forest management that can be verified unambiguously by different auditors.

The national certification criteria shall:

Include management and performance requirements that are applicable at the level of a forest management unit and optionally also at multi-site (i.e. group and regional) level.

Score: =

Reaction TPAC

TPAC holds the opinion that A3 3.5 of the PEFC International standard fully addresses DAM criterion 1.10.

Principle 3. Decision making

C3.1 The decision-making and advisory bodies comprise the relevant interested groups without undue dominance of one interest.

Comment WWF

Key decision making bodies as the General Assembly and the Board of Directors are composed of a majority of members representing economic interests. It is clear that relevant NGOs stay absent from these bodies due to unfair voting procedures. The PEFC governance structures at international level allow for the invitation of

external parties for General Assembly meetings but their participation is limited to an observer status without influence on decisions. Full membership in the international governing bodies is granted to national schemes which are represented by nominated delegates in the General Assembly and the Governing Board. This does not guarantee that the standard development body comprises the relevant interest groups. The new PEFC Stakeholder Forum will, in the best scenario, create a broader interest base for the decision-making process. However, it will fall far short of guaranteeing a process which elicits balanced decisions. The Stakeholder Forum will as a collective have a maximum of one-third of the votes in the PEFC General Assembly. However the situation remains that there are no mechanisms to ensure that decisions are not dominated by a single interest group.

Risk: Dominance by single interest group

Relevant elements from the PEFC standard

TD 3.2 At the national level, national forest owners' organisations or national forestry sector organisations having the support of the major forest owners' organisations in that country, are responsible for inviting national organisations representing all relevant interested parties to constitute such a PEFC National Governing Body...

A2 3.4.1 The process of development of certification criteria..... All relevant interested parties will be invited to participate in this process.
A Forum (e.g., committee, council, working group) shall be created to which interested parties are invited to participate in the process.

A3. 6.1 The PEFC National Governing Bodies shall establish and have documented procedures for an independent dispute settlement body...

A2 4.2.3
The consultation shall ensure that the views of interested parties are discussed.

Score: ≈

Reaction TPAC

The forum post is in line with the judgement of TPAC, which states that PEFC does not preclude undue dominance of the economic interest. The fact that national forest owners' organisations or national forestry sector organisations are responsible for inviting all interested parties may result in a dominant position of the economic interest.

C3.2 Decisions of decision-making and advisory bodies are made, if possible, by consensus. If consensus is not reached, majority voting applies.

Comment WWF

This TPAC criterion only makes sense when consensus has to be reached among a certain range of interests. If e.g. environmental interests are dominated by economic interests in the voting mechanisms and relevant NGOs therefore stay absent, consensus can easily be reached but not among the relevant interests.

Relevant elements from the PEFC standard

GD 3.1 PEFC National Governing Bodies

The national candidate organisation for the PEFC National Governing Body shall:
(...)

f) provide participating interested parties with a fair, ongoing and appropriate possibility to influence the organisation's decision making.

Score: ≈

Reaction TPAC

It is a correct observation that DAM criterion 3.1 and 3.2 are strongly related. However, as both issues are rather important, TPAC feels that addressing the issues in two separate criteria instead of one, is to be preferred. It is to be noted that PEFC does not explicitly require consensus and therefore scores 'partially addressed' on this criterion.

Principle 4. Certification bodies and procedures

C4.1 The certification bodies are accredited on the basis of the requirements and guidelines in ISO 17021¹ '*Conformity Assessment - Requirements for Bodies Providing Audit and Certification of Management Systems*' and/or ISO Guide 65 (EN 45011) '*General Requirements for Bodies Operating Product Certification Systems*' and preferably on the basis of specific supplemental requirements for performance of conformity assessments according to the standards for sustainable forest management and the chain of custody.

Comment WWF

Certification bodies should be accredited for their work they are performing under the respective certification system. In the case of PEFC that means that certification bodies should be covered by accreditation for the national PEFC systems and for evaluating against the forest management standards of these systems. All other accreditations certification bodies may hold are irrelevant.

In the PEFC system national accreditation bodies are entrusted with the accreditation function. There are various deficits occurring in this organisational set-up:

National accreditation bodies do not have own expertise in forestry. In Germany, e.g., accreditation is granted by DAP, a body which is mainly oriented towards product certification in industry and which has no former experience in accrediting for forest management.

Evaluation at the level of Forest Management Units is not in all national schemes covered by accreditation. The work carried out in the forest by the certification bodies is in some PEFC systems outside the scope of accreditation. That also means that compliance with the forest management standard is not covered by accredited certification. Again, the German PEFC system can serve as an example for this set-up.

¹ ISO 17021 has replaced ISO Guide 62 (EN 45012) and ISO Guide 66. A transition period applies. ISO Guide 62 (EN 45012) and ISO Guide 66 may be used until September 2008.

Accreditation is granted for national PEFC schemes outside the country in which the accreditation body operates. The German accreditation body, e.g., also grants accreditation against the standard(s) of PEFC Austria although no specific accreditation procedures are defined for this system.

Summary:

1. National accreditation bodies do not have expertise in forestry.
2. The work carried out in the forest by the certification bodies is in some PEFC systems (Germany) outside the scope of accreditation.
3. Accreditation is granted for national PEFC schemes outside the country in which the accreditation body operates.

Relevant elements from the PEFC standard

A6 5 Certification bodies carrying out forest management or chain of custody certification, shall be accredited by a national accreditation body.....

A6 3.1.1 The certification body carrying out forest management certification or chain of custody certification against a scheme specific standard, shall fulfil requirements defined in:

- ISO Guide 62 (EN 45 012) if the certification is carried out as quality system certification,
- ISO Guide 66 if the certification is carried out as environmental management system certification,
- ISO Guide 65 (EN 45 011) if the certification is carried out as product certification (the term "product" is used in its widest sense and includes also processes and services)

A6 3.1.4 The certification body shall have a good understanding of the national PEFC system against which it carries out forest or chain of custody certification.

A6 5 The two following options are recognised by the PEFC Council for forest management certification and chain of custody against a scheme specific chain of custody standard:

- a. A certification body carrying out forest management and/or chain of custody certification shall have accreditation from a national accreditation body that covers forest management/chain of custody certification as a specified field of operation.

A certification body carrying out forest management and/or chain of custody certification as a part of the QMS (Quality Management System as defined by 9001:2000, EMS (Environmental Management System as defined by ISO 14001 or EMAS (Environmental Management and Auditing System as defined by EC Regulation 761/2001 certification shall have accreditation from a national accreditation body that covers QMS, EMS or EMAS accreditation in that specific sector.

Score: =

Reaction TPAC

1. TPAS includes one principle which pertains to the quality of accreditation (principle 5). The requirements of PEFC fulfil this principle.
2. The Committee is not sure what WWF means with the following statement "the work carried out in the forest by the certification bodies is in some PEFC systems outside the scope of accreditation". PEFC requires that all certifiers are

accredited. No further substantiation of the WWF claim could be found, TPAC therefore concludes that the comment has no effect on the score of C4.1.

3. It is in itself no predicament that an accreditation body accredits a certifying body which operates in another country as long as the accreditation meets the requirements of TPAS principle 5.

C4.2 The certification contains an assessment of system documents, site visits, and sufficient consultation of external stakeholders.

Comment WWF

PEFC certification procedures do not include the requirement to consult with stakeholders.

It is questionable that this is always fulfilled at an International level. An N. American study on PEFC (SFI) certification processes reports on illustrative example where two SFI accredited auditors (both foresters), in only 5 days, single-handedly assessed over 12 million hectares of public forest in BC and Manitoba and did not identify a single non-conformance with the SFI standard. The auditors did not even identify a single opportunity for improvement. This can in no way be called sufficient and serious.

Attachment:

- DAM P4_WWF-nl_SFI-LEED EngoFoundationSubmssionCertification

Relevant elements from the PEFC standard

A6 4 The applied auditing procedures shall fulfil or be compatible with the requirements of ISO 19011(Guidelines for quality and/or environmental management systems auditing)..... The audit evidence to determine the conformity with the forest management standard shall include relevant information from external parties (e.g. government agencies, community groups, conservations organizations, etc.) as appropriate.....

