



# Timber standards and the National Strategy to Stop Imported Deforestation

Compatibility and possible improvements

Marie-Gabrielle PIKETTY  
Isabel GARCIA DRIGO  
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# **Timber standards and the National Strategy to Stop Imported Deforestation: Compatibility and possible improvements**

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**Authors:**

- Marie-Gabrielle Piketty (CIRAD UMR SENS)
- Isabel Garcia Drigo (Nexus Socio Ambiental Ltd.)

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# Abstract

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This report analyses whether the current FSC and PEFC standards for wood-related industries and initiatives to certify the legality of timber meet the requirements of the French National Strategy to Combat Imported Deforestation (*Stratégie Nationale de Lutte contre la Déforestation Importée* - SNDI). It is based on an analysis of existing scientific and technical literature, supplemented by two workshops that brought together representatives of the SNDI and of each of the FSC and PEFC standards.

It shows that the four standards verifying timber legality only guarantee the absence of illegal deforestation. They depend on the legislation in the exporting countries and its effective enforcement. They are not suitable to guarantee complete absence of deforestation and forest degradation.

It also shows that the generic versions of both PEFC and FSC forest management standards are compatible with SNDI criteria. However, to ensure that these criteria are systematically verified, some improvements are suggested.

It would be advisable to make the annual verification of specific criteria and indicators mandatory. Proposals in line with the spirit of the SNDI were made during the revision of some standards in the first semester of 2022. Minor non-conformities could be prohibited for some indicators, or more strictly controlled and authorised, without calling certification into question, only during monitoring audits.

Making it mandatory, in the audit rules, to have a systematic documentary analysis phase for some indicators, before the field phase, could reinforce the transcription and rigorous validation of all the criteria and indicators reflecting the requirements of the SNDI.

Making the audit reports more easily available and introducing the checklists used by the auditors and their certification bodies to validate the compliance of some indicators could increase the credibility of these audits.

With regard to the High Carbon Stock approach, it cannot currently be imposed in the FSC and PEFC. Research work in large forest basins is needed to make this approach fully operational. With regard to high conservation values, both standards refer to these. Indicators and verifiers sometimes need to be better specified to facilitate audits. The HCV approach, if imposed with its specific methodology, could increase barriers to certification for many smallholders.

Both types of standards are very demanding. Specific support in tropical countries and incentives to encourage the use of certified products in France are necessary to increase the still small share of certified tropical timber imports. This is all the more necessary as the cut-off date currently set for the absence of deforestation by the European regulation (31/12/2020) could make the use of certification less attractive to access European markets.

Finally, a more rigorous monitoring of certified timber imports could be an interesting tool to evaluate the extent to which the instruments put in place by the SNDI actually result in an increase in imports compatible with its requirements.

## TABLE OF CONTENTS

<b>GLOSSARY</b>	<b>5</b>
<b>INTRODUCTION</b>	<b>6</b>
<b>1. LOGGING AND DEFORESTATION</b>	<b>6</b>
<b>2. THE EUROPEAN AND FRENCH TROPICAL TIMBER MARKET</b>	<b>7</b>
<b>3. FSC FOREST MANAGEMENT STANDARD AND SNDI REQUIREMENTS</b>	<b>10</b>
<b>3.1. Zero-deforestation requirement, HCS and HCVs</b>	<b>12</b>
<b>3.2. Legal status of land, FPIC approach and labour rights</b>	<b>14</b>
<b>3.3. Measures to facilitate access to certification for small producers</b>	<b>14</b>
<b>3.4. Compatibility and possible improvements of the FSC standard</b>	<b>14</b>
<b>4. PEFC FOREST MANAGEMENT STANDARD AND SNDI REQUIREMENTS</b>	<b>17</b>
<b>4.1. Zero-deforestation requirement, HCS and HCV</b>	<b>18</b>
<b>4.2. Legal status of land, FPIC approach and labour rights</b>	<b>20</b>
<b>4.3. Measures to facilitate access to certification for small producers</b>	<b>21</b>
<b>4.4. Compatibility and possible improvements of the PEFC standard</b>	<b>21</b>
<b>5. FSC AND PEFC CHAIN OF CUSTODY CERTIFICATION</b>	<b>23</b>
<b>6. TIMBER LEGALITY VERIFICATION STANDARDS</b>	<b>25</b>
<b>CONCLUSIONS</b>	<b>27</b>
<b>ADDITIONAL BIBLIOGRAPHICAL REFERENCES</b>	<b>29</b>
<b>APPENDICES</b>	<b>31</b>
<b>Appendix 1</b>	<b>32</b>
<b>Appendix 2</b>	<b>33</b>

## GLOSSARY

<b>AFD</b>	Agence Française de Développement
<b>ASI</b>	Accreditation Services International
<b>BV-OLB</b>	Bureau Veritas – <i>Origine et Légalité des Bois</i> (Timber origin and legality)
<b>EU</b>	European Union
<b>EUTR</b>	European Union Timber Regulation
<b>FPIC</b>	Free, Prior and Informed Consent
<b>FSC</b>	Forest Stewardship Council
<b>HCS</b>	High Carbon Stock
<b>HCV</b>	High Conservation Values
<b>IGI</b>	International Generic Indicators
<b>ITTO</b>	International Tropical Timber Organization
<b>PAFC</b>	Pan-African Forest Certification
<b>PEFC</b>	Programme for the Endorsement of Forest Certification
<b>SCS-LHV</b>	SCS Legal Harvest Verification
<b>SGS-TLTV</b>	SGS Timber Legality and Traceability Verification
<b>SNDI</b>	<i>Stratégie Nationale de Lutte contre la Déforestation Importée</i> (National Strategy to Stop Imported Deforestation)
<b>SW-VLC</b>	SmartWood Verification of Legal Compliance
<b>WWF</b>	World Wildlife Fund



