

FAMILY FOREST CERTIFICATION IN THE
UNITED STATES:
PROGRAM AND ACTIVITY UPDATES

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NOVEMBER 25, 2008



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Family Forest Certification in the United States: Program and Activity Updates

Introduction

Since 2004, Dovetail Partners has reported on family forest certification, related programs, and current activities. In 2008, several important changes have been made to leading family forest certification programs in the United States. These changes may have significant impact on opportunities for engaging woodland owners in forest certification and related land management and marketing activities.

This report summarizes recent developments within the American Tree Farm System (ATFS) and the Forest Stewardship Council (FSC), and identifies the next steps that are needed to continue to grow family forest owner participation.

Background

When Dovetail Partners first examined family forest certification in 2004¹, the leading programs were those of the American Tree Farm System (ATFS) and the Forest Stewardship Council (FSC). At that time, the American Tree Farm System had recently revised its certification standards and issued its first group certificates under its newly established group certification program. In addition the Forest Stewardship Council had recently established the “Small and Low Intensity Managed Forests” initiative to expand opportunities for smallholder certification. Both programs had placed renewed emphasis on the need to engage family forest owners in certification, recognizing that these ownerships provide a significant and important proportion of the wood supply in the United States. Private woodland owners represent 58% of the total timberland in the United States.

Dovetail continued to track family forest certification with an article in 2006² that reported on recent research and potential innovations that could help expand opportunities for family forest owner participation in certification. The research being done at that time included work by the Pinchot Institute for Conservation to evaluate the potential for certification through the USDA Forest Service’s Forest Stewardship Program, as well as research by the University of Minnesota and the University of Tennessee addressing landowner awareness and interest in certification. Also by 2006, the ATFS had issued a total of 9 group certificates including about 3.5 million acres, and the FSC had completed a field test partnership with Georgia-Pacific with the objective of developing key recommendations on how to improve smallholder access to the FSC program.

¹ Dovetail Partners. October 20, 2004. *Family Forests, Tree Farm & FSC*. Available at: www.dovetailinc.org

² Dovetail Partners. May 19, 2006. *Innovations in Family Forest Certification: What’s Happening & What’s Needed*. Available at: www.dovetailinc.org

Most recently, in 2007, Dovetail took a closer look at group certification and why it may be the key to expanding family forest participation in certification. The report released last year outlined how group certification works, provided examples of where it is being applied in the United States, and identified opportunities for continued improvement.³ One of the main discussion points was the need to ensure that group certification programs are accessible to large “super groups” which may include tens of thousands of landowner members and operate at state or multi-state scales. At that time, the largest group certificate that had been issued for family forestlands was through the American Tree Farm System (ATFS), and included more than 35,000 landowners representing approximately 2 million acres in Wisconsin.

These previous reports provide context for understanding how family forest certification has developed over the past several years, the areas where each program has put effort, and a hint of where work may still be needed.

American Tree Farm System

The American Tree Farm System (ATFS) is a program of the American Forest Foundation (AFF). Established in 1941, the ATFS has certified 24 million acres of privately owned forestland and engaged 90,473 family forest owners.⁴ The ATFS has issued 18 group certificates representing an estimated 4 million acres and including lands in more than 20 states.⁵

There have been several recent changes to the ATFS program; the most significant change in 2008 was the completion of the endorsement process by the Programme for the Endorsement of Forest Certification (PEFC) schemes. Announced in August 2008 (see sidebar press release from ATFS), the endorsement provides a mechanism for international recognition of the ATFS program.

ATFS Receives PEFC Endorsement

Washington, D.C. (8/7/08) - Family forest owners in the U.S., who own nearly two-thirds of the country's forestlands, today cheered the international approval of the American Tree Farm System® (ATFS) by the Programme for the Endorsement of Forest Certification schemes (PEFC). PEFC is an international, independent, non-profit, non-governmental organization, founded in 1999, which promotes sustainably managed forests through independent third party certification. ATFS is the oldest and largest forest conservation, certification, and advocacy program in the United States. The 67 year-old program is sponsored by the American Forest Foundation.