Score: =

Reaction TPAC

PEFC requires that audit procedures shall fulfil ISO 19011 and that relevant information from external parties (e.g. government agencies, community groups, conservations organizations, etc.) is included. However, the described example of two auditors assessing 12 million ha of forest in North America can not be called state of the art. Please note that TPAC will research SFI in more detail (see p. 42). This aspect will be taken into account.

C4.3 In case of group or regional certification an adequate sample of group members must be audited.

Comment WWF

In regional certification the evaluation of forest management is not consistent with IAF guidance on sampling for multi-site certification what could serve as an indicator for 'adequate sampling'.

Relevant elements from the PEFC standard

A6: The applied certification procedures for forest management certification or chain of custody certification against a scheme specific chain of custody standard shall fulfil or be compatible with the requirements defined in any of the following documents:

- a. ISO 17021 if the certification is carried out as management system certification,
- b. ISO Guide 65 (EN 45 011) if the certification is carried out as product certification (the term "product" is used in its widest sense and includes also processes and services).

Score: =

Reaction TPAC

TPAS requires that an adequate sample is audited. TPAC is not aware of an 'IAF guidance on sampling'. However, the well-known ISO guide 65 describes an adequate sample, which is referred to in the PEFC documentation. PEFC International therefore scores 'fully addressed'.

C4.4 The certification agency makes the following items public in addition to the requirements in ISO 17021 and ISO Guide 65:

1. summaries of assessment reports
2. list of the granted certificates

Comment WWF

Certification bodies are not required to make summary reports publicly available. In the PEFC system reports are available from the certificate holder on request. In cases where the certificate is issued to a regional entity audit reports in such PEFC schemes do not provide detail on audited forest management operations. There is no requirement to include the Corrective Action Requests.

Moreover a study from N America reveals that the average public summary report for SFI audits was only 5 pages in length, and the vast majority of them contained little substantive information on the actual audit results. In comparison, the FSC public summary reports averaged over 51 pages in length and contained detailed information about the audit results, the stakeholders contacted, input received and the sites visited by the auditors.

Risk: Limited access to information

Summary of comment WWF

1. Summary reports of audit reports are only available upon request.
2. Regional entity audit reports do not provide details on forest management operations
3. Corrective Action Requests are not required to be included in the public report
4. Audit reports of SFI are very short (5 pages).

Relevant elements from the PEFC standard

A6 4 A summary of the certification report, including a summary of findings on the auditee's conformity with the forest management standard, written by the certification body, shall be made available to the public by the auditee or in accordance with any applicable requirements defined by the respective forest

certification scheme.

A6 4 The applied auditing procedures shall fulfil or be compatible with the requirements of ISO 19011 In addition to above requirements the certification body:
informs the relevant PEFC National Governing Bodies about all issued forest management and chain of custody certificates and changes concerning validity and scope of these certificates,

Score: =

Reaction TPAC

For the following reasons the remarks of WWF did not result in a lower score of PEFC International:

1. PEFC requires that "a summary of certification report" is made "available to the public" (A6 §4). In some countries it may be the case that audit reports are available upon request, according to TPAC this is sufficient for the purposes of this criterion.
2. Auditing of regional entities, including the measurements required for controlling intermediate parties, meets the ISO Guides required by TPAC.
3. Please note that the Dutch Procurement Criteria do not literally require that CARs are included in the audit report. PEFC Annex 6 on the other hand does require "including a summary of findings on the auditee's conformity with the forest management standard". TPAC checked several audit reports which all referred to non-conformances.
4. Note that the requirements regarding the content of the audit report should meet the requirements of ISO Guide 65. ISO guide 65 does not prescribe the length of a report.

Acronyms used in the matrices

- A2 Annex 2 to TD Rules for Standard Setting, to Technical document, 27 October 2006.
- A3 Annex 3 to TD, Basis for Certification Schemes and their implementation, 5 October 2007.
- A3 NEW Annex 3 to TD, Basis for Certification Schemes and their implementation, 13 November 2009, Annex 3.
- A4 Annex 4 to TD, Chain of Custody of Forest Based Products-Requirements, 17/6/2005, with separate amendment 5 10 2007.
- Ap7 Appendix 7 to Annex 4 - Implementation of requirements for the avoidance of the procurement of raw material from controversial sources, 27 October 2006
- A6 Annex 6 to TD, Certification and Accreditation Procedures, 5 October 2007.
- TD PEFC Council Technical Document, 17 June 2005, with separate amendment 5 October 2007.
- GD PEFC Guide 1002:2008 Acceptance of PEFC members, 30 October 2008.
- GL 5/2006 - Interpretation of the PEFC Council Requirements for Consensus in the Standard Setting Process
- PG Pan-European Operational Level Guidelines (PEOLG) for Sustainable Forest Management Annex 2 of the Resolution L2 of the Third Ministerial Conference on the Protection of Forest in Europe 2-4 June 1998.

Part II:

General comments

General comments by WWF

Comment WWF 1

How does TPAC assure that any changes in an approved certification system after approval by TPAC are checked by TPAC for conformity?

Reaction TPAC

Section 3.10 of the TPAC User Manual (version April 2009) requires that a certification system notifies the Committee of any changes made to the system. Subsequently, TPAC will assess whether the changes affect the final judgement of the system. Should this be the case, TPAC may request the system to make alterations. If applicable, a positive final judgement can be withdrawn.

Comment WWF 2

PEFC International does not regulate all aspects of sustainable forestry and leaves many details to the national PEFC bodies, making it impossible to evaluate PEFC INT as a certification system for sustainable timber. Many of the PEFC national certification systems would not comply with the TPAC requirements. There is no provision that PEFC labelled products fulfil the TPAC requirements.

Reaction TPAC

TPAC acknowledges that PEFC International is not a 'regular' certification system: PEFC International is a so-called meta-system, which endorses national certification systems. The Committee therefore not only assessed the system documents and relevant standards of PEFC International, but also national PEFC systems as an indication of the performance of PEFC International in practice. This assessment focussed on systems which are relevant for the Dutch market. The national PEFC systems that have been given a positive judgement and have been accepted by the Dutch Minister together represent 90% of the PEFC certified timber that is supplied on the Dutch market.

Comment WWF 3

TPAC criteria are open and sometimes vague not adding up to any concrete objective. The criteria needs to be much improved and TPAC should learn from the experience of other assessments over the last 5 years, e.g. CPET in the UK and WWF FCAG, in order to ask relevant questions and move the debate forward.

Reaction TPAC

The Dutch Procurement Criteria for Timber have a considerable history. The political commitment of the Dutch government to develop a Timber Procurement policy dates back to July 2001. Frequent consultations with Dutch stakeholders, including industry and civil society organisations, resulted in 2005 in *the Beoordelingsrichtlijn Duurzaam Hout* (BRL). This BRL evolved into the Dutch Procurement Criteria for Timber, which were established by the Dutch minister in June 2008 after extensive consultation with the relevant Dutch stakeholders (including WWF).

This does not impede the fact that learning from international experiences is beneficial for the process. TPAC is pleased to inform you this exchange does take place amongst others with CPET. To facilitate the improvement of the Procurement Criteria, a periodical revision is required by the TPAC User Manual.

General comments by FoE

Comments FoE 1.

The Sierra Club recently identified a number of major weaknesses in SFI (see attachment "Sierra Club - Choosing a forest certification system"), a.o.: Most SFI Indicators measure only whether some form of "system... program... plan [or] documentation" is present, rather than whether a specific, verifiable condition or result is being achieved in the forest. And rather than require forest managers to actually do something specific, the SFI Standard often simply requires them to vaguely "address... support... promote... encourage... [or] contribute to" something. Clearly, if the language of the standard itself fails to explicitly require tangible and measurable results in the forest, then specific forest management outcomes can never be assured. The PEFC-endorsed SFI Standard can be changed by the forest owner. In the SFI 2005-2009 Standard, page 21, Section 5.1.2, the following language appears: "Program Participants [certified landowners], with consent of the certification body, may substitute or modify indicators to address local conditions..." According to the Definitions contained in the SFI Standard, Indicators are the tool "used to assess conformance" with Performance Measures. What this means is that even the primary assessment tool in the standard can be changed by a forest manager who may dislike the original. SFI does not restrict the use of any specific, named chemicals or categories of chemicals, does not prohibit or limit forest conversions, and has no restrictions on the use of GMOs. The SFI Standard's clear cut requirements state: "Average size of clear cut harvest areas does not exceed 120 acres, except when necessary to respond to forest health emergencies or other natural catastrophes". Calculations of "average size" could easily permit extremely large and damaging clear cuts as long as the forest owner combines them with smaller cuts in order to maintain the average. The SFI product labelling requirements have weaknesses and loopholes that in some cases make it impossible to connect an SFI-labelled product to a specific forest-of-origin. For example, SFI does not require their product labels to feature a certification code that would enable such a connection to be verified.