## INTRODUCTION

The French National Strategy to Stop Imported Deforestation (SNDI) was adopted on 14 November 2018 to put an end, by 2030, to the importation of unsustainable forest or agricultural products contributing to deforestation in the following sectors: cocoa, rubber, soybeans, palm oil, timber and timber products, beef and by-products. AFD's scientific and technical committee for forests commissioned CIRAD to study the use of current sustainability certification standards to meet the requirements imposed by the SNDI (in particular, Objective 13 – Scaling up the ambition of certification mechanisms).

The case of the timber industry is distinctive in this context, as the European Union Timber Regulation (EUTR) makes it possible to exclude timber and timber products derived from illegal deforestation or harvesting from the EU market. Existing standards also have an important role to play in dealing with legal deforestation.

Based on the existing scientific and technical literature, this report aims to analyse, for the forest management standards of the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC), the role of the zero deforestation requirement, if the High Conservation Value (HCV) and High Carbon Stock (HCS) approaches are integrated and if the conversion of natural ecosystems is prohibited. With regard to social criteria, it evaluates whether, in these two types of standards, the legal status of land is respected, the Free, Prior and Informed Consent (FPIC) approach is mandatory, local labour laws and International Labour Organization rules and standards are mentioned and respected, and whether there are measures facilitating access to certification for small producers. It specifies the rules for independent auditing and evaluation that apply to these two types of standards and to those covering the entire timber value chain. This first review highlighted the compatibility of these two standards with a large number of SNDI requirements, but also some limitations, mainly in their implementation. Two workshops were held, bringing together several representatives from the FSC, the PEFC and the SNDI, in order to discuss possible and conceivable suggestions for improvement. These are also presented in this report

Finally, existing initiatives for timber legality certification are also presented.

## 1. LOGGING AND DEFORESTATION

According to a recent WWF study (Pacheco *et al.* 2021), the impact of logging on forest degradation and deforestation has decreased over the past decade, although it often still precedes tree clearance for other purposes in some countries. This is particularly the case when road expansion or legal or illegal logging result in significant degradation of forest cover. In an analysis over the period 2000–2010 in 46 countries, Hosunama *et al.* (2012) conclude that commercial agriculture is the main cause of deforestation, followed by subsistence farming.

Timber extraction and logging are the main causes of forest degradation, followed by the collection of firewood and charcoal production, and then uncontrolled fires. Curtis *et al.* (2018) show that globally, 27 ±5% of all forest disturbances between 2001 and 2015 were linked to deforestation generated by commercial agriculture. Apart from deforestation, forestry accounts for 26 ±4% of forest disturbances observed over the same period. They also show that forest disturbances linked to forestry are most often followed by forest regeneration. Furthermore, in temperate and boreal forests, forestry and forest fires are the main causes of forest disturbance,

whereas in tropical regions, slash-and-burn farming and deforestation generated by commercial agriculture are the main causes.

## 2. THE EUROPEAN AND FRENCH TROPICAL TIMBER MARKET

Available data on the consumption and importation of tropical timber in the European Union (EU-28) in 2016 were analysed by Van Benthem *et al.* (2018) for 2016 data, and then by White *et al.* (2019) for 2018 data. Only the latter estimates are presented here.

The results indicate that the EU-28 imported 1,473,000 tons of tropical timber products of first-stage processing in 2018, which included sawn timber, veneers, plywood and round timber. Seven countries (Belgium, France, the Netherlands, Italy, the United Kingdom, Germany and Spain) account for 85% of these imports (Table 1).

**Table 1: Main importers of primary tropical timber products in the EU-28 in 2018 (in tons)**

	Sawn wood	Veneers	Plywood	Round wood	Total	%
<b>Belgium</b>	282,000	4,500	21,500	31,000	339,000	27
<b>France</b>	129,500	49,000	4,500	32,000	215,000	17
<b>Netherlands</b>	164,500	3,000	20,000	2,000	189,500	15
<b>Italy</b>	78,500	32,500	13,500	10,000	134,500	11
<b>United Kingdom</b>	60,500		43,500	2,500	106,000	8
<b>Germany</b>	63,000	3,000	22,500	500	89,000	7
<b>Spain</b>	39,000	19,500	500	2,000	61,000	5
<b>Other</b>	77,000	20,000	5,000	22,000	124,000	10
<b>Total</b>	894,000	131,500	131,000	102,000	1,258,000	100

