

**THE GREAT LAKES REGION:  
*A FOREST CERTIFICATION HUB***

*6-MONTH STATUS REPORT*

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**DOVETAIL PARTNERS, INC.**



## **The Great Lakes Region: A Forest Certification Hub**

### *A 6-Month Status Report*

#### **Introduction**

In November 2007, Dovetail Partners issued a report that highlighted the results of 10-years of forest certification leadership in the Great Lakes Region.<sup>1</sup> Over the past decade the Great Lakes Region, including the states of Minnesota, Wisconsin, Michigan and the Province of Ontario, has become a hub for forest certification.

As of late 2007, the three states included in this region, Minnesota, Michigan and Wisconsin, represented 29% of the certified forestland in the United States, including 50% of the land certified through the FSC program and 19% of the SFI-Certified lands.<sup>2</sup> Similarly, in Canada, the Province of Ontario alone represented 49% of the FSC-Certified lands and 19% of the SFI-Certified lands in Canada. Taken together, these three states and one province encompassed 30% of the forestlands certified under these programs in North America.<sup>3,4,5</sup>

In the 6-months since that report, certification activities in the Great Lakes Region have undergone another wave of growth, and further accomplishments are expected before the end of 2008.

#### **Chain-of-Custody Certification**

Some of the most significant growth has been achieved in the number of companies that hold chain-of-custody certificates. These certificates allow for the manufacture and labeling of certified products.<sup>6</sup> As of late-2007, there were 1,227 chain-of custody (CoC) certificates in the United States and 399 in Canada. As of June 2008, these numbers have grown to 1,938 companies with CoC certificates in the United States and 489 in Canada. The overall growth rate for the past six months has been nearly 60% in the U.S. and 23% in Canada. Table 1 shows the growth in the Great Lakes Region.

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<sup>1</sup> See Dovetail Report, "The Great Lakes Region: A Forest Certification Hub" November 2007. Available at: <http://www.dovetailinc.org/reports/pdf/DovetailRegCertReport1107gc.pdf>

<sup>2</sup> Forest Stewardship Council (FSC), For more information: <http://www.fsc.org>; Sustainable Forestry Initiative (SFI), For more information: <http://www.sfiprogram.org>

<sup>3</sup> *Data Sources:* FSC-US <http://www.fscus.org>, FSC-Canada <http://www.fsccanada.org>, SFI <http://www.aboutsfi.org/>, August 2007

<sup>4</sup> For perspective, the three states represent approximately 7% of the forestland in the United States and Ontario represents approximately 17% of the forestland in Canada.

<sup>5</sup> This update and the previous report in 2007 include data related to FSC and SFI certification activities as both of these systems are available and actively used throughout the Great Lakes Region, including the U.S. and Canada. Data related to the American Tree Farm System (ATFS) and Canadian Standards Association (CSA) is not included in the reporting because of the programs limited geographic applicability.

<sup>6</sup> For more information about chain-of-custody certification, see Dovetail Report, "Chain of Custody Certification: What is It, Why Do It, and How?" Available at: <http://www.dovetailinc.org/reports/pdf/DovetailCOC0505ku.pdf>

**Table 1. Growth in Chain-of-Custody Certification from Oct. 2007 – June 2008**

State/Province	Number of FSC and SFI Chain-of-Custody Certificates 10/07	Number of FSC and SFI Chain-of-Custody Certificates 6/08	Percent Growth
Minnesota	61	95	56%
Wisconsin	47	69	47%
Michigan	39	50	28%
Ontario	163	217	33%
<b>Total</b>	<b>310</b>	<b>431</b>	<b>39%</b>

Sources: FSC-US, FSC-Canada, Metafore Forest Certification Resource Center

### Forest Management Certification

In addition to the growth in chain-of-custody participation, several significant activities are underway to increase the amount of certified forestland in the Great Lakes Region (Table 2). If the pending certifications in the region are successful, the U.S. will see the first state with more than 50% of its forestland certified.

**Table 2. Anticipated Growth in Certified Forestlands in 2008**

State/Province	Extent of FSC and SFI certified lands 6/08	Forestlands currently under review for FSC or SFI certification	Anticipated percentage growth
Minnesota	7.5 million acres	700,000 acres	9%
Wisconsin	3.4 million acres	3.5 million acres	103%
Michigan	5.0 million acres	82,000 acres	2%
Ontario	44.3 million acres	9.3 million acres	21%
<b>Total</b>	<b>60.2 million acres</b>	<b>13.6 million acres</b>	<b>23%</b>

Sources: FSC-US, FSC-Canada, Metafore Forest Certification Resource Center, Wisconsin Department of Natural Resources, Minnesota Department of Natural Resources, Ontario Ministry of Natural Resources, and personal interviews conducted June 2008.

These activities include expanded certification for publicly managed lands as well as certification of industrial and non-industrial private lands. One of the most highly anticipated new certification efforts in the region is the more than 2.2 million acres of non-industrial private lands in Wisconsin that are being reviewed for FSC certification. These lands are enrolled in the state's Managed Forest Law (MFL) and are currently certified through the American Tree Farm System (ATFS). If successful, this will be the largest known group of FSC-certified family forestlands.

### Certification Benefits

It appears that forestland owners and managers in the Great Lakes Region have realized sufficient benefit from forest certification to warrant continued and expanded participation in certification programs. As participation expands, the search for suppliers of diverse certified raw materials and finished products is increasingly efficient. The previous report detailed some of the benefits that public managers are receiving from forest certification, including market access and improved public engagement. As the track record on forest certification continues to develop there will be additional opportunities to evaluate the trade-offs of participation.

## **Next Steps and Challenges**

Although the continued growth of certification in the Great Lakes Region is admirable, there are significant challenges to future growth. The region has benefited from the leadership of large public land managers in pursuing certification. However, the remaining non-certified lands are primarily federal forests and private, non-industrial lands and present unique obstacles to certification. The USDA Forest Service is currently exploring forest certification for national forests, but it is unlikely that significant action will be taken this calendar year. The certification of private, non-industrial lands is also challenging because the ownerships tend to be relatively small in size and the coordination of a certification program for many landowners over a large area can be costly and time consuming. Several efforts are underway to address these challenges, including a review of the FSC certification standards to include the incorporation of specific guidance relevant to the review of small forest ownerships. However, these changes are unlikely to occur within the immediate near-term and the long-term impacts are uncertain.

For certification to continue to grow in the Great Lakes Region, and elsewhere, it is increasingly important that the diverse stakeholders who are interested in this growth work in concert to engage the remaining non-certified landowners and managers. The full potential of certification as a market-based system and as a tool to improve land management is increased each time new certificates are issued.

## **The Bottom Line**

In many ways, in order for forest certification to deliver benefits, a critical mass needs to be reached in the available supply of certified raw materials, and in the number of participating manufacturers and customers who preferentially purchase certified products. In many ways, this critical mass may soon be achieved in the Great Lakes Region. Several challenges remain, including engaging family forests and federal forestlands in certification and expanding chain-of-custody participation, but the achievements to date provide a positive indication of what is possible. The Great Lakes Region is a hub of forest certification and the regional scale of efforts has helped increase the benefits and impact.

*This report was prepared by*  
**DOVETAIL PARTNERS, INC.**

*Dovetail Partners is a 501(c)(3) nonprofit corporation that provides authoritative information about the impacts and trade-offs of environmental decisions, including consumption choices, land use, and policy alternatives.*

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