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**Assessing the Impact of Forest Management Certification  
Options for Research**

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**The Forest Stewardship Council's mission is to promote**

- **socially beneficial**
- **environmentally appropriate &**
- **economically viable management of the world's forests.**

The Forest Stewardship Council (FSC) is a membership-based organization which develops standards to ensure that timber and other forest products are coming from responsibly managed forests. FSC's standards are widely accepted as being consistent with the principles of good forest stewardship. The standards' development, as well as the forest certification processes, depend on active stakeholder engagement. The FSC logo is a powerful incentive for forest managers and decision maker to improve their forest management (fm) continuously: Because managing forests the FSC way means following the highest standards in the industry, it often requires forest managers to adapt their fm practices. By mid 2011, more than 1.000 fm companies covering some 130 million ha in more than 80 countries have been certified against FSC fm standards. The underlying philosophy is that each on these certified hectares is a step towards improved forest management.

To achieve this mission FSC established an accreditation and a product labeling system. The FSC label shall help consumers to identify forest products coming from responsible sources, and to support certified forest management with preferences for purchasing certified products.

**Certification process**

Forest management certification is the process of inspecting forests to assess their management according to this agreed set of P&C and involves an inspection of the forest management unit by an independent FSC-accredited certification body to check that the forest complies with the internationally-agreed FSC Principles of Responsible Forest Management. If the forest complies with FSC standards, the certification body issues a certificate for the operation for a 5 year period, with annual audits. The findings of each assessment (pre-assessment with stakeholder consultation (= scoping), main assessment with office audits and side audits in the forest management unit, and annual re-assessments) are described in a detailed certification report. The non-financial / non-confidential parts of these reports are publicly available.

Certified forest operations can claim the forest products they produce come from a responsibly managed forest. Before a certified forest operation can sell their products as FSC certified, they must also obtain chain of custody certification (FM/COC).

FSC certification standards are covering a) forest management (FM), b) the Chain of Custody (CoC) of products coming from FSC certified forest management, and c) FSC Controlled Wood (CW) for forest management companies that comply with the five FSC Controlled Wood criteria, to be able to supply FSC Controlled Wood to FSC Chain of Custody operations.

By forest type, more than 60% of FSC certified forests are natural, around 8% are pure plantation forests. About half of all FSC certified forests are in boreal, around 13% are in tropical / subtropical eco-zones. With the accelerated growth and associated expansion of FSC in new geographical areas over the past years, FSC is focusing particular attention on adapting and reinforcing its systems to new challenges in order to maintain and strengthen its credibility. The high demand for FSC certified forest management and forest products is demonstrating the strong market interest in FSC. The support of major environmental NGOs and of several development aid agencies and for example labor unions is showing that the FSC standards for responsible forest management are widely regarded as the most rigorous social and environmental standards in the industry.

## Showing impact on the ground

### *The FSC forest management certificate as a proof for responsible management*

To summarize the info above: The larger the forest area certified to FSC standards, the larger the forest area that is managed socially and environmentally responsibly. The underlying assumption of the FSC concept is that each additional hectare certified to FSC standards brings us closer to achieving FSC's mission: to improve forest management worldwide.

This assumption is based on the fact that the certification bodies are visiting each certified forest management unit at least every year to check that the requirements of the standards are fully respected. FSC and FSC-accredited certification organizations will not insist on perfection in satisfying the P&C. Failures are described in the certification reports as Corrective Action Required (CAR). These CARs have to be healed within a certain time-frame. These decisions will be taken by individual certifiers, and guided by the extent to which each Criterion is satisfied, and by the importance and consequences of failures. Some flexibility will be allowed to cope with local circumstances. There are minor and major CARs, major CARs have to be healed before a certificate can be issued. However, major failures in any individual Principles will normally disqualify a candidate from certification, or will lead to decertification. A FSC FM certificate issued by independent third party auditors can therefore be regarded as a proof for responsible forest management according to the standards.

### *Monitoring and Evaluating FSC's impact*

But in conducting forest audits, FSC-accredited certification companies do not certify that a forest management unit has 'achieved sustainability', nor do they require or imply the implementation of uniform sets of forest management prescriptions: they certify that FSC-approved standards of forest management have been met.

## **REALITY CHECK:**

**Does FSC contribute to this mission?**

**How can FSC's impact on fm and stakeholders be measured?**

## **Sources for information and impact assessment:**

### *Inhouse data:*

- FSC accredited Certification Bodies – indirectly through fm certification report analysis

### *External analysis of FSC impacts:*

- Research in certified operations – directly to comparisons post / ante intervention "certification", or comparable forest management units with/without certification, or through interviews with stakeholder groups affected by certification:
- Indirectly through analysis of third party research publications about FSC; collection and analysis of data from institutions like CIFOR, GIZ, WWF, WorldBank, ...