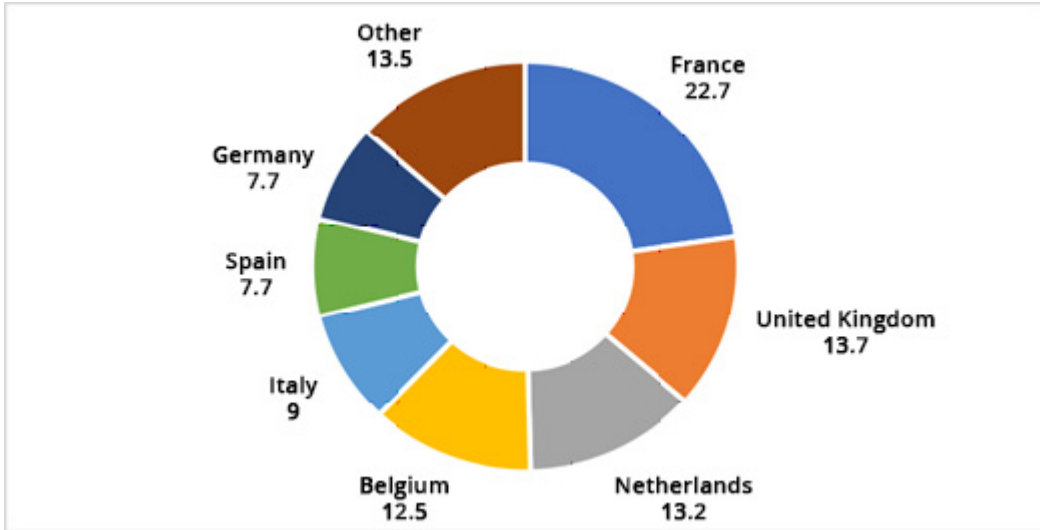
Source: White *et al.*, 2019

This data refers to direct imports and does not take into account possible re-exports within the EU-28. It somewhat overestimates the share of Belgium and the Netherlands in the tropical timber market because they have ports that are the entry points for a very large volume of timber intended for other European countries.

Referring to tropical timber consumption, the same group of seven countries accounts for 85% of European tropical timber consumption, but each country's share changes significantly (Figure 1).



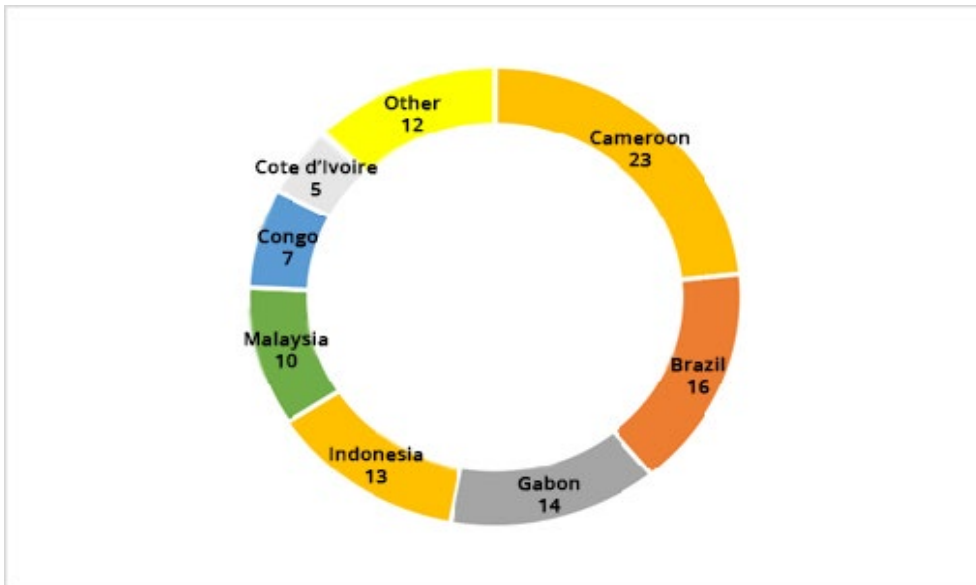
**Figure 1: Share of tropical timber consumption by volume per country as a % of the EU-28 total in 2016**



Source : Van Benthem et al., 2018

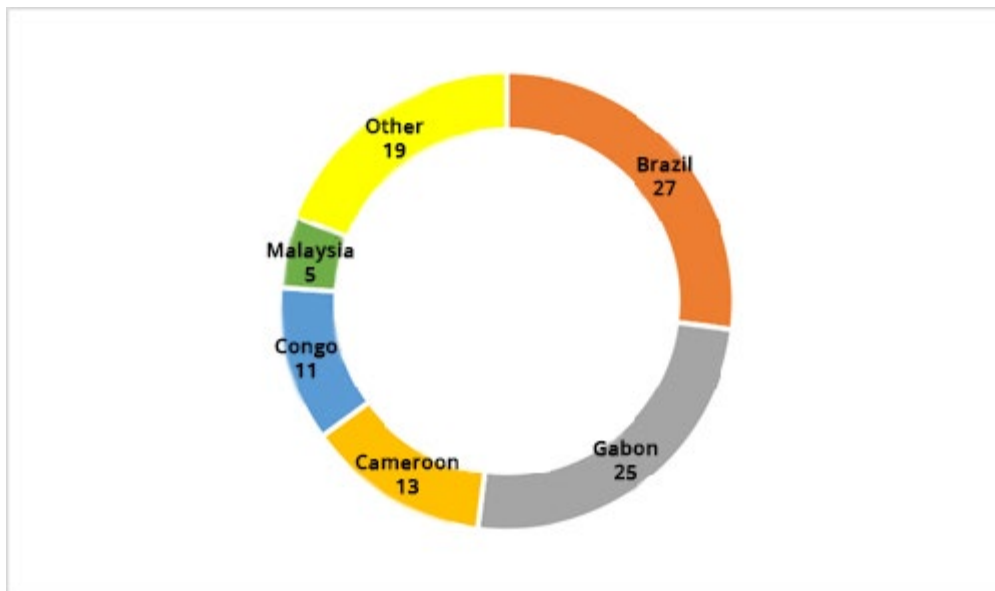
Most of European imports come from Africa (56%), followed by Asia (25%) and Latin America (19%). The distribution of imports by country of origin for the EU-28 and France are presented in Figures 2 and 3 respectively.

