

The challenge of growing certification

A phased approach could be the best way of making more rapid progress

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FOR many developing countries in the tropics, forest certification is a tall order. Many social, political, ecological and economic factors undermine efforts made by these countries in making progress towards sustainable forest management (SFM). In most cases these factors are very complex, intertwined, and extremely difficult to resolve. As a consequence, forest stakeholders in these countries need to work much harder to achieve SFM compared to their counterparts in the temperate, developed world.

Such difficulties are not well recognised in the consuming (developed) countries. This is unfortunate given the dominance of developed countries in determining the norms and values of SFM and also given that the credibility and international acceptance of certification schemes are in most cases determined by NGOs in those countries.

Developing countries are lagging way behind in SFM certification (see page 3). There is a wide gap between the existing level of forest management and what is required by SFM certification standards. This is not all the fault of poor logging practice: some components of the gap are external factors beyond the control of a forest concession-holder. For example, the issue of disputed land tenure has become one of the key stumbling blocks to SFM. Land tenure conflicts between concessionaires or forest owners and local communities, which are not uncommon, often result from flawed government policies on land tenure and natural resource management. This problem is exacerbated by the fact that developing countries often lack the necessary institutional infrastructure to mediate and resolve these conflicts. In Indonesia, for example, virtually all forest areas are under some kinds of tenurial conflict. The Soeharto administration often suppressed local communities and violated their rights over forest lands. Nowadays, the reverse is taking place. Community claims over forests can be found everywhere, from Sumatra to the Papua islands. Some of these are legitimate and reasonable, but others are difficult to comprehend and often include financial

claims way beyond what could be deemed reasonable. If the conflict is relatively mild it can often be settled directly by concession-holders in negotiation with community claimants—at a given cost. But in most cases the conflict is much more serious and expensive and cannot be settled easily. Unfortunately, if a multi-stakeholder conflict resolution mechanism is not yet established and if social institutions are unable to mediate the conflict to ensure a win-win solution, forest management units (FMUs) involved in such a conflict will not be certifiable.

Even in the developed world, settling tenurial conflicts is not easy. Australia, for example, took decades before it came up with the Mabo decision in the early 1990s, which went some way towards addressing Aboriginal land-tenure claims in the country. The task is even more difficult when there is political instability and major transitions in power, as is sometimes the case in tropical countries.

Rampant illegal logging poses another hurdle for certification. Illegal logging is in fact not the cause of the problem but a symptom of deeper causes. In Indonesia these causes include: weak legal infrastructure and law enforcement; a political transition that sidelines military and police forces (which in turn leads personnel from these forces to look, on an individual basis, to activities such as illegal logging); legal mayhem as a result of the flawed design of decentralisation; and a lack of willingness on the part of some forest concession-holders to implement legal and sustainable forest management. A high level of illegal logging adds to the complications of certification in developing countries and makes it even less credible in the minds of consuming countries.

For Asian-crisis countries, and other poor countries in the tropics, the costs required to bridge the gap between current practice and the standards of certification can be enormous, and way beyond the financial capacity of forest stakeholders. For national certification initiatives such as the Indonesian Ecolabelling Institute (LEI) and the Malaysian Timber Certification Council, all these challenges significantly

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be presented to members at the Council's General Assembly in November. This includes a proposal for pursuing the endorsement of non-European schemes, although debate on the appropriate structures and procedures to better integrate the other regional processes into the PEFC scheme is ongoing.

The current proposal is that when standards developed by a regional process are submitted to the PEFC Council for endorsement, the documentation shall include a common reference base for each process that is compatible with the PEOLG with respect to scope and the level of requirements. It is therefore proposed that the PEFC Council will approve such a reference base prior to commencement of the scheme assessment (this will of course require studies to be undertaken to inform decision-making); the standards

will be assessed against such a reference base. Where such a reference base is not provided, the default procedure will be to use the PEOLG as the basis for the endorsement (as is currently the case). All other scheme requirements will be assessed against the existing PEFC Council requirements as amended from time to time by the General Assembly.

Although initially developed to address the European situation, the PEFC Council's approach now has worldwide appeal. We look forward to closer cooperation with national forest certification schemes around the world to further develop our global mutual recognition umbrella.