Attachment:

- General_FOE-nl_Sierra Club - Choosing a forest certification system

Response TPAC

Please note that SFI will be assessed separately by TPAC (see p. 42); the Committee will take into account the comments. Please also note however that the SFI CoC is not endorsed by PEFC International and that SFI timber without PEFC label can thus not be considered for Dutch Public Procurement.

Comment FoE 2

A recent report by ProForest (see attachment "ProForest - Review of PEFC adequacy in delivering ACE commitments ") concludes: "The analysis of PEFC standards and review of legal requirements in Finland, Sweden, US, Canada and Australia showed that in many cases legal frameworks are not sufficient to fully address certain safeguards when PEFC standards fail to do so. This is particularly true in terms of traditional and civil rights and HCVs. For example, the case of Sami people in Finland and Sweden demonstrate that neither PEFC standards nor existing legal frameworks provide sufficient safeguards that their traditional rights are not violated. While in US and Canada, SFI standard and current legislation do not provide sufficient guarantee that HCVs are not threatened. Apart from AFS, none of the PEFC standards under review include provision related to conversion. However, in reality, conversion is not an issue in Finland, Sweden and Canada. In US, recent study show that two ecoregions are at risk of conversion. In Australia, AFS forest management standard does not allow conversion of natural forests to plantation or non-forest cover, except in limited circumstances. However, there is evidence that conversion still takes place in Northern Territory and Tasmania. In term of GM trees, currently the forest regulations in Finland and Sweden do not address GM trees explicitly, though PEFC Sweden does not allow the use of GM trees. In US, Canada and Australia, the use of GM trees are regulated by authorities and that commercial use of GM trees require permission and licensing. Currently, China is the only country where there is commercial usage of GM trees, therefore, the risk of GM trees being used in these countries should be low. But there remains a risk that should GM trees be commercialised in these other countries, then certified PEFC material could contain GM timber."

Attachment:

- General_FOE-nl_ProForest - Review of PEFC adequacy in delivering ACE commitments

Response TPAC

Please be informed that SFI (USA) and AFS (Australia) will be assessed separately by TPAC (see p. 42). The issues mentioned above, HCVs and conversion, will be taken into account during this assessment. Concerning PEFC Sweden and FFCS (PEFC Finland) TPAC arrived at the following conclusions concerning traditional rights. For PEFC Sweden TPAC concluded that TPAS criterion C2.1 (tenure and use rights) and C2.3 (free and informed consent) are both only partially addressed because the standard of PEFC Sweden does not fully guarantee that the local population, including indigenous peoples, have a say on the basis of free and informed consent and that there are ongoing disputes between (Sami) reindeer herders and owners of PEFC-certified forests regarding use rights of the forests. For PEFC Finland the Committee concluded that C2.1 is fully addressed but that C2.3 is partially addressed as free and informed consent is only guaranteed in state forests. Since the northern part of Finland, where indigenous communities are situated, is for 90% public property, the Committee considers the criterion to be at least partially addressed. In conclusion, both FFCS and PEFC Sweden have been awarded a score of 1 (partially addressed) on TPAS Principle 2 - The interests of stakeholders. Please note that this is likely to be improved in the near future as PEFC International has adopted a new criterion addressing, amongst others, free and informed consent of local population and indigenous peoples (see p. 7-8). All PEFC systems are obligated to implement this criterion.

Comment FoE 3

On behalf of ForestEthics, Washington Forest Law Centre filed complaints against the by PEFC International endorsed certification programme Sustainable Forestry Initiative (SFI) with the Federal Trade Commission and the Internal Revenue Service (see attachments). The FTC complaint alleges that SFI engages in deceptive and misleading national advertising; the IRS complaint reports SFI for potentially inappropriately using a tax-exempt "public charity" for funding, operating, and marketing its private forest certification label (see attachments " WFLC - Complaints against SFI with FTC" and " WFLC - Complaints against SFI with IRS").

Attachments:

- General_FOE-nl_WFLC - Complaints against SFI with FTC
- General_FOE-nl_WFLC - Complaints against SFI with IRS

Response TPAC

Please note that SFI will be assessed separately by TPAC (see p. 42); the comments will be taken into account. Please note however that TPAS does not include criteria on advertising or how to make tax returns. Concerning the SFI CoC it should be noted that the SFI CoC is not endorsed by PEFC International and that SFI timber without PEFC label is thus not eligible for Dutch public Procurement.

Part III

Comments on the practice of PEFC International

Preview Cases

Friends of the Earth provided four cases on the TPAC stakeholder forum that describe potentially unsustainable practices in PEFC certified forests. The cases pertain to the following certification systems and regions:

1. PEFC Slovakia – Low Tatras National Park
2. SFI – Washington state, United States
3. AFS – Tasmania, Australia
4. AFS - Victoria state, Australia

TPAC analysed the cases and made information requests to the respective system managers. Based on the analysis and the answers provided, the Committee concluded that the case of PEFC Slovakia did not result in adaptations to the score of PEFC International.

This conclusion could not be made concerning the cases on AFS and SFI. The cases are complex and require a more thorough analysis before the Committee can give its final reaction. TPAC therefore decided that the cases and the relevant parts of the underlying certification systems AFS and SFI will be assessed separately. As AFS and SFI are of little relevance for the Dutch market and the Dutch Public Procurement policy, the cases have no bearing on the final judgement of PEFC, which reads that PEFC International is conforming to the Dutch Procurement Criteria for the Dutch market.

Case PEFC Slovakia

1. Forum post on PEFC Slovakia

This case is based on information provided by:

- Ing. Marián Jasík (forester-conservationist, ex-director of the Administration of the Low Tatras National Park)
- Ing. Miroslav Kaliský (forester-conservationist, ex-employee of the Administration of the Low Tatras National Park)

Low Tatras National Park, Slovakia

This case presents two examples of unsustainable logging in Low Tatras National Park, Slovakia. The logging in these examples is certified under the Slovak System of the Forest Certification (SFSC), which is endorsed by PEFC since 2005.

SFSC/PEFC-certification is carried out per group and per region. Slovakia has only 4 regions and thus several tens of forest owners are jointly certified, often without being aware of this. The approach is not sufficiently transparent and open to the different stakeholders and the general public. No state or non-government conservational organization is a member of ZLSC.

The first example

The organization Lesy Mesta Brezno s.r.o. (LMB) manages 7240 hectares of forests owned by Brezno city. Since October 2006, LMB has a SFSC/PEFC certificate which is valid until October 2011. This case is about 1900 hectares of forests that lie in the area of the Low Tatras National Park. This area had some of the best preserved forests in the national park.

This area is part of NATURA 2000 as:

- Special Protected Area (SKCHVU 018)
- Site of Community Importance (SKUEV 0302)

Within the frame of the zonation of the Low Tatras National Park, this whole area was proposed as the most protected A-zone of the national park. At the end of the century, the entire described area was proposed for enlistment to the Nature Reserve "Gáple". Reasons for the proposed strict protection were:

- the non-urbanized natural character of the whole area;
- its glacial-alpine meadow-like relief with steep rocky slopes;
- 150 to 180 years old forests sometimes with a character of old growth forests (the best preserved in the Low Tatras National Park);
- occurrence of 9 biotopes of the European importance;
- occurrence of approx. 110 protected animal species of which 25 of European importance, such as brown bear, Eurasian lynx, gray wolf, golden eagle, capercaillie, black grouse, boreal owl, Eurasian pygmy owl, three-toed woodpecker and longhorn beetle *Pseudogauratina excellens*;
- occurrence of several rare and protected plant species.

The logging in this area was sustainable until 2006. Then it was decided to remove timber from a windstorm calamity that happened in 2004. Despite a proposed alternative approach in which the most valuable areas would be left without human intervention LMB decided to apply a commercial, silvicultural approach for the entire

area. More than 18,5 km of forest roads were constructed in steep mostly rocky terrain. More than 800 hectares of forests were logged. In 2007 and 2008 there was extensive ground and aerial application of chemicals. The chemical used is distributed in Slovakia under the brand name CYPLES and has an active substance "cypermethrin" which is highly toxic to several groups of species (e.g. insects and aquatic species).