**Figure 2: Origin of tropical timber imports in the EU-28 (%)**



Source: White et al., 2019.

Note: The 'Other' category only includes ITTO member countries

**Figure 3: Origin of tropical timber imports in France (%)**

Source : White *et al.*, 2019.

Note: The 'Other' category only includes ITTO member countries

Currently, it is not possible to precisely identify, within these countries, the regions of origin of French imports. It is therefore not possible to know precisely whether they are causing deforestation or to quantify this impact. However, on the one hand, in the case of timber, the European Union Timber Regulation (EUTR) makes it possible to exclude timber and timber products derived from illegal deforestation or harvesting from the EU market. In addition, by cross-referencing some analyses, we can qualitatively deduce the likelihood that these legal timber imports result in deforestation.

Thus, for countries in the Congo Basin, according to Gillet *et al.* (2016) and Tritsch *et al.* (2020), the implementation of logging using low-impact practices implies compliance with a management plan in the area logged and very low export of logs following a 25-year rotation. In these countries, deforestation rates are low. The likelihood of deforestation related to legal exports of timber from these countries to the EU is therefore, in theory, limited. Of the three exporting countries in this basin, Cameroon is more at risk than the others (Gillet *et al.* 2016, Pacheco *et al.* 2021). For Brazil, the risks of indirect impacts remain significant (Pacheco *et al.* 2021). In Malaysia, logging is no longer considered a significant cause of deforestation (Pacheco *et al.* 2021).

There is also no reliable and transparent data on the share of certified sustainable timber consumption or imports. White *et al.* (2019) assess exposure to certification. This approach measures 'exposure' or 'access' to certified timber, rather than the 'share of timber supply' or 'market share'. Exposure to certification is based on an analysis of forestry and commercial data. It takes into account the share of FSC- and PEFC-certified forests in relation to the total forest area. This share is then applied to the export data of the producing country. The analysis only includes direct imports and excludes indirect imports.

Of all primary-processed tropical timber products imported into the EU-28, the study finds that between 25% and 32%, i.e. 28.5% on average, are exposed to certification. The exposure percentages of the seven major importing countries are shown in Table 2.

**Table 2: Share of exposure to certification for imports of primary-processed wood products in the seven European countries (2018)**

	%
<b>Netherlands</b>	65-70
<b>United Kingdom</b>	40-45
<b>Germany</b>	30-35
<b>Belgium</b>	25-30
<b>France</b>	10-15
<b>Italy</b>	5-10
<b>Spain</b>	2.5-7.5

*Source: White et al., 2019*

These estimates show that, apart from the Netherlands and the United Kingdom, EU countries still import little certified timber. There is therefore a real potential for improvement.

### 3. FSC FOREST MANAGEMENT STANDARD AND SNDI REQUIREMENTS

In 2016, FSC-certified forests – including natural forests and plantations – produced about 16% of the world’s timber by volume<sup>1</sup>. As of December 2019, 200 million hectares of forest (natural or planted) were certified by the FSC Forest Management standard<sup>2</sup>. In 2017, based on volumes declared in audit reports and FAO (Food and Agriculture Organization) global timber production data, the FSC identified a total certified production of 423 million m<sup>3</sup>, or 22.6% of total industrial timber production (excluding firewood)<sup>3</sup>.

There is currently no evaluation and monitoring of total FSC-certified imports in France and Europe.

The latest version of the generic FSC Forest Management standard is based on 10 principles, 70 criteria and 211 indicators. The exact number of indicators in each national standard depends on the situation in each country. The FSC set up a process to revise the standard from 2012 to 2015 and came up with a list of international generic indicators – the IGIs - the idea being to standardise the various national standards, even if there is still some scope to adapt to each national context.

<sup>1</sup> <https://www.globalwoodmarketsinfo.com/fsc-plans-to-reach-global-market-share-of-20-by-2020/> (consulted on Oct 2022)

<sup>2</sup> [https://fsc.org/sites/default/files/2019-12/Facts\\_and\\_Figures\\_2019-12-04.pdf](https://fsc.org/sites/default/files/2019-12/Facts_and_Figures_2019-12-04.pdf)

<sup>3</sup> <file:///Users/piketty/Downloads/Global%20Volume%20of%20FSC-certified%20Wood%20-July%202018-1.pdf> (consulted on April 2021)

Publication of these IGIs was therefore followed by a process to reformulate the standards in each country. There are currently 77 national FSC standards that comply with these IGIs (60 adapted by national working groups and 17 partially adapted by certification bodies and called interim national standards). A second version of the IGIs has been available since 2018<sup>4</sup>. The review in this report is based on the IGIs in the second version only and not on national standards.

