



## Forest Certification as a Tool for Verifying Legality

### Potomac Forum March 24, 2009

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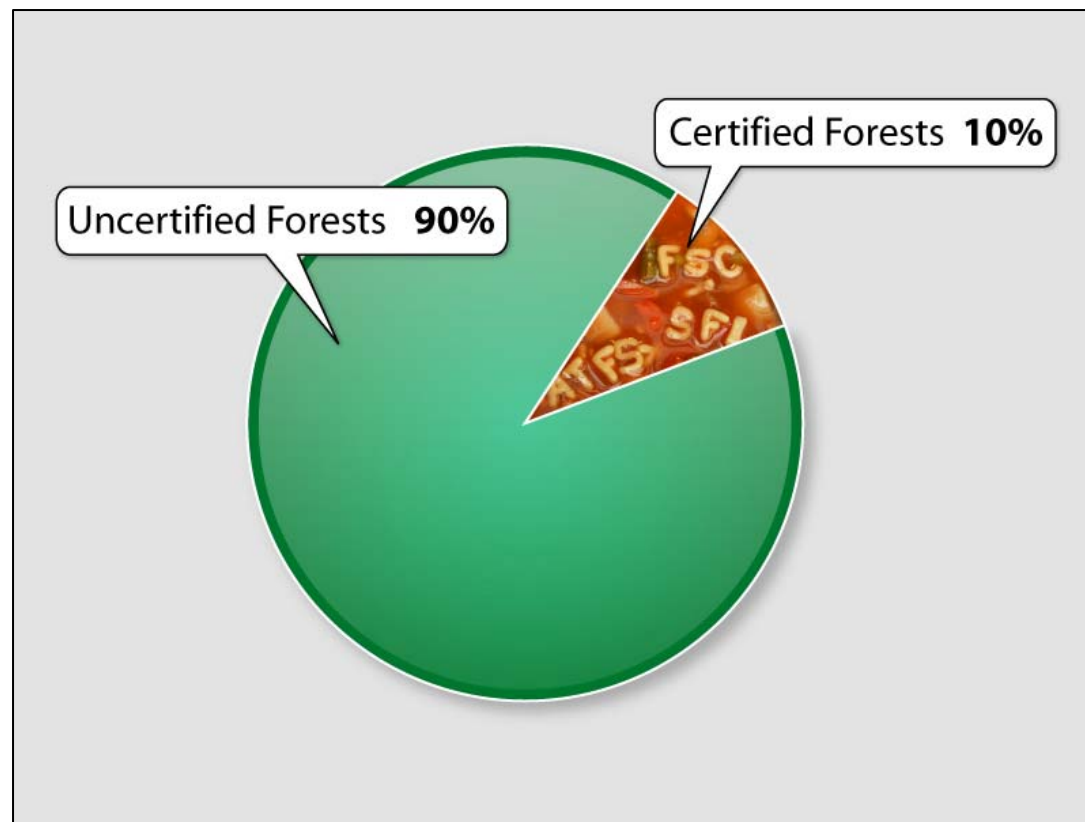




# Global Forest Certification



## The Other 90 %



**SUSTAINABLE FORESTRY INITIATIVE**  
*Good for you. Good for our forests.™*



## Certification's Original Purpose

- Put an end to deforestation and destruction with a market-based tool in the context of the tropics
- Ineffective government laws and institutional capacity
- Bring the market to drive change.