This resulted in:

- destruction of approximately 15 hectares of biotopes of European importance during the construction of the forest roads;
- a severe damage of over 800 hectares of biotopes of European importance through logging, construction of the forest roads, and chemical spray;
- killing of non-target animal species including species of the European importance (especially insects and aquatic organisms) during ground and aerial application of insecticides, logging, and wood transport;
- damaging of streams and wetlands during logging and wood transport, construction of the forests roads and insecticide application;
- erosion on steep slopes during logging and wood transport and construction of forest roads.

The second example

The other example highlights PEFC certified business Odštepny závod Liptovský Hrádok ("OZ LH"), which is part of the state-owned company Lesy SR. OZ LH received its SFCS/PEFC certificate in May 2007 (valid until May 2012). OZ LH manages an area of more than 50.000 hectares of forest. Approximately 25.000 hectares lie in the area of the Low Tatras National Park, specifically in Kráľovoľské Nízke Tatry.

This area is integrated into the area of NATURA 2000 as:

- Special Protected Area (SKCHVU 018)
- Site of Community Importance (SKUEV 0310)

About 5.000 hectares of protected forests (biotope of NATURA 2000 9410) were about to be included into the most strictly protected A-zone of the national park. After a windstorm the park authorities decided that it was best to protect the biodiversity and natural values by leaving the area as it was. This did not happen though, and management interventions in this area in the past few years are considered unsustainable by conservationists.

Since mid-2006 OZ LH ignored or breached several final decisions of the governmental agency of environment. There is extensive logging, with clear cuts of over 10 hectares, in exposed parts in the surrounding of the main ridge (probably several hundreds of hectares). This is associated with a violation of continuous fulfilment of non-productive functions of these forests. Biotopes of rare mountain animal species (for example capercaillie (*Tetrao urogallus*) were destroyed and fragmented and as a result no longer meet the demands of these sensitive species. In this way probably the best preserved old growth spruce forest with blueberries in the entire national park (Rovne) was destroyed. Nowadays, the biggest non-forest areas are created within the frame of the fight against bark beetle during extensive logging of dead as well as living trees.

Tens of kilometres of new forest roads are constructed without any analysis by the

authorities of environment (a.o. in the localities Veľká Vápenica, Kolesárová, Veľký Bok, Andrejcová, ...). For example, an approximately 800 meters long forest road was built in the locality where one from two recent occurrences of the critically endangered lichen *Lobaria pulmonaria* was registered in Low Tatras National Park. This species is extremely sensitive to changes in the microclimate and despite the fact that the park authorities informed OZ LH, the area was partially logged.

Synthetic pyrethroids are applied in the areas. In 2005 and 2006 it was often an ineffective, preventive application to non-infected or low-infected stems. Since 2007 also other scientifically unverified methods were used, such as aerial spraying, and "fogging" at the forest edges. Insects - both pest organisms as well as their predators - and aquatic organisms are extremely sensitive to synthetic pyrethroids. In 2009 a product was used which was not registered in Slovakia.

In tackling the consequences of next windstorm calamities (June 2006 and, especially, August 2007) as well as of the following gradation of the bark beetles, the practice of OZ LH was not consulted with the governmental authorities of environment. Again, the classical silvicultural approach was applied resulting in more damage to nature in this part of the national park.

A separate ecological problem, which is not limited to protective forests, is the devastation of small streams through hauling of logs either directly in streams or after adjusting of the river basin. In the area of OZ LH, nearly all small streams that can be reached by forest tractors are destroyed. Wood is even hauled in streams when roads are near.

The working methods of OZ LH remained the same after the change of the top managers of OZ LH. The top management changed after finding that considerable amounts of timber (the published amounts reached 19 thousands m³) were missing in one of the expedition stocks of OZ LH. This case was under investigation by the police.

Why the Slovak Forest Certification Scheme does not meet the Dutch Procurement Criteria for Timber in this case

This case shows that SFCS - and thus PEFC International - does not meet the Dutch Procurement Criteria for Timber. More specifically, there is clearly non-conformance with the following SFM Principles and Criteria:

- SFM Principle 2 reads "The interest of directly and indirectly involved stakeholders shall be taken into account". In Slovakia forest owners often are not aware that they are certified. There is a lack of transparency and consultations are not sufficiently open to stakeholders and the general public. Furthermore the two presented examples illustrate that concerns by the national park authorities are not taken into account.
- SFM Criterion 4.2 reads "Protected and endangered plant and animal species are not exploited for commercial purposes. (C 13.2) Where necessary, measures have been taken for their protection and, where relevant, increase of their population." The cases show that endangered species are not effectively protected. Within Low Tatras National Park habitat of capercaillie and of the critically endangered lichen *Lobaria pulmonaria* were destroyed and chemicals especially harmful to insects and aquatic organisms were sprayed.

- SFM Criterion 5.2 reads "The water balance and quality of both groundwater and surface water in the forest management unit, as well as downstream (outside of the forest management unit), are maintained and, where necessary, improved." In SFCS-certified areas logs are often hauled into streams leading to severe damage of these streams and with great impact on the water quality, even in Low Tatras national Park, and even when roads are near.
- SFM Criterion 5.4 reads "Avoidable damage to the ecosystem is prevented by application of the most suitable and available methods and techniques for logging and road construction under the prevailing conditions". Both presented examples show that timber from windstorms is removed and logging roads are constructed, even in the most sensitive areas. In these areas the park authorities proposed to not intervene in order to protect species and other natural values.
- SFM Criterion 5.7 reads "The use of chemicals is only permitted if maximum use of ecological processes and sustainable alternatives proves insufficient. The use of class 1A and 1B pesticides, as drafted by the World Health Organisation, and of chlorinated hydrocarbons is not permitted." In both examples synthetic pyrethroids are used (sprayed and fogged). These pesticides are highly toxic to insects, to pest species as well as their predators, and aquatic species. Their use against pest species is often ineffective and the effect of spraying and fogging has not been scientifically verified.
- SFM Criterion 6.1 reads "The production capacity of each forest type of the forest management unit as a whole is maintained." In the 2nd case areas of over 10 hectares are clear felled, including hundreds of hectares on the exposed main ridge negatively affecting the production capacity of this area.

2. General reaction of PEFC Slovakia

Meeting the criteria of the Slovak Forest Certification System ensures the equal fulfilment of environmental, social and production functions of forests. The assessment of conformity of forest management with the SFCS-PEFC scheme requirements is especially carried out with particular attention, responsibility and sensitivity in case of the areas included in higher levels of nature protection.

Since 2005 there has been a massive degradation of mountain spruce forests in Slovakia as a result of outbreak of bark beetle in spruce forests. The ongoing calamity is the biggest calamity of European bark beetle in the modern history of Slovakia. Since 2005 a share of wind throw felling in coniferous forests has been permanently over 80% of the total felling. The top priority of forest managers is to stop bark beetle spreading. This situation is so serious that the Government Office of the Slovak Republic has established a position of the Slovak Government Commissioner for protection of spruce forests and habitats in order to implement measures for spruce forests and eliminate further degradation of the spruce ecosystems.

Forests in protected areas (National parks, NATURA 2000 areas) are managed on the basis of forest management plans, which fully respect the fulfilment of their prior environmental and social functions. Areas situated in the 5th level (the highest level) of protection and their buffer zones are completely excluded from any management activities. In case of extraordinary situations as the present one is, the management measures leading to the maintenance of vitality of forests as the basic element of healthy environment, property protection and maintenance and enhancement of the state of habitats and NATURA 2000 areas are preferred.

We would like to remark, that neither the Slovak Forest Certification Association, as the national governing body of the Slovak Forest Certification System, nor the certification body TÜV – SÜD Slovakia have not received a single complaint or appeal regarding the level or alleged faults in forest management.

3. Reaction TPAC on case PEFC Slovakia

Matrix on Sustainable Forest Management (SFM)

Principle 2. Interests of stakeholders

C2.2

Effective communication with and consultation and participation of stakeholders take place regarding the management of the forests.

Comment FoE

The concerns of the National Park (a relevant stakeholder) were not taken into account in the forest management.