The verification principle for all FSC standards is based on an audit carried out by a certification body accredited by Accreditation Services International (ASI), which is itself subject to regular monitoring. A full certification audit must be carried out every five years. It is supplemented by an annual audit that does not check all indicators. The annual monitoring audits focus on whether minor non-conformities noted during the previous audit have been resolved. They also check a number of additional and mandatory indicators depending in particular on the size of the company, the presence of HCV areas, risks related to the activities of the certificate holder, possible complaints and claims.

In fact, an FSC-certified company is not necessarily compliant with all the indicators of the standard (Piketty and Drigo 2018, Piketty *et al.* 2019). So-called minor non-conformities may be allowed. They must be resolved by the next annual audit at the latest, otherwise they become major non-conformities, and the company then has just three months maximum to resolve them. A company cannot retain its certificate if there are still major unresolved non-conformities.

The FSC-STD-20-007 standard sets out the auditing rules. This standard is currently being revised. In particular, it defines which indicators must be systematically checked every year, even during monitoring audits. The latest version available shows that auditors are not currently required to check SNDI key indicators annually. This specific point was debated at the FSC-SNDI discussion workshop, held on 17 November 2021. The conclusions are presented in Section 3.4.

All FSC certification reports are normally publicly available on the FSC database<sup>5</sup> and/or from certification bodies. However, the authors of this report tried to carry out a comprehensive review of forest management certification reports for Brazil between 2016 and 2017 to analyse instances of non-conformity (Piketty and Drigo 2018). They found that some reports may be missing from the FSC website and that it was not always easy to obtain them from certification bodies. Furthermore, sometimes only a portion of the reports is made public, listing the non-conformities encountered, which does not make it possible to assess how the auditors decide what is compliant (Piketty *et al.* 2019).

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<sup>4</sup> <https://fsc.org/en/document-centre/documents/resource/262>

<sup>5</sup>

<https://app.powerbi.com/view?r=eyJrjoiN2U3NGMyNWEtZTAxNS00MzVhLWExNmMtOThhZjdiYjQ4MWNkIiwidCI6IjEyNGU2OWRiLWVmNjUtNDk2Yi05NmE5LTvkNTZiZW5MSlsmMiOjI9>

### 3.1 Zero-deforestation requirement, HCS and HCVs

The zero-deforestation requirement can be found in Criteria 6.9 and 6.10 (Box 1).

**Box 1:**  
**Criteria and indicators addressing deforestation  
in the FSC Forest Management standard<sup>6</sup>**

**6.9.** The Organization shall not convert natural forest to plantations, nor natural forests or plantations on sites directly converted from natural forest to non-forest land use, except when the conversion:

- a) Affects a very limited portion of the area of the Management Unit, and
- b) Will produce clear, substantial, additional, secure long-term conservation benefits in the Management Unit, and
- c) Does not damage or threaten High Conservation Values, nor any sites or resources necessary to maintain or enhance those High Conservation Values.

**6.9.1.** There is no conversion of natural forest to plantations, nor conversion of natural forests to non-forest land use, nor conversion of plantations on sites directly converted from natural forest to non-forest land use, except when the conversion:

- a) Affects a very limited portion of the Management Unit, and
- b) The conversion will produce clear, substantial, additional, secure, long-term conservation benefits in the Management Unit; and
- c) Does not damage or threaten High Conservation Values, nor any sites or resources necessary to maintain or enhance those High Conservation Values.

**6.10.** Management Units containing plantations that were established on areas converted from natural forest after November 1994 shall not qualify for certification, except where:

- a) Clear and sufficient evidence is provided that The Organization was not directly or indirectly responsible for the conversion, or
- b) The conversion affected a very limited portion of the area of the Management Unit and is producing clear, substantial, additional, secure long-term conservation benefits in the Management Unit.

**6.10.1.** Based on Best Available Information, accurate data is compiled on all conversions since 1994.

**6.10.2.** Areas converted from natural forest to plantation since November 1994 are not certified, except where:

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<sup>6</sup> [https://fsc.org/sites/default/files/2019-05/FSC-STD-60-004%20IGI%20with%20IFL\\_Indicators\\_Draft.pdf](https://fsc.org/sites/default/files/2019-05/FSC-STD-60-004%20IGI%20with%20IFL_Indicators_Draft.pdf)

- a) The Organization provides clear and sufficient evidence that it was not directly or indirectly responsible for the conversion; or
- b) The conversion is producing clear, substantial, additional, secure, long-term conservation benefits in the Management Unit; and
- c) The total area of plantation on sites converted from natural forest since November 1994 is less than 5% of the total area of the Management Unit.

Principle 8 reinforces these two criteria by requiring the company to have a system for monitoring any conversions. It should be noted that the cut-off date may soon be moved to a more recent period because, in 2020, going back to 1994 for documentation is quite difficult and cumbersome. A public consultation on this subject is underway.

The authorised exceptions raise some questions. In the case of accidental fires caused by third parties, the company may be freed from liability for the conversion. Moreover, the percentage authorised (5%) may actually be significant if the total area of the farm is large.

These two criteria are checked during full audits, therefore every five years. There is no obligation in the auditors' practices to systematically check them every year. Generally, there is one more check in all situations over the five years and, of course, if an alert is triggered that there may have been conversions, then the auditor must recheck the indicators for that criterion as a priority. However, it is important to understand that there is no obligation to do so. It is therefore possible that the existence of deforestation is not detected in some situations until long after it has occurred, when applying for re-accreditation and, in this case, the timber from this deforestation will have been exported with the FSC label for two or three years. It seems here that the solution lies not so much in the standard itself as in the auditing rules: to guarantee that no deforestation has taken place, checking these criteria should be made compulsory at each annual audit.