“This is fantastic news for conservation-minded family forest owners who are struggling to survive in tough economic times,” said Laurence Wiseman, President and Chief Executive Officer of the American Forest Foundation, the parent group of ATFS. “PEFC approval is the key to connecting more of the good operators to the rapidly growing marketplace of green manufacturers, distributors, retailers and consumers.”

http://www.treefarmssystem.org/cms/pages/38_66.html

³ Dovetail Partners. September 10, 2007. *Group Certification: An Opportunity to Engage More Family Forests*. Available at: www.dovetailinc.org

⁴ http://www.treefarmssystem.org/cms/pages/69_1.html (Accessed Nov. 10, 2008).

⁵ <http://www.treefarmssystem.org/IMG%20Manual/Certified%20Group%20Organizations.pdf> (Accessed Nov. 10, 2008)

The ATFS began preparing for the PEFC endorsement process in 2001 and since that time has been working to align its program, certification standard, and operating procedures with the PEFC requirements and the criteria for international certification systems. This alignment process has required the ATFS to adopt a variety of practices that represent fairly significant changes and move the ATFS toward greater compliance with international (e.g., ISO) standards for auditing and standard setting. Also, in 2007, for the first time, ATFS sent a mailing to its members requesting a voluntary assessment fee to help raise funds for Tree Farm operations.⁶

The PEFC endorsement process includes completion of an independent review of the applicant program by a consultant, a public comment period, and review and approval by the PEFC Council. A full assessment report is prepared to summarize the findings and is made available to the public. The ATFS Assessment Report⁷ is posted at the PEFC website along with the documentation that was submitted to support the application for endorsement. North American programs that have previously received PEFC endorsement are the Sustainable Forestry Initiative (SFI) and Canadian Standards Association (CSA). The assessment reports for each program (also available on the PEFC website) outline the conditions to be met in order for PEFC endorsement to be granted and maintained. For example, the SFI Program was required to fully implement an ANSI-ASQ National Accreditation Board (ANAB) accreditation program and to develop a statement addressing the support for labor rights as outlined in the International Labor Organization (ILO) conventions.⁸

Some actions taken by the American Forest Foundation (AFF) that were necessary to achieve PEFC endorsement of the ATFS include changes to support chain-of-custody certification, updated internal monitoring procedures, and convening of an independent standards review panel to review the program's forest certification standards.

The PEFC assessment report for the ATFS program provides detailed findings related to the evaluation of the program against requirements of the PEFC Council. The evaluation focuses on the standard setting process used by the American Forest Foundation (AFF) in administering the program, the public consultation processes, conformance with applicable laws and regulations, compliance with International Labor Organization (ILO) Conventions, implementation of individual and group certification programs, addressing the Pan European Operational Level Guidelines for Sustainable Forest Management (PEOLG), chain of custody and logo use arrangement, and the accreditation processes.

The application from the AFF to the PEFC Council requested a transition period during which implementation of the new accreditation and certification model would be completed. The report author's recommendation was that the PEFC Board of Directors conditionally endorse ATFS, pending further actions to address the certification and accreditation

⁶ <http://65.109.144.60/news/Final.pdf>

⁷ ITS Global. 6 June 2008. *Evaluation and assessment of the American Tree Farm System against the requirements of the PEFC Council*. http://www.pefc.org/internet/resources/5_1185_1948_file.2289.pdf

⁸ ITS Global. October 11, 2005. *Evaluation and assessment of Sustainable Forestry Initiative (SFI) Program against the requirements of the PEFC Council*. http://www.pefc.org/internet/resources/5_1185_1264_file.1443.pdf

processes and full implementation of the new model. PEFC endorsement of the ATFS program was announced in early August 2008 and the Board granted the request for a one-year transition period.

Chain-of-Custody

The ATFS now offers chain-of-custody certification through the PEFC standard and in keeping with the PEFC requirements for certifiers and auditing practices. The ATFS does not currently offer an on-product label. Organizations that complete the chain-of-custody certification process are eligible to use the PEFC label for on-product claims. The PEFC website currently lists one PEFC logo user within the ATFS group and zero chain-of-custody certificate holders.⁹ The ATFS website¹⁰ provides details regarding rules for use of the AFF's American Tree Farm System® logo and signs. It has been reported that at least one U.S. company is offering a premium for ATFS certified wood (e.g., paying more per ton). ATFS certified materials continue to be eligible for counting toward SFI certification claims.

