

ITTO WS on Phased Approaches

Results

Working Group 2

Question 1

- Question of providing a framework like the one of FSC
- Convince customers, legal origin is major issue now, PA are obliged to start with legality, frameworks to be developed within existing systems, not create new systems, frameworks should not be too complicate
- 3rd party verification for PA necessary
- Proper legislation for SFM in general is essential
- Requirements presented are not fair for producer countries, concepts of schemes are developed by consumers not by producers, there are national schemes well implemented
- Concept of PA not understood completely yet, Mexico develops own national scheme because of differing schemes and particularly for local requirements
- Consumers want timber to be differentiated between good and bad, export documentation no guarantee, national systems suitable for legality, for trust of consumers schemes must be independent no matter if national or international

Question 1

- How to align needs in producer countries and demand in consumer countries towards SFM, aligning different schemes and actions towards SFM
- In Africa producers and buyers are the same, thus they prove their own system and control their own chains, is PA the pragmatic way to prove all aspects of legality concerning local communities and indigenous people, problems with definitions of legality, PA to be adjusted better to different regions and local conditions, social issues essential
- PA have to be linked to markets
- Need for middle way between national producer schemes and international consumer schemes
- Difficult for national schemes to enter markets without link to international framework
- FSC international framework for recognition national schemes
- What about the demand of domestic markets like China and India

Question 2

- Alternative evidence could be the national systems, PA can help develop appropriate national schemes
- Important that public procurement requirements are communicated to producer countries
- Alternative evidence should not be a barrier for access to markets
- Credible process needed that tropical timber meets certain criteria, alternative evidence should perform a framework such as FSC or any other system can provide, then PA will work and will be supported by public procurement
- Public procurement policies should be fair, realistic and assisting in providing incentive tools. Alternative evidence should contain simple tools for legality and should also be considered at national level in producing country

Question 2

- Public procurement requirements and policies are more and more in place and triggered by legality issues, they prefer sustainable timber but minimum requirement is legality, question is how to get sustainable timber and how to link legality requirements to PA,
- Need for an investigation on company incentive programs not only about market incentives
- Question of scope, evidence of the application of RIL is enough to enter to US market
- Governments have to develop policies to promote certified products also for domestic markets e.g. Bolivia
- Link procurement requirements and development programs in producer countries in order to help them to meet the procurement requirements

Question 3

- Question of markets including public procurement, what do markets want, need for a common understanding to bring together markets and producers, legal compliance already defined by different stakeholders, task is to work out common understanding
- Have to be country specific because situations are very different, should not be done from outside. Can be done through consultation among individual producing countries to define minimum standard, build up international producer groups
- Question of what is legality, many definitions, seek simple definition strictly focused on forest issues, exclude some administrative issues e.g. tax declaration on income tax
- More attention to verification in the field, particularly to workers situation
- Need to be adjusted to local needs, indigenous people and socio/cultural issues, essential for definition of legality
- 3rd party verification required

Question 4

- No clear vote for one option, slight preference for option 1
- Entry requirements should be seen as national requirements, much depends on starting point of company, possibilities to fix time periods for different phases along certain criteria, CoC required
- Margins are necessary, time frames should be flexible because of lack of capacity in the companies
- Definitions of PA have to include communication to the market, PA need to be a market tool, options for PA presented need further study on what are the differences, baseline is legal origin, but there might be other elements, time frame must be set as commitment when PA is used for market access, CoC definitely required
- PA best to work within existing certification schemes, entry requirements should be simple, it's a matter of commitment, CoC also simple, all signs of improvement can be used for market access e.g. WWF producer groups

Question 4

- Different regions can have different entry requirements
- Options presented not suitable for community forestry
- Need for an entry audit to check compliance with legislation, situation of communities and workers, time frame depends of results of entry audit, monitoring of forestry activities together with local communities and local NGOs, CoC needs to create high level of transparency
- Consensus between stakeholders as prerequisite, local people often underrepresented in process
- Lots of ways doing this, FSC is developing its own system, no unified way for companies how to get to 3 levels of legality, intermediate phases and SFM, common understanding about 3 levels necessary, legal origin and legal compliance require some kind of standard which can be audited

Question 5

- Needs independent review of national requirements and then set up a baseline, information on legality of land ownership necessary but critical issue because in many countries there are no formal land titles
- Legal origin should be baseline using C&I , legal compliance should be part of PA process based on set of C&I, it can be achieved only step by step in the process as it refers to entire legislation
- Certification schemes can be used for assessing legal compliance
- Need for flexibility, legal origin is not simple, verification for legality seems to be stricter than what certification schemes provide, needs to be sorted out
- Legal compliance as baseline should be connected with commitment of FMU for full certification, legal compliance to national legislation should be reliably proved by exporting countries themselves based on check of the forest
- Legal compliance should be defined by national procedures

Question 5

- No reliability of documents, requires checking procedures in the field, the baseline should be legal origin but verified independently preferably by a national entity
- Legal compliance should be the baseline considering international conventions, local communities, workers, and national regulation. Baseline determined by an entry audit
- Verification of legal origin sometimes difficult because of transport of timber through different countries, example transport from Congo to Cameroon through CAR, tracing is absolutely essential
- For definition of baseline the awareness about local critical cultural issues is needed

Question 6

- On product labeling should be given only to the level of SFM, labeling of intermediate phases confuses consumers, intermediate levels need other ways of communication such as B2B
- Not easy to bring message to the consumer when PA is used, B2B communication must develop mechanisms, definitely off product communication, target group should be retailers, governments, donors, international community
- Communication necessary towards FMU on what will be the extra benefits of PA
- Certification bodies should make public announcements asking for inputs from stakeholders at the beginning of PA, public consultations, PA progress has to be reported and reports can be used for communication
- Communication through electronic networks about progress of FMUs
- Capacity building for stakeholders, involve stakeholders in entry audit for monitoring purposes, use of local radio and television

Question 6

- Identify key focal points in different constituencies to forward information
- Depends on target groups, consumers communication difficult because in principle it requires some kind of label but critical issue, if PA are incorporated in existing schemes then communication runs in these constituencies

Question 7

- In general difficult to discuss, its up to the schemes themselves, it seems that schemes are thinking of ways to handle to
- PA should be defined and controlled very accurate
- Cost reduction by using regional or national experts
- Create rewards and incentives other than price e.g. taxes and fees reduction, procurement policies should interfere more directly with producers markets, risks and costs are simply part of business
- Costs, risks and benefits should be put clearly on the table, studies on how to internalize PA into country specifics
- Compensation for environmental services e.g. by internalizing costs into timber prices
- Studies on costs and benefits of PA and communicate results to beneficiaries, message should be that there are slow benefits but sure and legal
- Reduction of direct costs direct through national auditors, reduction of indirect costs by capacity building, risk reduction through pragmatic and operational planning considering realities including realistic cost calculations