Question TPAC for PEFC Slovakia

PEFC Slovakia is kindly requested to indicate if the harvesting of timber in the wind thrown areas is in line with the expert opinion of the Forest Protection Service (as required by SFCS indicator 2.1). If this practice was in accordance with the opinion of this institute, could you indicate why they reached a different conclusion than the management of the Low Tatras National Park?

Answer PEFC Slovakia

Harvest of timber in the wind thrown area is not only in line with the Forest Protection Service (document "Strategy of fight against insect pests" No. 3344/2007 of June 14.2007) but also with the Decision of the Ministry of Agriculture of the SR No. 3707/2009 – 710 of October 5, 2009 on Avoidance of worsening of the health state of spruce forest stands.

It is not our competence to judge decisions of other institutions, however, it is arguable that practices of the former administration of the Low Tatras National Park and its conservative approach to forest protection (left without intervention, nature itself will cope with it...) caused the total degradation of mountain spruce forests resulting in declining area of rare habitats of mountain spruce forest stands. The present administration of the Low Tatras National Park has identified itself with and supports the conclusion for the necessity of active forest protection with the aim to save what still can be saved.

Response TPAC

In Slovakia a large area of forest was damaged after a storm in 2004. Bark beetles thrived in the damaged and dead wood, also resulting in the infection of bark beetles in large areas of neighbouring spruce forests. Old monocultures of spruce forests are especially sensitive for outbreaks of bark beetles. This type of forest is abundant in Slovakia and the rest of Central Europe.

The outbreak of the bark beetle has caused controversy within Slovakia because:

1. the potential enormous effect of bark beetle outbreaks and
2. the two opposite management options. When no action is taken, large areas of forests, including the sensitive biodiverse old growth forests, are prone to die. The alternative is active intervention, which also has severe impacts.

From a conservation point of view there is no consensus amongst stakeholders and scientists on the best approach. This clarifies why in Slovakia, but also in the

neighbouring Czech Republic, the bark beetle outbreaks have led to nation wide debates.

In Slovakia the authorities decided to opt for active control of the outbreak such as the removal of dead wood, logging of infected forests and the use of pesticides. In some areas where human activities are only allowed in exceptional cases, logging or clearing occurred to limit the impact of the bark beetle outbreak. In forests with the highest protection status human activities are still not allowed, and as TPAC understands these have been exempt from the control measures. This is in agreement with regulations, for example Natura 2000.

Concluding, the outbreak of the bark beetle after the storm in 2004 resulted in the adaptation of the forest management in some regions of Slovakia. Active control measures have also been performed in areas normally excluded from intense forest management. However, no interference would also have had large consequences for biodiversity and forest productivity, especially for old growth spruce forests. Although TPAC cannot fully judge whether the chosen management activities in this specific case adequately considered economical, social and ecological interests, particularly regarding the long term benefits from 'no interference' management, TPAC concludes that the activities described still reflect responsive forest management. Therefore there is no reason to change the given score.

At the level of PEFC International TPAC concludes that TPAS SFM C2.2 is partially addressed, as its standard does not specifically mention consultation and participation of stakeholders.

Final score ≈

Principle 4. Biodiversity

C4.2

Protected and endangered plant and animal species are not exploited for commercial purposes. Where necessary, measures have been taken for their protection and, where relevant, increase of their population.

Comment FoE

Logging in the habitat of endangered species Capercaillie (= wood grouse) and lichen *Lobaria pulmonaria* (= lung moss).

Question TPAC for PEFC Slovakia

PEFC Slovakia is kindly requested to indicate if logging in the Low Tatras National Park occurred in habitats of the endangered species wood grouse and lung moss. If so, please indicate how the forest manager ensures the protection of endangered species in this forest, as required by SFCS indicator 4.10.

Answer PEFC Slovakia

There is no intentional felling executed in the Low Tatras National Park. Only felling of sick trees and trees injured by wind or European bark beetle is carried out. In no case extensive clear cut logging on the areas over 10 hectares can be executed. The habitats of protected and endangered species such as Capercaillie or lichen *Lobaria pulmonaria* could not be damaged by forest managers as their habitats had been already destroyed and are still continuously being destroyed by the mentioned wind and bark beetle. Maintaining of the existing undamaged habitats of endangered species is possible only when sick and injured trees are removed early as required by the SFCS indicator 4.10.

Response TPAC

TPAC has been informed that logging in habitats of protected species can only occur in exceptional circumstances. In this particular case only felling of trees that were sick or injured as a result of the bark beetle outbreak took place. Although this may have impacted the habitats of the wood grouse and lung moss, TPAC holds the opinion that under the given circumstances the logging can be regarded as justified in order to limit the impact of the bark beetle outbreak (see also TPACs response above).

However, at the level of PEFC International, TPAC concludes that TPAS SFM C4.2 is only partially addressed, as its standard requires the protection of habitats of endangered species and does not require specific measures aiming at the protection of endangered species themselves.

Final score ≈

Principle 5. Regulation functions**C5.2**

The water balance and quality of both groundwater and surface water in the forest management unit, as well as downstream (outside of the forest management unit), are maintained and, where necessary, improved.

Comment FoE

Transportation of logs through streams occurred, negatively effecting water quality (although alternatives were available).

Question TPAC for PEFC Slovakia

PEFC Slovakia is kindly requested to indicate if alternative transportation methods were available, which would have been less damaging than the transportation of logs through streams. If so, please indicate why they were not used.

Answer PEFC Slovakia

Out of available timber transport technologies in Slovakia, the most appropriate technology with regard to the specific terrain and technological conditions as well as environmental requirements is used in timber transport. In no case can timber be hauled or transported in water streams. As defined by SFCS indicator 2.3, pulling timber across the stream can be used in a limited rate. After finishing this activity all transport tracks and stream banks and basin must be revitalised.

We would like to remark, that neither the Slovak Forest Certification Association, as the national governing body of the Slovak Forest Certification System, nor the certification body TÜV – SÜD Slovakia have not received a single complaint or appeal regarding the level or alleged faults in forest management.

Response TPAC

PEFC Slovakia indicates that the transport of timber in streams does not occur, and that the pulling of timber across streams is only used when alternative ways of transport are not possible. If this occurs, streams are revitalised afterwards. TPAC has no further proof that this actually happens in practice; however, the Commission was informed that no complaints were filed against PEFC or the accreditation body concerning water quality issues. TPAC therefore concludes that this case does not give a rationale to revise the score of SFM C5.2 of PEFC International.

Final score =

C5.4

Avoidable damage to the ecosystem is prevented by application of the most suitable and available methods and techniques for logging and road construction under the prevailing conditions.

Comment FoE

Road construction occurred in sensitive areas.

Question TPAC for PEFC Slovakia

PEFC Slovakia is kindly requested to indicate if road construction plans were conducted in the Low Tatras National Park, as required by SFCS parameter 3.7.5., and how these plans address the vulnerability of the area where the road was constructed.

Answer PEFC Slovakia

Construction of roads can only be carried out on the basis of the officially approved project documentation, which shall respect protection of ecological centres and corridors in accordance with the local system of ecological stability (parameter SFCS 3.7). Decision permitting road construction are issued by the relevant body of building administration only in the case when this is approved by the relevant institution of the state environmental administration responsible for the respective protected area. In order to maintain and protect the remaining habitats it is inevitable to build a network of simple transport roads. The permitted construction is carried out by using moderate excavating technologies, without using explosives, and there is a participation of representatives of nature protection bodies responsible for the respective protected area when road are marked out.

Response TPAC

PEFC Slovakia indicates that road construction within the parks takes place in agreement with a representative of the parks management, preventing avoidable damage. Furthermore, road construction can only take place if permitted by the state environmental administration. During construction representatives of nature protection bodies are said to be involved in the process. In themselves, the described mechanisms for avoiding damage by road construction under PEFC Slovakia are regarded adequate by TPAC. It is not clear however, whether in the exceptional

circumstances after the severe storm the planning of roads has taken place with the usual care. From the presented information it can not be derived that this was not the case. TPAC concludes therefore that this case does not give a rationale to revise the score of C5.4.

Final score =

C5.7

The use of chemicals is only permitted if maximum use of ecological processes and sustainable alternatives proves insufficient. The use of class 1A and 1B pesticides, as drafted by the World Health Organisation, and of chlorinated hydrocarbons is not permitted.

Comment FoE

Spraying of (unregistered) chemicals (synthetic pyrethroids and cypermethrin) which are harmful to insects and aquatic organisms.