Monitoring System

The ATFS has developed internal monitoring and sampling protocols to assure conformance with the certification standard.¹¹ Since 2002, ATFS has been working with Virginia Tech to develop a sampling methodology for demonstrating program conformance while reducing the number of annual re-inspections. The methodology involves stratifying properties by size (acreage categories) and has reduced the number of required inspections from an estimated 8,000 down to 1,180 with results that will be 95% accurate with a margin of error of ± 2 percent. The ATFS continues to rely upon a network of state programs and local volunteers to implement inspections. There are more than 4,000 volunteer ATFS inspectors. State programs are able to choose to continue the standard re-inspection process (i.e., inspecting each property every 5 years) or adopt the new sampling procedure. States that fully adopt the new sampling methodology are only responsible for inspecting properties that are included in the selected sample.

Another tool for verifying the status of a Tree Farm certified property is the ATFS On-Line Certification Verification Service.¹² This subscriber-only service allows access to the ATFS database and the listing of certified properties. The service is intended to help chain-of-custody certified mills and other purchasers verify the certified status as needed to maintain the chain-of-custody and product claims. Subscription fees range from \$400 - \$1,500 per year depending on the number of sites or facilities.

⁹ <http://register.pefc.cz/statistics.asp> (Accessed Nov. 10, 2008, Information updated on 9/30/08)

¹⁰ <http://www.treefarmssystem.org>

¹¹ Sightline. Spring 2006. *A newsletter for the Inspecting Foresters of the American Tree Farm System.* http://www.treefarmssystem.org/leaders/AFFSightline_Spring06_final.pdf

¹² <http://www.treefarmssystem.org/Media%20Announcement%20with%20updated%20fees%207.16.08.doc>

Standards Revisions

When the ATFS standard was last revised in 2002, the limit on tree farm eligibility was an acreage size of 10,000 acres. In 2005, the AFF Board of Trustees increased the acreage limit to 20,000 acres while establishing additional auditing requirements and criteria for properties between 10,000 and 20,000 acres in size.¹³ In September 2008, the American Forest Foundation (AFF) announced that it is convening an independent standards review panel to begin the review process for the AFF's Standards of Sustainability for Forest Certification.¹⁴ The review process will follow the PEFC requirements and provide opportunities for public comment.

Since 2004, the ATFS has offered a group certification program that requires third-party certification assessments and auditing. As of March 2006, individual landowners interested in ATFS third-party certification outside of the group certification program can contract with accredited ATFS Lead Auditors to undergo an independent audit for conformance with the certification standard.

As the ATFS moves closer to a fully independent third-party certification program, its identity as a membership organization will be reduced. This move may create confusion for many of its partners but is ultimately required if ATFS is to be recognized as an internationally credible certification standard.

Forest Stewardship Council

The Forest Stewardship Council (FSC) was formed in 1993 with a U.S.-based office established in 1995. In 2008, the U.S. offices of the FSC moved from Washington D.C. to Minneapolis, Minnesota. The FSC is an international forest certification program with FSC certificates active in more than 80 countries. Globally there are more than 250 million acres FSC-certified and nearly 10,500 FSC chain-of-custody certificates allowing companies to manufacture and label FSC-certified products.¹⁵

FSC-US LAUNCHES PUBLIC CONSULTATION FOR FOREST MANAGEMENT STANDARDS.

COMMENTS ARE INVITED FROM ALL INTERESTED PARTIES

Minneapolis, November 17, 2008 – The United States national initiative of the Forest Stewardship Council (FSC-US) today announced the commencement of a 60-day public comment period for its revised forest management standards. All interested parties are welcome and encouraged to provide input on the draft National Standard that will provide the foundation for FSC-certified forestry in the U.S.

“Our standards revision process is truly emblematic of the consensus-based and democratic governance at the heart of the FSC. The outcome – these draft standards – bring environmental, social and economic values together to establish a baseline for exemplary forest management in the U.S.,” says Corey Brinkema, President of the FSC-US. “I am proud to share this draft with the public and anticipate that comments we receive can help to make the standards even better.”

<http://www.fscus.org>

¹³ http://www.treefarmssystem.org/leaders/AFFSightline_Spring06_final.pdf

¹⁴ These are the standards that are used in Tree Farm certification assessments.