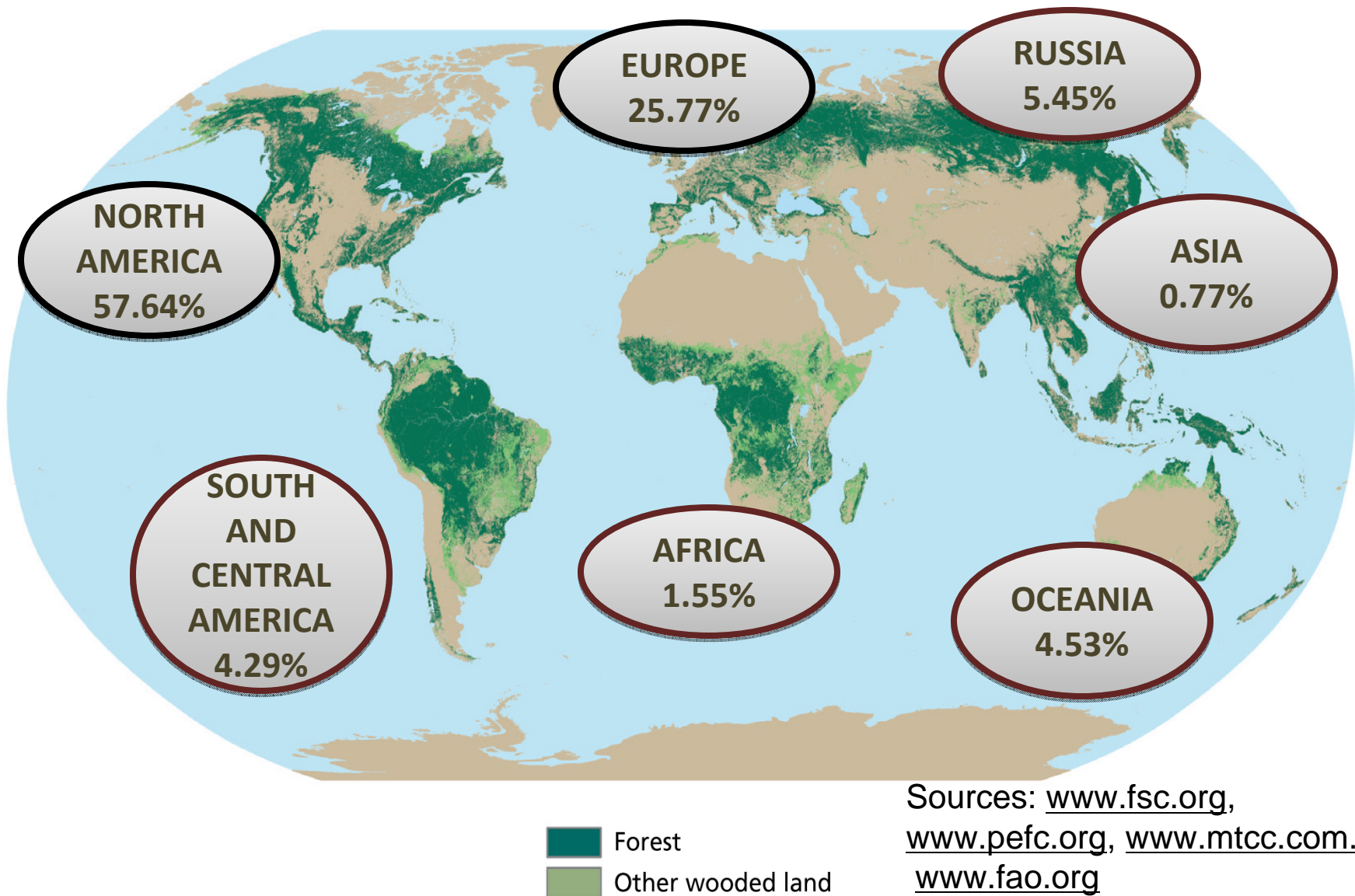


SUSTAINABLE FORESTRY INITIATIVE

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## Global Distribution of Certified Forests Compared to Total Global Forest Area



Sources: [www.fsc.org](http://www.fsc.org),  
[www.pefc.org](http://www.pefc.org), [www.mtcc.com.my](http://www.mtcc.com.my),  
[www.fao.org](http://www.fao.org)