Question TPAC for PEFC Slovakia

TPAC would like to know if "synthetic pyrethroids and cypermethrin"-chemicals were used, and if these chemicals are mentioned on the "Approved Products in Forest Protection."

Answer PEFC Slovakia

Synthetic pyrethroids and cypermethrin can be used exceptionally and locally only after their use is approved in advance by the relevant state environmental administration body and under the condition that these products are listed in the approved list of authorised plant protection products and other products (<http://www.agria.sk/files/registrovane-pripravky-2009.pdf>) (SFCS indicator 2.4.). In this particular case a listed product Fury 10 EW with concentration of 0.5-0.8 % was used selectively for trees and stands invaded by European bark beetle before its swarming time.

Response TPAC

The chemicals referred to in this case (synthetic pyrethroïds including zeta-cypermethrin (Fury 10 EW)) are all in the lists of chemicals which are allowed in Slovakia under restricted conditions. The use of these highly toxic substances (particularly for all cold blooded animals like invertebrates, amphibians and fish) was connected with the exceptional situation of the severe storm and the resulting outbreak of the bark beetle. TPAC can accept the fact that in the given situation no practical alternative was available. TPAC concludes therefore that this case does not give a rationale to revise the score of SFM C5.7.

Final score =

Principle 6. Production function

C6.1

The production capacity of each forest type of the forest management unit as a whole is maintained.

Comment FoE

Harvesting in sensitive areas (clearcuts of 10 ha; logging on ridge) negatively affects production capacity.

Response TPAC

Resulting from the 2004 windstorm, bark beetles infections showed a strong increase. In order to limit the impact of the pest on the productive function of the forest, the most direct measure was to remove the main source of bark beetles, that is the trees which were felled by the windstorm. Like with SFM C4.2, TPAC does understand that in the given situation there will have been no practical alternative. TPAC therefore concludes that this case does not give a rationale to revise the score of C6.1.

Final score =

Principle 9. Management group or regional association**C9.2**

The management system of a group or regional association offers sufficient guarantee to fulfil criterion 9.3.

Comment FoE

Forest owners often are not aware that they are certified.

Question TPAC for PEFC Slovakia

Is the assumption of TPAC that all owners of certified forests need to sign a SFCS document of agreement correct? If not, how does SFCS guarantee that forest managers are aware of the certified status of the forests and the requirements they have to meet?

Answer PEFC Slovakia

Each forest owner applying for the assessment of forest management with the requirements of the Slovak Forest Certification Scheme is obliged to submit a written application where he/she commits to respect the SFCS principles of sustainable forest management. The certificate of SFM (confirmation on participation in certification) is issued after an audit has been successful. This ensures that certificate holders are aware of and implement the SFCS requirements.

Response TPAC Forest owners have to sign a written application, guaranteeing that forest owners are aware of the certified status of their forest.

Final score =

Case SFI (USA)

1. Forum post on SFI

Sustainable Forestry Initiative - A North American case of unsustainable logging under PEFC in Washington State

The Sustainable Forestry Initiative (SFI) is a North American certification programme endorsed by PEFC International.

Sources for this case

This case is based on information provided by Peter Goldman of the Washington Forest Law Center. The following documents were used:

- "Choosing a forest certification system - Why Is One So Much Better Than the Others?", Sierra Club, 22 April 2009
- Complaints against the Sustainable Forestry Initiative forest certification system with the Federal Trade Commission, Washington Forest Law Center on behalf of ForestEthics, 9 September 2009
- Complaints against the Sustainable Forestry Initiative forest certification system with the Internal Revenue Service, Washington Forest Law Center on behalf of ForestEthics, 9 September 2009
- "Sustainable Forestry Initiative (SFI) - non-conformance complaint", Sierra Club & Washington Forest Law Center, 14 September 2009 (draft)

Upper Chehalis and Stillman Creek watersheds, southwest Washington State, USA

It is well-established in the scientific literature that clear cut areas are more prone to slope failure than forested areas. Many studies have shown the number, density, and volume of landslides is significantly higher on clear cuts relative to unlogged areas. Landslides in clear cuts are more likely to deliver to streams than landslides in forested areas and to impair water quality with episodic and chronic sedimentation.

The Sierra Club, represented by Washington Forest Law Center's Peter Goldman, on 14 September 2009 presented this case of unsustainable SFI-certified logging to SFI and the responsible company (Weyerhaeuser). It presents science-based evidence of clear cutting and road-building by the Weyerhaeuser Company on thousands of hectares of steep slopes with a known high risk for landslides in the Upper Chehalis and Stillman Creek watersheds. These clear cuts and logging roads are associated with a high concentration of landslides, contributing to record flooding and damage of the Chehalis River basin during the December 2007 storm resulting in:

- loss of soil,
- degradation of water quality,
- unnaturally high rates of land sliding, and
- economic, environmental, and social devastation associated with the flooding

This was caused by Weyerhaeuser's negligently harvesting forests and building roads on thousands of hectares of slopes with:

- a high hazard rating,
- probable stream delivery rating,
- a history of land sliding in the past,
- high slope instability,
- high soil erosion potential, and
- in peak rain-on-snow zones.
- above stream and rivers which Weyerhaeuser knew or should have known had severe sediment aggradation, a condition which would exacerbate flooding.

Landslide densities inside Weyerhaeuser harvest and road-building units were consistently higher than landslide densities on neighbouring private industrial forest lands with comparable precipitation, lithology, stand age, and slope instability. This relationship holds when all variables were included in a logistic regression model: the odds of sliding on Weyerhaeuser lands were 2.2-2.7 times the odds of sliding on other private industrial forest lands in the study area while holding all other variables constant. Thus, the high probability of landslides on Weyerhaeuser lands is attributable to Weyerhaeuser's forest practices.



Weyerhaeuser logging practices and land management in Stillman Creek watershed, as seen from the air on April 26, 2008 - Wood on hill slopes. (Used by permission. Copyright: David E. Perry)

Wood and sediment from these landslides exacerbated the flooding and associated damage downstream. Woody debris played a significant role in the flooding, with most of it appearing to be decayed wood from clear cuts. At least three log jams

occurred at bridges, at least seven bridges were destroyed during the event, and water impounded behind log jams probably increased the magnitude of flooding when it was released in successive pulses. The flood caused more than US\$57 million in property damage to homes, farms and businesses, and loss of life.

Increases in stream temperature and sediment are common following clear cut harvest of small streams. Headwater streams are ecologically important as the major link between hill slopes and downstream waters. They also “have high ecological significance for the entire aquatic ecosystem in terms of the transfer of energy and nutrients” due in part to the species of aquatic invertebrates (insects, crustaceans, and bivalves) and vertebrates (amphibians and nongame fish species) which dwell, sometimes exclusively, in headwater streams Weyerhaeuser routinely clear cuts headwater streams.

The state Water Quality Standards implement portions of the federal Clean Water Act by establishing numeric or narrative criteria and anti-degradation policies designed to set limits on water pollution in order to protect beneficial uses such as aquatic life, swimming and fishing. Water quality impairment on Weyerhaeuser lands violates these regulations and precludes these important beneficial uses.

The high concentration of landslides in the Upper Chehalis and Stillman Creek watersheds had far-reaching and devastating effects downstream. The Stillman Creek watershed provides the water supply for residents of the Boistfort Valley, and in its own Watershed Analysis, Weyerhaeuser rated this water supply as “highly vulnerable” to coarse sediment, fine sediment, and peak flow events. This rating was validated when this source of drinking water was polluted with excessive sediment during the Dec. 2007 storm and “more than three months passed before nearly 3,000 valley residents could drink from their taps again” (Seattle Times, 2008).



Weyerhaeuser logging practices and land management in Stillman Creek watershed, as seen from the air on April 26, 2008 - Forests vs cut slopes. (Used by permission. Copyright: David E. Perry)

Multiple methods are available to identify unstable areas and minimize landslide rates in forested landscapes. Potentially unstable slopes can be identified using two general methods.

The first group of methods includes informal field examination on a case-by-case basis. This process utilizes standard techniques for evaluating maps such as aerial orthophotos, topographic maps, and Digital Elevation Models (DEMs). The scientific literature also contains extensive guidance for the evaluation of slope instability in the field, some of which is specific to this region.