Different organizations – certified companies, research institutes, development aid agencies, environmental NGOs, are working to describe the impact on the ground which FSC certified FM operations are having compared to the time before they achieved certification or compared to non-certified operations. Some of these organizations are using FSC certification as a tool to implement their own forest management related goals, they have a certain interest to analyzing the impact of FSC and to confirm that FSC's assumptions are correct (e.g a German development investment bank (DEG) regards FSC certification at the end of the project time as one indicator for a successful investment in the forest management project.) These organizations are conducting evaluations themselves or through other professional evaluators.

In many cases these evaluations are based on an indirect assessment against the certification reports. The CARs listed in the reports are used as indicators to show where a change or adaption of management practices was required as necessary to comply with the FSC standard. The CARs are therefore monitored (over certain time frames, eg focused on selected Principles or Criteria). This approach is an indirect method to evaluate the effects of FSC certification processes, based on the evaluation done by the certification bodies. One example for these papers is "Does Forest Certification Matter? An Analysis of Operation-Level Changes Required During the SmartWood Certification Process in the United States", by D. Newsom & V. Bahn & B. Cashore, 2005. The researchers systematically assessed the changes 80 SmartWood-certified forestry operations were required to make. Systems elements such as Management Plans, Monitoring and Inventory most frequently required change (by 94%, 79% and 71% of certified operations, respectively), followed by ecological elements such as High Conservation Value Forests, woody debris and legacy trees (by 71% and 63% of operations, respectively). Even the early adopters of certification were required to make important changes as a result of the certification process. The finding that these FSC-certified operations in the US were required to address an average of 14 different

thematic areas as a condition of achieving and maintaining certification is a strong indicator that certification helps prompt forestry operations to make important changes in their forest practices and provides practical evidence that forest certification does have quantifiable on-the-ground impacts, assuming all conditions are implemented.

With the aim to assess the impact of the Center for International Forestry Research (CIFOR) Criteria and Indicator research, which was itself partly aimed to enhance the legitimacy and credibility of the certification standards set by the FSC, Spilsbury for CIFORs analyzed in 2005 FSC public certification assessment reports coupled with a review of findings published in recent literature. Spilsbury found that FSC certification in developing countries is reflected in several outcomes, e.g. in changes of the certified forest management, in better communication between forest management and stakeholders affected by the forest management. The study attributes influence on forest management practices to the use of CIFOR research on Criteria and Indicators for Sustainable Forest Management. In doing so, the study assesses a broad range of impact pathways, including forest certification requirements and various national regulations. He summarizes that the impact of FSC certification in developing countries has

- a) helped to secure or improve environmental services in certified forests;
- b) improved worker conditions within certified forests;
- c) acted to reduce social conflict in and around certified forests;
- d) helped in securing land tenure and usufruct rights (in certified community forests);
- e) improved the image of the forest management enterprise locally and in associated markets;
- f) provided greater access to premium timber markets (where they exist); and
- g) helped promote sustainable forest management more generally through dialogue between the private sector, government bodies, non-governmental organizations and civil society (M.J Spilsbury 2005).

The University of Wageningen (WU) initiated in 2007 a program on “Benefits of FSC certification in community forestry”, commissioned by Prof. Freerk Wiersum and Mr. Chris van der Goot. An explorative comparative analysis of existing case-studies was developed by a group of MSc students from WU, and a first publication presented the comparative analytical tool in March 2008. Several MSc thesis studies were taken up within this framework by students from WU and University of Amsterdam. The research approaches are coordinated with representatives of the FSC and with donor organizations, which are also supporting communities in the global south and good forest management to jointly discuss ongoing activities, preliminary study results and issues for further attention. It is expected that the scope of the research network will be extended from mainly socio-economic impact to also ecological impact assessments.

The World Wildlife Fund (WWF) also conducted several studies based on analysis of CARs from FSC reports, with a focus on environmental issues. An example for the research conducted by WWF is "The effects of FSC certification in Estonia, Germany, Latvia, Russia, Sweden and UK", by the WWF European Forest Programme. This analysis across 6 countries shows that FSC certification is delivering a number of benefits for a wide range of stakeholders in the forest industry, and provides hard evidence of tangible improvements that the voluntary mechanism of credible certification delivers for society, the environment and the economy. Certification has improved the social conditions for forest workers through the implementation of health and safety legislation and favoring employment of local people. In all 6 countries surveyed, FSC certification improved the conservation status and enhanced biodiversity levels in forests.