## Certified vs. Verified Legal

- Illegality is a larger threat to global sustainability
- While certification addresses many issues, most certified area is not in areas for high risk of illegally sourced fiber
- Forest certification may be the ultimate goal, but in many countries where dealing with illegal logging needs to come first, certification can assist as well

# **The SFI Program**

## **A Single North American Assurance**



**1 Standard for all of North America**  
**Fully Independent Non-Profit Charitable 501c3**  
**3 Chamber Board: Social - Environmental – Economic**  
**160 million acres/65 million hectares**



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# Conservation & Community Collaboration





## Risk Aversion Through CoC Certification

All chain-of-custody standards (SFI, FSC and PEFC) and SFI Fiber Sourcing certification help avoid the risk that fiber from uncertified sources is illegally harvested or from controversial sources



# Chain of Custody



Certified Forest  
Forest Management certificate



Certified Logs  
Chain of Custody certificate



Sawmill  
Chain of Custody certificate



Chain of Custody certificate



Chain of Custody certificate



# SFI – Percent Certified Content Labels for Products from Certified Well-Managed Forests

## Tracks Certified Forest Content

Must have 3rd party certification against SFI's COC or PEFC CoC standard which means it tracks the certified content in the fiber, and can also track the recycled content as well.



# SFI Fiber Sourcing – A North American Standard with a Global Reach

## Tracks Procured wood in North America and Off-Shore

Must have 3rd party certification against SFI's fiber sourcing requirements which means a verifiable system to ensure procured wood comes from responsible sources.





## SFI Inc. Policy on Illegal Logging

- (a) SFI Inc. will not license any person or entity to use SFI's trademarks or labels, and SFI may revoke any licence previously granted, if **the proposed licensee or an Affiliate of the licensee has been found to have engaged in *Illegal Logging* by a government authority in the jurisdiction where the logging occurred<sup>1</sup>**, unless the evidence available to SFI supports a conclusion that, in the business judgment of the SFI Inc. Board, any incidents of *Illegal Logging* by the entity are followed by prompt corrective action and do not show a pattern of *Illegal Logging*.
- (b) SFI Inc. will not license any person or entity to use SFI's trademarks or labels, and SFI may revoke any licence previously granted, if **the evidence available to SFI supports a conclusion that, in the business judgment of the SFI Inc. Board, the proposed licensee or an Affiliate of the licensee has engaged in a pattern of *Illegal Logging*.<sup>2</sup>**

*When sourcing from outside the United States and Canada, the organization shall establish adequate measures to ensure that the certified products do not include raw material from controversial sources. Use of controversial sources [includes illegal logging] is not allowed in SFI labeled products...*

*Ensure procurement from areas outside the United States and Canada promote the conservation of biodiversity hotspots and major tropical wilderness areas...*

*Have a process in place to assess [and address] the risk of fiber from countries without effective social laws addressing the following: workers' health and safety; fair labor practices; indigenous peoples' rights; antidiscrimination and anti-harassment measures; prevailing wages; and workers' right to organize.*



**Annex 1**  
**SFI RESPONSIBLE FIBER SOURCING**  
**STANDARD AND ASSOCIATED LABELS**



**Annex 2**  
**SFI CHAIN-OF-CUSTODY**  
**STANDARD AND ASSOCIATED**  
**LABELS**



## Certification in Government Acts and Policies

- Due diligence/Due care vs. guarantee
- Limited resources means enforcement of the Lacey Act will likely focus on high risk cases
- Authorities could use proof of the following certifications as due diligence/due care related to the avoidance of illegally harvested products:
  - SFI CoC
  - SFI Fiber Sourcing
  - FSC CoC
  - PEFC CoC

## The Path Forward: certification as a market-based tool to combat illegal logging

- Only 10% of the world's forests are certified – we need to work together to promote certification – looking to partner with like-minded organizations.
- Recognizing that a variety of forest certification standards is the best solution to meet supply needs and ensure legality of origin.
- Focus on tools and incentives available to high risk areas, including certification



# The SFI Team

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