The second group of methods available for identifying potentially unstable slopes consists of formal slope stability analyses conducted by specialized experts. These analyses yield screening tools and maps that indicate the locations of unstable areas across large spatial scales (as opposed to a case-by-case basis). At the most basic level are landslide inventory maps, which are valuable for identifying unstable slopes because areas that have slid in the past are likely to slide again. In Washington, the Landslide Inventory (LSI) GIS layer is a compilation of a variety of landslide data sets across the state. The LSI has been available to the public since 2004 and is updated quarterly.

Weyerhaeuser was aware of the tendency for these watersheds to flood (see: http://www1.dnr.wa.gov/cgi-bin/wsasmt.cgi?wsaval=chehalis_headwaters).

According to historic streamflow data, "peak flows exceeding the 5-year event occurred approximately 14 times over [a] 52-year period". Like the Dec. 2007 storm, previous major flood events were known to cause debris flows, extensive channel alteration, and substantial sediment accumulation. Despite knowing the high propensity for these watersheds to flood and the high potential for damage to public resources, Weyerhaeuser still conducted its forest practices in a way that contributed to and worsened the effects of such flooding. This pattern of behaviour is neither scientifically credible nor economically, environmentally, or socially responsible.

Why SFI does not meet the Dutch Procurement Criteria for Timber in this case

This case shows that SFI - and thus PEFC International - does not meet the Dutch Procurement Criteria for Timber. More specifically, there is clearly non-conformance with the following SFM Principles and Criteria:

- SFM Criterion 1.3 reads "Legal and regulatory obligations that apply to the forest management unit, including international agreements, are fulfilled." In this case state water quality standards were violated.
- SFM Principle 2 reads "The interests of directly and indirectly involved stakeholders shall be taken into account". In this case despite knowing the high propensity for these watersheds to flood and the high potential for damage to public resources, Weyerhaeuser still conducted its forest practices in a way that contributed to and worsened the effects of flooding, such as massive landslides, logjams, flooding, and the impairment of drinking water, bridges, and public roads.
- SFM Criterion 5.1 reads "The soil quality of the forest management unit is

maintained and, where necessary, improved, whereby special attention is given to shores, riverbanks, erosion-prone parts and slopes." In this case thousands of hectares of clear cuts in areas known to have a high risk for landslides have led to large-scale erosion, loss of soil and blocking of waterways. Clear cutting headwater streams also clearly does not fulfil this criterion.

- SFM Criterion 5.2 reads "The water balance and quality of both groundwater and surface water in the forest management unit, as well as downstream (outside of the forest management unit), are maintained and, where necessary, improved." In this case the water quality in the forest management unit and downstream were strongly affected.
- SFM Criterion 5.4 reads "Avoidable damage to the ecosystem is prevented by application of the most suitable and available methods and techniques for logging and road construction under the prevailing conditions." In this case thousands of hectares of clear cuts and logging roads took place on steep slopes and other high-risk landslide areas.

SFM Criterion 8.5 reads "Forest management is based on scientific research and, if needed, information on comparable forests types." In this case multiple methods are available to identify unstable areas and minimize landslide rates in forested landscapes, but these seem to not have been used

Case AFS Victoria, Australia

1. Forum post on AFS Victoria

Australian Forestry Standard - An Australian case of unsustainable logging under PEFC in Victoria State

The Australian Forestry Standard (AFS) is an Australian certification programme endorsed by PEFC.

Sources for this case

This case is based on information provided by Luke Chamberlain of The Wilderness Society. The following documents were used:

- Email message by Luke Chamberlain, The Wilderness Society, 24 September 2009
- "VicForests continues to threaten the reputation and support for FSC in Australia", letter to FSC International by The Wilderness Society & Friends of the Earth Melbourne & Australian Conservation Foundation & Friends of the Earth Australia & Greenpeace International & Environment East Gippsland, 19 March 2008 (CLARIFICATION: after this letter was sent it became clear that VicForests failed its first FSC assessment)
- "Australian forests lock up most carbon", ABC Science, 16 June 2009,

Victoria State, Australia

The forests in the Australian state Victoria are managed for commercial sale by VicForests, an AFS accredited company. In Victoria, no environment group supports the operations of VicForests nor does the broader community.

VicForests logs ancient old growth forests. Trees over 500 years old are logged, destroyed and burned (see pictures below).



Used by permission. Copyright: Jill Redwood



Used by permission. Copyright: The Wilderness Society (Victoria, Australia)

VicForests logs endangered species habitat such as that at Brown Mountain in East Gippsland - A Victorian Supreme Court judge has recently banned logging by VicForests in an old growth forest at Brown Mountain, East Gippsland, on the grounds that they are destroying the habitat of endangered species. Despite opposition from environmental stakeholders for over 2 years VicForests pushed ahead with logging, and has now been stopped by the Victorian court system. The case is yet to be heard, but an interim injunction, banning the logging, has been placed on VicForests.

A recent study by Professor Brendan Mackey of the Australian National University and colleagues found that mountain ash forests in Australia are the best in the world at locking up carbon. Victoria's forests are the most carbon dense on earth. VicForests however clear fells and burns these forests, mainly for woodchips. The carbon stores are depleted by VicForests' operations. For example carbon that has been stored in old growth forests for over 500 years is released and the forest is

then logged on a very short rotation, so the carbon stocks are not maintained. The ANU work shows that logged forests store 40-60% less carbon than old growth forests.

VicForests continues to ignore the wishes of stakeholders who have been fighting for decades to protect Victoria's high conservation values forests, creating division and conflict in regional communities. It is illegal for members of the public to enter these catchments, but VicForests allows wood chipping of these catchments. Fifteen local Victorian councils, representing almost 1.7 million people, have passed resolutions calling on the Victorian Government to protect Melbourne's water catchments from VicForests' logging. The water catchment logging impacts upon both the quality and quantity of water, and results in tens of billions of litres of less water flowing into dams in the future.

Members of the local East Gippsland community and supporter networks have for years planned an old growth walking track at Brown Mountain which would provide on-going employment and economic and social benefit to the region. A large section of the proposed Brown Mountain walking track route was destroyed by the first clear felled logging coupe by VicForests at Brown Mountain. VicForests named the coupe 'The Walk', a move that has further outraged the local community. VicForests has admitted that it has not explored or undertaken any analysis to determine other non-timber values, including recreation, of the public forest it logs.

There have been a number of findings demonstrating failures in regeneration success in Victoria's forests. Also The Environmental Protection Agency has highlighted the fact that regeneration surveys are failing to take place and are inadequately monitored.

VicForests has not been operating at an economic profit, it continues to receive taxpayer funded subsidies from government to operate. That way VicForests is able to not charge market rates for the Victorian wood, selling the most carbon dense forests on earth for as little as \$2.50 per tonne. In its most recent Annual Report (2008), VicForests reported a marginal profit. This was only a paper profit after being handed a direct subsidy of almost \$6 million from the state government. VicForests argued that this was for salvage logging efforts, but the salvage logging for the year before produced 89% woodchips, not logs. Traditionally, forest users have paid a royalty for the use of public forests. VicForests has not returned this royalty to the government of Victoria, and if they had done so, would have made a loss of tens of millions of dollars.

VicForests is currently undertaking unprecedented post-fire logging in forests burned by the tragic 2009 fires - many of these forests need to be left to recover, but VicForests is logging them mainly for woodchips. Many previously logged areas of forests are not regenerating properly, and VicForests is many years behind in even assessing regeneration success.