There is no specific mention in the IGIs to identify and protect HCS (High Carbon Stock) areas<sup>7</sup>.

However, the FSC standard has an entire principle for HCV (High Conservation Value) areas<sup>8</sup>. This principle states that: "The Organization shall maintain and/or enhance the High Conservation Values in the Management Unit through applying the precautionary approach". Several criteria and indicators are intended to ensure that HCV areas are identified, protected and monitored. However, the definition of areas that should be considered HCV is not clear. Validation of the indicators depends very much on the auditors' knowledge, on existing protocols and research on the dynamics of the species in each area. Experts on cultural issues are also needed. Although this

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<sup>7</sup> The HCS Approach stratifies the vegetation of an area into six different classes using analyses of satellite data and ground survey measurements. These six classes are: High density forest, medium density forest, low density forest, young regenerating forest, scrub, and cleared/open land. The first four classes are considered potential HCS forests ([www.highcarbonstock.org](http://www.highcarbonstock.org)).

<sup>8</sup> The concept of High Conservation Value (HCV) was developed in 1999 by the FSC. It is defined as: "*a biological, ecological, social or cultural value of outstanding significance or critical importance, recognised as unique or outstanding relative to other examples in the same region*".

principle is very thorough, in practice, checking is not easy and it is therefore open to a certain amount of subjectivity on the part of the auditor during the checks. In order to ensure rigorous checking and to avoid various interpretations during audits, auditors must be trained and a list drawn up of essential minimum indicators and checks must be drawn up.

### **3.2 Legal status of land, FPIC approach and labour rights**

In general, Principle 1 of the standard attempts to ensure all types of legality. Indicator 1.2.2 thus requires that checks be made to ensure that tenure and use rights are legally guaranteed.

Compliance with the rules and standards of the International Labour Organization is ensured by checking Indicators 2.1.1, 2.1.2 and 2.1.3. Principle 2 covers a large part of workers' rights. However, despite this formal mention in the standard's indicators, actually evaluating compliance requires great skill on the part of the auditors, in order to identify possible shortcomings in the time they have available to carry out a full audit.

For this work to be done more rigorously and systematically, a document review by the certification bodies should be made compulsory before the field visit. To do this, companies should be required to make the documents needed to check these indicators available to the certification bodies, at least one week before the field visit. Finally, once again, drawing up a list of essential checks for these indicators may also limit risks of interpretation.

FSC Principle 3 brings together everything relating to the rights of indigenous peoples and Principle 4, the rights of local communities. The FPIC approach is compulsory in both cases. For indigenous peoples, Criteria 3.2 and 3.3 ensure that this approach is implemented. For local communities, this is Criterion 4.2. Criteria 3.3 and 4.2 are not included in the list of criteria checked annually, and Criterion 3.2 is only checked annually for unplanted forests larger than 50,000 hectares.

This lack of annual and systematic checking in all cases raises questions, because communities and populations in the field are evolving and should be consulted more regularly to rigorously ensure that FPIC is always acquired.

### **3.3 Measures facilitating access to certification for small producers**

The FSC has developed criteria that set out simplified national standards for small producers and communities (group certification). It makes it possible for each country to develop a specific standard for small farmers (small and low-intensity managed forests). An exhaustive analysis of such standards has not been carried out. However, analysis of the cases of Brazil and Vietnam (Auer 2012, Lemeilleur *et al.* 2017), where such standards exist and communities are certified, shows that they are still very demanding and difficult to achieve. In 2016, the FSC introduced a new plan to support smallholders and communities striving to achieve certification. To date, smallholder foresters – forest communities and private owners of small forests – own or manage only 4% (7.5 million hectares) of the world's FSC-certified forests (FSC, 2018), and this percentage is likely to be much lower if only tropical forests are considered.

### **3.4 Compatibility and possible improvements of the FSC standard**

The FSC standard meets the key requirements of the SNDI and the FSC is active in supporting the SNDI. Some of the identified limitations may already be undergoing concrete actions. The



proposed actions from the 'FSC and SNDI: compatibility and possible improvements' work seminar held on 17/11/2021 (see Appendix 1) are presented in this section.

- *Annual checking of certain indicators*

The FSC-STD-20-007 standard sets out the auditing rules. This standard defines a few indicators that must be checked annually. This standard is currently being revised; it is possible to have specific requests made by FSC members. These requests are more likely to succeed if they are taken to international level.

It emerged from the work seminar that at least four indicators could be proposed: Indicators 6.9 and 6.10, which guarantee the absence of deforestation, and at least two indicators to be chosen from Criteria 3.2, 3.3 and 4.2, 4.3 (e.g. Indicators 3.2.4 and Indicators 4.2.4), which guarantee the implementation of a FPIC approach with indigenous peoples and communities.

In the Congo Basin, the indicators in Criterion 1.4, which ensure that every effort is made to prevent illegal activities, are also very important. As for the risks of degradation, they are covered by various indicators in Criteria 6.1, 6.2, 6.3 and 6.6. It is necessary to define in advance which specific indicators minimise the risks of irreversible degradation.