¹⁵ Data available from www.fsc.org (Accessed Nov. 10, 2008)

In 2008, the FSC renewed efforts to engage the interests and participation of smallholders and community-based forests. In the United States, the 5-year cycle of reviewing the FSC's certification standards started in 2007. The review process includes a specific working group for addressing family forest and small-scale ownership considerations. The working group has been engaged in addressing needed changes within the FSC's certification standards as well as development of associated guidance that is provided to auditors. The working group stage of the process has been completed and the revised forest management standards were made available for a 60-day public review and comment period beginning on November 17, 2008 (see sidebar press release from FSC-US, previous page).¹⁶

To support smallholder certification at the international scale, the FSC hosted a meeting in Lisbon, Portugal in May 2008. A group of 60 stakeholders from 23 countries were in attendance with the purpose to:

1. *Identify, discuss, and propose solutions for the obstacles that continue to face small, community-based, and indigenous forest operations, whether individually or within groups;*
2. *Compare the solutions to these problems that are being developed in different regions of the world;*
3. *Discuss with representatives of FSC and Accreditation Services International the solutions that might be most consistent with continued credible certification, at lower costs for these operators; and*
4. *Consider motions that might be submitted to the FSC 2008 General Assembly on behalf of these forest operations*

Source: *Creating "The Lisbon Process": A Report on the FSC-WWF Lisbon Conference on Smallholder and Community-based Forestry Operations, 7-10 May 2008*

The meeting participants identified the priority actions needed to address critical challenges facing smallholders: (1) reduce and control the costs of certification, (2) increase the benefits of certification in relation to cost, and (3) address the complexity and difficulty in meeting the technical demands and bureaucratic processes associated with certification. Participants also emphasized the need for FSC to be more flexible in recognizing the differences associated with small-scale operations and the market access challenges that they face.

The FSC General Assembly, a periodic gathering of FSC members, was held in early-November 2008. The agenda included a side event specific to addressing the interests of smallholders and community-based forests. The action items for the member meeting included several motions for addressing the needs of small forest holders within the FSC system. These motions included outcomes from the meeting held in Portugal in May.¹⁷

¹⁶ <http://www.fscus.org/>

¹⁷ Dovetail Partners participated in the FSC's Lisbon meeting. Dovetail is an FSC member and seconded and voted in favor of motions related to addressing small forest holders' needs within the FSC system.

The participants in the General Assembly events identified several key activities that should be continued or initiated:¹⁸

- Creation of a working group to continue the Small and Low-Intensity Managed Forests initiative,
- Creation of a new working group addressing the need for flexibility in group certification structures,
- Continued development of user-friendly information and resources to support small holder participation,
- Expansion of training and training materials to support capacity building for group managers, and
- Pursuit of market access opportunities for community-based and small-scale forests.

Growth in FSC Certified Family Forests

In addition to the policy level initiatives that FSC has underway to address barriers to smallholder participation, in 2008 there was significant growth in FSC certified family forestland area in the United States with the completion of a very large certification effort in Wisconsin.

In 2005, the Wisconsin Department of Natural Resources received recognition for the Wisconsin Managed Forest Law (MFL) Certified Group as being in conformance with the forest certification standards established by the American Tree Farm System (ATFS) group certification program. In March 2008, the MFL Certified Group completed an assessment for determining compliance with the FSC standards. It is anticipated that the FSC certificate will be issued before the end of the year. Group certification to the FSC standard is also being pursued by state agencies in Massachusetts and Indiana, with Wisconsin poised to be the first to achieve FSC-certification for its applicant landowner program.

Once issued, Wisconsin's MFL Certified Group will be the largest known FSC group certificate with more than 40,000 properties totaling more than 2.1 million acres. The certificate is anticipated to significantly increase the volume of FSC-certified wood harvested in Wisconsin each year. Based on recent sales data for MFL lands, average annual harvests include more than 450,000 cords of pulpwood and at least 34,000 MBF of sawtimber. These estimates represent the potential for a more than twofold increase in the availability of FSC-certified sawtimber in the state and 70% growth in certified pulpwood.