Why AFS does not meet the Dutch Procurement Criteria for Timber in this case

This case shows that AFS - and thus PEFC International - does not meet the Dutch Procurement Criteria for Timber. More specifically, there is clearly non-conformance with the following SFM Principles and Criteria:

- SFM Criterion 1.4 reads "The forest management unit is sufficiently protected against all forms of illegal exploitation, illegal establishment of settlements, illegal land use, illegally initiated fires, and other illegal activities." In this case a recent injunction applied to VicForests' operations by the Supreme Court of Victoria demonstrates that there is validity in trying VicForests for illegal operations. The case has not yet been heard, but the injunction has been applied by the courts, indicating that VicForests could well be operating illegally.
- SFM Criterion 2.2 reads "Effective communication with and consultation and participation of stakeholders take place regarding the management of the forests". In this case VicForests continues to ignore the wishes of stakeholders who have been fighting for decades to protect Victoria's high conservation values forests, creating division and conflict in regional communities. VicForests for instance continues to ignore the wishes of almost 1.7 million people and continues to clear fell in Melbourne's water catchments.
- SFM Criterion 4.1 reads "Objects of high ecological value and representative areas of forest types that occur within the forest management unit are identified, inventoried and protected". In this case VicForests logs ancient old growth forests. Trees over 500 years old are logged, destroyed and burned.
- SFM Criterion 4.2 reads "Protected and endangered plant and animal species are not exploited for commercial purposes. (C 13.2) Where necessary, measures have been taken for their protection and, where relevant, increase of their population." VicForests logs endangered species habitat. A Victorian Supreme Court judge has recently banned logging by VicForests in an old growth forest on the grounds that they are destroying the habitat of endangered species.
- SFM Criterion 5.3 reads "Important ecological cycles, including carbon and nutrient cycles, which occur in the forest management unit, are at least maintained". Victoria's forests are the most carbon dense on earth and among the best in the world at locking up carbon. In this case VicForests however clear fells and burns these forests, mainly for woodchips. The carbon stores are depleted by VicForests' operations. For example carbon that has been stored in old growth forests for over 500 years is released and the forest is then logged on a very short rotation, so the carbon stocks are not maintained. The ANU work shows that logged forests store 40-60% less carbon than old growth forests.
- SFM Criterion 6.1 reads "The production capacity of each forest type of the forest management unit as a whole is maintained". In this case VicForests is currently undertaking unprecedented post-fire logging in forests burned by the tragic 2009 fires - many of these forests need to be left to recover, but VicForests is logging them mainly for woodchips. Many previously logged areas of forests are not regenerating properly, and VicForests is many years behind in even assessing regeneration success.
- SFM Principle 7 reads "Forest management shall contribute to the local economy and employment." In this case members of the local East Gippsland community and supporter networks have for years planned an old growth walking track at Brown Mountain which would provide on-going employment and economic and social benefit to the region. A large section of the proposed Brown Mountain walking track route was destroyed by the first clear felled logging coupe by

VicForests at Brown Mountain. VicForests has admitted that it has not explored or undertaken any analysis to determine other non-timber values, including recreation, of the public forest it logs.

- SFM Criterion 8.4 reads "The implementation of the forest management plan and the ecological, social, and economic effects of forest management on the FMU and its surroundings are monitored periodically on the basis of adequate data." In this case the Victorian Government's Environmental Protection Agency has highlighted the fact that regeneration surveys are failing to take place and are inadequately monitored.
- SFM General. In this case the operation does not appear to be economically viable, which is one of the three pillars of sustainability. VicForests has not been operating at an economic profit, it continues to receive taxpayer funded subsidies from government to operate. That way VicForests is able to not charge market rates for the Victorian wood, selling the most carbon dense forests on earth for as little as \$2.50 per tonne. Also VicForests has not returned a royalty - traditionally paid by forest users for the use of public forests - to the government of Victoria. That way in its most recent Annual Report (2008) VicForests could report a marginal profit. Had they returned the royalty they would have made a loss of tens of millions of dollars.

Case AFS Tasmania, Australia

1. Forum post on AFS Tasmania

Australian Forestry Standard - An Australian case of unsustainable logging under PEFC in Tasmania

Sources for this case

This case is based on information provided by Vica Bayley of The Wilderness Society. The following documents were used:

- "Oldgrowth for export - A report documenting the logging and woodchipping of Tasmania's oldgrowth forests", The Wilderness Society, December 2008
- 2007-08 Annual report of the Forest Practices Authority

Tasmania, Australia

Gunns Ltd. - certified by the Australian Forestry Standard (AFS) - is Australia's biggest native forest woodchipper and responsible for and profiting from the ongoing destruction of native forests across Tasmania. Many of these forests have recognised and well documented high conservation values and are found on both private and public land. Gunns sources its timber from both public and private land to produce sawn timber and woodchips for export and domestic use. Forestry Tasmania manages all state owned forests and either supplies Gunns with logs or permits Gunns to log some of those forests. In doing so Gunns is responsible for logging:

- old growth and rainforest;
- forest identified as threatened species habitat;
- domestic water catchments;
- extremely steep slopes;
- forest recognised as very valuable carbon stores;
- forest with identified and documented World Heritage Values, including Aboriginal heritage values;
- forest registered on the National Estate;

In managing its forest and plantation areas on private land, Gunns continues to use the controversial poison 1080 to kill native animals that would browse on growing seedlings. Poison 1080 causes a slow and agonising death. It is non-target specific and is known to cause the death of non-target species, including threatened species such as the Bettong. It is not used in any other Australian state to target native animal species. In response to community outrage, the Tasmanian Government has banned the use of this poison in public land. However Gunns have chosen to continue with its use.

Also official State Government reports reveal that Gunns is continuing to clear and convert native forests to plantations, despite statements to the contrary. In June

2007 Gunns made a statement claiming that it would end all land clearing of native forests for plantation establishment. However, the 2007-08 Annual report of the Forest Practices Authority (FPA) (the most recent annual report), the state body charged with overseeing the logging of forests in Tasmania, highlighted the fact that in the year 2007-08 (the year following the statement made by Gunns), the company had applied for and received approval for the clearance and conversion of 2720 hectares of native forest for the establishment of new plantations. Many of these areas would have now been converted with resultant impacts on biodiversity, climate change, scenic amenity and water flows.

And a recent report by the Wilderness Society ("Oldgrowth for export - A report documenting the logging and woodchipping of Tasmania's oldgrowth forests", December 2008) identified four coupes (WE038A, WE039D, WE002F and SX010F) that highlight the inappropriate nature of logging in Tasmania's old growth forests. The overwhelming majority of timber extracted from these coupes would end up with Gunns for processing. A massive 84 per cent of wood extracted from these areas (much is left to be burnt) is woodchipped for export overseas by Gunns.

Why AFS does not meet the Dutch Procurement Criteria for Timber in this case

This case shows that AFS - and thus PEFC International - does not meet the Dutch Procurement Criteria for Timber. More specifically, there is clearly non-conformance with the following SFM Principles and Criteria:

- SFM Criterion 2.6 reads "Objects of cultural and traditional economic value are identified and inventoried in consultation with the stakeholders and are respected". In this case Gunns Ltd. logs forest with identified and documented World Heritage Values, including Aboriginal heritage values and forest registered on the National Estate.
- SFM Criterion 4.1 reads "Objects of high ecological value and representative areas of forest types that occur within the forest management unit are identified, inventoried and protected". In this case Gunns Ltd. logs old growth and rainforest.
- SFM Criterion 4.2 reads "Protected and endangered plant and animal species are not exploited for commercial purposes. (C 13.2) Where necessary, measures have been taken for their protection and, where relevant, increase of their population." In this case Gunns Ltd. logs forest identified as threatened species habitat."
- SFM Criterion 4.3 reads "Conversion of forests in the FMU to other types of land use, including timber plantations, shall not occur unless in justified exceptional circumstances." In this case an official State Government report revealed that Gunns is continuing to clear and convert native forests to plantations, despite statements to the contrary. The 2007-08 Annual report of the Forest Practices Authority highlighted the fact that in the year 2007-08, Gunns Ltd. had applied for and received approval for the clearance and conversion of 2720 hectares of native forest for the establishment of new plantations.

- SFM Criterion 5.3 reads "Important ecological cycles, including carbon and nutrient cycles, which occur in the forest management unit, are at least maintained". In this case Gunns Ltd. logs forest recognised as very valuable carbon stores.
- SFM Criterion 5.4 reads "Avoidable damage to the ecosystem is prevented by application of the most suitable and available methods and techniques for logging and road construction under the prevailing conditions." In this case Gunns Ltd. logs extremely steep slopes.
- SFM Criterion 5.7 reads "The use of chemicals is only permitted if maximum use of ecological processes and sustainable alternatives proves insufficient. The use of class 1A and 1B pesticides, as drafted by the World Health Organisation, and of chlorinated hydrocarbons is not permitted". In this case Gunns Ltd. in managing its forest and plantation areas on private land, continues to use the controversial poison 1080. Poison 1080 causes a slow and agonising death. It is non-target specific and is known to cause the death on non-target species, including threatened species such as the Bettong. It is not used in any other Australian state to target native animal species. In response to community outrage, the Tasmanian Government has banned the use of this poison in public land.



Wilderness Society, 2007 (PEFC certified coupe in Australia)