To follow up on these proposals, in collaboration with FSC France, legal entities or individuals who could represent the spirit of the SNDI could be identified by SNDI representatives. These entities and individuals may already be FSC members or may become members in order to present specific requests from the SNDI, including the annual checking of certain criteria or indicators, as part of the revision of the FSC-STD-20-007 standard. FSC-France can also relay this request to the international FSC.

- *Risk of recurrence of minor non-conformities, principles of continuous improvement*

The issue of the recurrence of certain minor non-conformities raises questions. Indeed, during an audit, minor non-conformities may remain which become major non-conformities at the next audit, if they are not resolved. Any major non-conformity suspends certification. On the other hand, the same minor non-conformity may be repeated during the certification cycle, for example, every two years (Piketty *et al.*, 2019).

As part of the FSC-STD-20-007 standard revision, tools have been proposed to better determine the classification of non-conformities (minor/major) and their follow-up. FSC France suggests that SNDI representatives comment on the version of the new standard on this subject during the public consultation which was initiated during the first half of 2022.

It also emerged from the work seminar that simply prohibiting the recurrence of minor non-conformities<sup>9</sup> for the same indicator seems too restrictive for the representatives of auditors, the FSC and ATIBT (International Tropical Timber Technical Association) present at the seminar.

There is no doubt that follow-up by the FSC and/or certification bodies on the progress of a company's minor non-conformities could be implemented by posting FSC audit reports online, and would make it easier to rule on continuous improvement (or not) of the company's

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<sup>9</sup> For example, any minor non-conformity could automatically be classified as major if the indicator has already been found to be at fault in previous audits, which ensures that the non-conformity is resolved in a short space of time.

management over time. This follow-up could lead to implementation of an alert system for cases of recurrence, making them easy for auditors to identify.

Finally, the proposal to publish full audit reports, making it possible to also analyse how compliance is evaluated, was not adopted. Instead, it was proposed that the checklists used by the auditors to evaluate compliance be included in the audit report. However, it should be stressed that this may come up against confidentiality issues regarding the 'know-how' of the certification body.

To follow up on these proposals, FSC has forwarded to the SNDI and posted online the latest version of the revision of the FSC-STD-20-007 standard<sup>10</sup>. The SNDI should also appoint someone to put forward its specific comments and requests during the public consultation in the first half of 2022. Apart from the response to the international FSC, the appointed person would also forward feedback to FSC France for follow-up.

FSC France will ask the international FSC if FSC audit reports can be published online so that the progress of minor non-conformities can easily be tracked per company over the certification cycles. If SNDI members have identified one or more members to present their requests as part of the standards review, such specific requests may have a greater chance of success there.

Finally, a discussion could be conducted with the certification bodies to assess whether the checklists that they use to conduct their audits could be an integral part of the audit reports.

- *5% conversion limit / cut-off dates issues*

The FSC is developing a comprehensive conversion guide<sup>11</sup> that will be presented at the next international FSC General Assembly. The concept of conversion extends much wider than deforestation alone, because it includes HCVs that may not be covered in forest (such as grasslands, wetlands and peatlands). The process is in its final stages. FSC France proposes forwarding the latest version of the draft. In this guide, clear definitions of conversion/deforestation and degradation are available, as well as exceptional cases where conversions are allowed. This guide does not currently take into account an absolute value of deforested area beyond the 5% threshold (definition of "very limited portion"). If a new public consultation is organised, the French representative of the SNDI could make comments on this issue.

The cut-off date for conversions is currently being revised, probably to 2010. This is therefore an earlier cut-off date than the one proposed by the European regulation on imported deforestation (31/12/2020). This means that FSC-certified products will be in competition with wood products that are less ambitious in terms of deforestation cut-off dates.

In France, the question of defending different cut-off dates per raw material arises. At European level, a single cut-off date for all raw materials seems to be advocated for the time being.

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<sup>10</sup> Online on SNDI website: <https://www.deforestationimportee.fr/fr/actualites/consultation-publique-norme-des-audits-de-gestion-forestiere-fsc-77>

<sup>11</sup> <https://fsc.org/en/current-processes/fsc-policy-on-conversion>

- *Working together to improve consideration of degradation*

The conversion guide being developed provides a clear definition of degradation. Thresholds should be defined nationally to estimate when degradation actually becomes a conversion. The FSC is open to collaboration to define these thresholds in major forest basins worldwide. This could be part of a study to operationalise the HCS Approach (see below).

- *Working together to assess if and how the HCS Approach can be operationalised in the standards*

The HCS Approach potentially offers a wealth of opportunities, but, at present, it is not sufficiently operational to be translated into simple indicators that can be easily checked, beyond question, during an audit. An in-depth study needs to be carried out on large forest basins to operationalise this concept, and to analyse if it is possible to define thresholds between different types of forests, which can be easily checked and therefore audited. CIRAD has made an initial proposal. FSC France proposes making the link at international level to study the possibility of cooperation, in particular through its 'Focus Forest' project.

- *Improving access to certification for small producers*

In terms of improving access to certification for small producers, the FSC is working on several solutions - including adapting the regulatory framework, training tools, market solutions, etc. - to improve the system's accessibility and its benefits for smallholders and communities. One proposal being developed is a continuous improvement process which will allow certain types of forest owners/managers to meet FSC requirements over a five-year period, while enjoying all the benefits of certification from the outset. The small and low-intensity managed forests (SLIMF) standard is also under review.