The Forest Stewardship Council's expansion plan

The FSC aims to increase to 30% the area of the world's production forests under certification to FSC standards and to 15% the share of the global roundwood market held by FSC-certified forests

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THE Forest Stewardship Council (FSC) is a unique, non-profit, international standards and accreditation organisation committed to promoting the conservation, restoration and protection of the world's production forests. The FSC's forest management standard-setting processes are transparent and inclusive, with the participation of a wide range of stakeholder groups, including those that are traditionally marginalised in forest policy debates. By providing multi-stakeholder fora for the discussion of forest management issues, the FSC has successfully energised policy processes that had been stagnant due to low participation and a lack of trust among stakeholders.

The FSC has more than 400 individual, corporate, institutional and organisational members in 50 countries. Its membership, divided into social, environmental and economic chambers, includes: major environmental organisations such as Greenpeace, Friends of the Earth and the Worldwide Fund for Nature/World Wildlife Fund; social organisations that represent the interests of forest-dependent communities, indigenous peoples and forest workers; and progressive forest management and forest products companies. It has also earned the endorsement of mainstream environmental organisations in the United States such as the World Resources Institute, the Natural Resources Defense Fund, the Sierra Club and the Wilderness Society, and of major timber retailers worldwide, including Home Depot, Lowe's and Nike in the US, IKEA in Sweden, B&Q in the United Kingdom, Intergamma in the Netherlands, and OBI in Germany.

Although the FSC promotes responsible forestry through certification, it does not certify; rather, it accredits certification bodies to conduct the certification and monitoring of good forest management. More than ten certification bodies have been accredited, none of which is based in the tropics. Some accredited certification bodies have agents and partners carrying out FSC audits in tropical countries, notably in Bolivia and Brazil but also in Indonesia and Malaysia. The FSC has endorsed regional standards for these audits in Bolivia, Brazil and Colombia, and FSC members are collaborating to develop standards for FSC endorsement in Argentina, Cameroon, Chile, Ecuador, Ghana, Guatemala, Guyana, Indonesia, Malaysia, Mexico, Nicaragua, Papua New Guinea and Vietnam. Not all of these countries have FSC-endorsed national initiatives, but all base their drafts on the FSC Principles and Criteria for Forest Management.

More than 29 million hectares of forests in 55 countries across five continents have been certified to FSC standards. The certified areas range from small-scale community forests in the Solomon Islands to the entire holdings of the State of Pennsylvania in the US and the lands of the largest commercial timber and paper companies in Europe and North and South America. However, about three-quarters of the FSC-certified area are in temperate and boreal forests. Most of the certified tropical forests are in South America. For example, over one million hectares have been certified in Bolivia, while some 333 000 hectares of natural Amazonian forest have been certified in Brazil; only small areas have

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enlarge their scope of responsibility, yet they have very limited institutional, human and financial resources. Not only do they need to develop credible certification standards and establish national capacity to implement the standard, they have to make extra efforts to achieve international recognition, which their developed-world counterparts need not do.

In the case of LEI, in addition to the development of certification standards and the building of national capacity, we must be actively involved in many non-certification issues. For example, LEI takes part in an Indonesian NGO coalition for natural resource management and land reforms. This coalition successfully convinced Indonesia's highest law-making body, the People's Assembly (*Majelis Permusyawaratan Rakyat*), to issue a decree on these issues. Moreover, in the face of early lukewarm responses from some European buyers, LEI needs to work harder to convince them that supporting national initiatives—while remaining in support of an international one—can provide huge incentives for FMUs in developing countries to proceed towards SFM certification. With all these challenges, a big-bang approach to certification seems to be unproductive. All certification supporters need to work together to bridge the gap.

Of all other alternatives, a phased approach to certification appears to be the most useful. This can be divided into two phases: legal compliance

and, later, a mutually agreed, gradual progression to SFM certification. In the first stage, forest concessionaires apply for some form of assessment leading to the recognition of legal compliance, including compliance with the terms and conditions of forest management stipulated in the agreement between the state and the forest concessionaire. In the second stage, forest concessionaires, certifiers and other forest stakeholders lay down a (perhaps five-year) plan for achieving SFM in the FMU, with a clear timetable and indicators of achievement. Each year, certifiers and other stakeholders assess the annual improvement against the timetable and indicators. Progress is reported in a verification report, which is accessible to buyers and other stakeholders. In the final year, a full SFM assessment is undertaken to examine if a certificate can be issued to the forest concessionaire.

Such a phased approach will only be attractive to forest stakeholders in developing countries if buyers in the developed world are prepared to recognise the approach. ITTO can play significant roles in stimulating research and debate on the approach.