¹⁸ NepCon. Nov. 5, 2008. Certified Wood Update. http://www.fsc.org/fileadmin/web-data/public/document_center/GA_2008_English/NEPCon_GA_Highlights__News_5_Nov.pdf

Next Steps in Family Forest Certification

The certification leadership demonstrated in Wisconsin and other states, with involvement of both the ATFS and FSC programs, are examples of what is needed to move family forest certification forward. There are at least 50 examples in the United States of family forest group certification efforts with activities occurring in more than 25 states. Many of these groups, including that in Wisconsin, have made their documents, templates, and handbooks available as models for new groups to use and adapt.

The newest certificate in Wisconsin will represent a *quadrupling* in the amount of FSC-certified family forestland in the U.S and currently represents at least half of the total ATFS group certified lands.¹⁹ Group certification remains the most efficient way to engage small-scale forestlands and appears to be most effective when sponsored by a trusted organization that has the capacity to administer the program and manage associated audit expenses.

In the Wisconsin example, the Wisconsin DNR was the first known group manager to utilize an “opt-out” process for establishing FSC group member consent. With a certified group that includes more than 31,000 landowners, the DNR recognized that it would be extremely challenging to establish a new commitment from each member and that many landowners might end up not participating simply because they missed the sign-up window or because of some other misunderstanding. Recognizing that each landowner had already made a commitment to uphold the requirements of the Managed Forest Law (MFL) Program and the forest management practices that the program requires, the WDNR was able to substitute an “opt-out” process that still preserved each landowner’s right to decline to participate in certification without obligating them to take unnecessary and redundant actions. To date, about 2% of MFL enrolled landowners have chosen not to participate in certification.

For certification to continue to move forward and develop the necessary flexibility and understanding that is required to engage family forestland owners, additional innovation and leadership is needed. Specifically, successful examples of state level leadership should continue to be replicated, while new leadership at the federal level and from the private sector is also needed. The USDA Forest Service and the Natural Resource Conservation Service (NRCS) have largely remained on the sidelines of the certification movement, and the time may be right for them to play a greater role and initiate a national scale initiative. In addition, the National Association of State Foresters (NASF), Society of American Foresters (SAF), Forest Guild, Association of Consulting Foresters (ACF), National Woodland Owners Association (NWOA) and other organizations all have a stake in the future of family forest certification and a valuable next step would be for these organizations to form a shared vision for moving forward.

¹⁹ The Wisconsin MFL Certified Group represents about 8.3% of all 24 million acres of AFTS certified lands.

Finally, there is a significant role for the private sector and the forest products industry to play in facilitating family forest certification. Beyond direct sponsorship of certification programs, the industry can also influence the behavior of family forest owners by showing a preference for certified raw materials and rewarding landowners who have their woodlots certified.

Family forest certification will have the best chance of gaining traction and delivering potential benefits when public agencies, natural resource professionals, and private industry are working together to promote participation. Countries such as Finland and Sweden have been able to achieve certification on as much as 95% of their privately owned lands by utilizing a perfect storm of shared vision – supported by highly organized landowner associations and mechanisms to deliver technical assistance, robust incentives and disincentives (regulation), and innovative models of large scale (regional) group certification.

The Bottom Line

Over the past four years, significant effort has been made to pilot family forest certification in the United States. The American Tree Farm System and the Forest Stewardship Council have continued their efforts to improve access to their programs and the resulting benefits of participation. The growth of family forest certification in the United States has been significant at a regional scale with a growing number of scattered examples of state-level leadership. However, despite these efforts, the *total amount* of certified family-owned forestland in the United States has not risen significantly.²⁰ Further innovation and more widely shared commitment are needed if family forest certification is going to succeed at a broader national scale and be able to provide benefits to the forest sector.

The bottom line is that for family forest certification to succeed in the United States it must become a shared objective of the many partners that provide outreach and technical assistance to woodland owners and that use the wood flowing from these lands.

²⁰ The amount of FSC certified family forestland is poised to make a significant gain in 2008 with the addition of the more than 2 million acres in Wisconsin; however, this land was already Tree Farm-certified and therefore did not impact the overall total amount of family forestland that is certified in the U.S.

This report was prepared by
DOVETAIL PARTNERS, INC.

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This Dovetail Report is made possible through the generous support of the Blandin Foundation and its Vital Forests/Vital Communities Initiative. For more information, visit <http://www.blandinfoundation.org/>.



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