There are papers with a more specific approach about direct assessment of FSC's certification outcomes and impacts on forest management, and for example on communities and indigenous groups managing forests. More than one in six forest management certificates issued by FSC are to communities and small forest owners, and several development aid agencies are caring of these stakeholder groups, therefore directly or indirectly supporting FSC processes). Other papers have a focus on price premium for certified forest products or on aspects of biodiversity in forest management units before and after certification, or on governance processes within the FSC network and the outcomes of stakeholder consultation processes during scoping visits. One example for impact on biodiversity is “Short-term effects of reduced-impact logging on eastern Amazon fauna”, by the Instituto de Pesquisa Ambiental da Amazônia (IPAM), 2006, which evaluated the short-term effect of reduced-impact logging (RIL) on species richness, abundance and composition of native Amazonian fauna 6 months after logging. All sites in the study area are FSC certified and have implemented reduced-impact logging since 2000.

Another focus of papers is on FSC's influence on the global market, as for example “Branded! - How the ‘certification revolution’ is transforming global corporations” by M. Conroy, 2007, making the case that a certification revolution in the last 15 years has led to a profound transformation of the social and environmental

practices of global corporations. Yet another type of papers has a focus on the governance systems within FSC, as for example "Private governance and the South: lessons from global forest politics" by P.H. Pattberg, 2006, analyzing the risks and the potential of private governance for the South, with the example of private forest politics and FSC as its most prominent embodiment.

FSC screened numerous academic papers on the outcomes and impacts of FSC certification in and beyond the forest and found evidence through several examples for FSC's positive impact on workers and communities, and on economical and environmental conditions in the forest (Karmann & Smith 2009).

### **Call for coordinated research**

So far not much has been undertaken in systematic approaches as done for example by CIFOR and by the University of Wageningen in direct cooperation with FSC to show clear evidence of FSC's impacts and of the progress of the implementation of FSC's mission statement. FSC warmly welcomes any interest in conducting impact assessments about FSC certification related processes.

More evidence through direct assessments, and cooperation in approaching these topics would be appreciated for example:

- on socioeconomic and ethical factors in certified operations:
  - development of employment rate and family income in communities adjacent to FSC certified companies,
  - evidence for dynamics re occupational health and safety conditions;
- on the ecological impacts of FSC certification on biodiversity:
  - evidence for population dynamics,
  - impact on soil and water systems through improved management practice,
  - impact of silvicultural management on marketable lesser know species;
- on market access and market price development for certified forest products:
  - impact of access to certification on forest product depending communities,
  - synergies of joint FairTrade and/or organic certification and FSC certification,
  - options for synergies between FSC schemes and REED, carbon credit markets and other markets for environmental services,
  - implications for policy, law and trade re public procurement and certification,
- on the effectiveness of the certification process itself:
  - effectiveness of stakeholder consultations during certification processes,
  - impact on the organizational level of forest management operations;
- on the options for integrating FSC with other conservation tools:
  - FSC's influence on setting standards for conservation easements,
  - Potential of conservation easements to cover the costs of certification,
  - Synergies of government tax incentives and promotion of good forest management practices.

All these topics are just examples for the broad field of potential research themes. The reader is very welcome to approach FSC with further need for information or for discussion on additional research topics. FSC considers itself as a learning organization, and the FSC standards are reviewed regularly, so any insight on FSC processes strengths and weaknesses can be used to further improve the quality of the FSC and FSC's potential impact in a broad range of different aspects of forest management, so that the certification of sustainable forest management in a changing world can meet the growing demands for transparency and accountability of the many forestry stakeholders. FSC itself can offer access to a broad network of partners and internal expertise. This is a call to researchers to get in touch with FSC to identify meaningful topics for applied research. Additionally for the development of a data bank on FSC's impacts an exchange of research papers is highly welcome.

**FSC very much welcomes any interest in conducting impact assessments on FSC certification related processes.** Marion Karmann, M&E Program Manager Forest Stewardship Council (FSC), International Center GmbH, Charles de Gaulle Straße 5, 53113 Bonn, Germany, e-mail: [m.karmann@fsc.org](mailto:m.karmann@fsc.org)

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- WWF European Forest Programme (2005):** The effects of FSC certification in Estonia, Germany, Latvia, Russia, Sweden and UK. *February 2005*

## Other sources:

- FSC Mission, FSC Global Strategy, FSC Principle and Criteria, National Standards and links to case studies and research papers on FSC's impact: see FSC webpage [www.fsc.org](http://www.fsc.org)
- FSC Database: [www.fsc-info.org](http://www.fsc-info.org)
- Quarterly updates on FSC certificates – FSC website [www.fsc.org/figures](http://www.fsc.org/figures) and [www.fsc.org/charts](http://www.fsc.org/charts)
- Benefits of FSC and testimonials from supporting organizations: [www.whyFSC.com](http://www.whyFSC.com)
- WWF website: Forests [http://www.panda.org/about\\_wwf/what\\_we\\_do/forests/index.cfm](http://www.panda.org/about_wwf/what_we_do/forests/index.cfm)