- *Making non-confidential data from audit reports available in full*

The FSC is already working on the audit standard (FSC-STD-20-007) in order to facilitate the overall evaluation and calibration of quality of audits, as well as access to their public summaries. The information that must be included in public audit summaries is detailed in this standard, which is currently being revised. SNDI representatives could make comments on this subject during the next public consultation (first half of 2022). FSC France could relay these comments to colleagues in charge of this review process at FSC International.

#### **4. PEFC FOREST MANAGEMENT STANDARD AND SNDI REQUIREMENTS**

The PEFC Council (PEFCC) is an international, non-governmental organisation that promotes sustainable forest management through forest certification and labelling of wood-based products. The PEFCC sets out the international rules for sustainable forest management translated into indicators in the meta-standards. The PEFCC is represented in each member country by a national association, such as PEFC France. Each member country develops its own forest certification rules – called a 'national forest certification system' – in line with international requirements (meta-standards) to adapt them to its national forestry context. This national system must be validated by a vote at the PEFCC General Assembly, after it has been evaluated for compliance with international requirements by an independent expert.

There are currently 50 national forest certification systems recognised by PEFC International<sup>12</sup>.

The international PEFC forest management requirements were revised in 2018 and, as with the FSC, new national standards are being developed or adapted. Analysis of the indicators in this report is based on this new version, published in 2018<sup>13</sup>. It has 137 indicators, but national standards may have a different quantity. In Brazil, for example, the ABNT NBR 15789 standard, recognised by PEFC before the revision of international requirements, had 5 principles, 19 criteria and 92 indicators. The recently validated Congo Basin PAFC (Pan-African Forest Certification) standard has 6 principles, 16 criteria and 101 indicators. In 2020, 331 million hectares were certified by PEFC<sup>14</sup> worldwide.

There is currently no evaluation and monitoring of total PEFC-certified imports in France and Europe.

The verification principle for all standards recognised by PEFC is based on an audit carried out by an independent certification body. Certification bodies must be accredited by an independent national accreditation body that is a member of the International Accreditation Forum (IAF). A full certification audit must be carried out every five years. It is supplemented by an annual audit that does not check all indicators, but focuses on whether minor non-conformities noted during the previous audit have been resolved, and checks some additional indicators, with regards to the risks identified, in particular within the framework of annual internal audits.

PEFC certification reports are normally available from the certification bodies. There is no database covering all the audit reports, as there is for the FSC.

#### 4.1 Zero-deforestation requirement, HCS and HCV

Indicators 8.1.4, 8.1.5 and 8.1.6 deal with forest conversion (see Box 2).

##### Box 2: Indicators dealing with forest conversion in the PEFC label<sup>15</sup>

**8.1.4** The standard requires that forest conversion shall not occur unless in justified circumstances where the conversion:

- a) is in compliance with national and regional policy and legislation applicable for land use and forest management and is a result of national or regional land-use planning governed by a governmental or other official authority; and
- c) does not have negative impacts on ecologically important forest areas, culturally and socially significant areas, or other protected areas; and
- d) does not destroy areas of significantly high carbon stock; and
- e) makes a contribution to long-term conservation, economic, and social benefits.

<sup>12</sup> <https://www.pefc.org/discover-pefc/facts-and-figures>

<sup>13</sup> <https://cdn.pefc.org/pefc.org/media/2019-01/b296ddcb-5f6b-42d8-bc98-5db98f62203e/6c7c212a-c37c-59ee-a2ca-b8c91c8beb93.pdf>

<sup>14</sup> <https://cdn.pefc.org/pefc.org/media/2020-05/1a524ab5-1ba2-4185-8f8a-9cb16e29150e/22b08b97-31c0-5a60-8ac2-a3d2fb0e9868.pdf>

<sup>15</sup> <https://cdn.pefc.org/pefc.org/media/2019-01/b296ddcb-5f6b-42d8-bc98-5db98f62203e/6c7c212a-c37c-59ee-a2ca-b8c91c8beb93.pdf>

**8.1.5** The standard requires that afforestation of ecologically important non-forest ecosystems shall not occur unless in justified circumstances where the conversion:

- a) is in compliance with national and regional policy and legislation applicable for land use and forest management and is a result of national or regional land-use planning governed by a governmental or other official authority; and
- b) is established based on a decision-making basis where affected stakeholders have opportunities to contribute to the decision-making on conversion through transparent and participatory consultation processes; and
- c) does not have negative impacts on threatened (including vulnerable, rare or endangered) non-forest ecosystems, culturally and socially significant areas, important habitats of threatened species or other protected areas; and
- d) entails a small proportion of the ecologically important non-forest ecosystem managed by an organisation; and
- e) does not destroy areas of significantly high carbon stock; and
- f) makes a contribution to long-term conservation, economic, and social benefits.

**8.1.6** The standard requires that if conversion of severely degraded forests to forest plantations is being considered, it must add economic, ecological, social and/or cultural value. Precondition of adding such value are circumstances where the conversion:

- a) is in compliance with national and regional policy and legislation applicable for land use and forest management and is a result of national or regional land-use planning governed by a governmental or other official authority; and
- b) is established based on a decision-making basis where affected stakeholders have opportunities to contribute to the decision-making on conversion through transparent and participatory consultation processes; and
- c) has a positive impact on long-term carbon sequestration capacity of forest vegetation; and
- d) does not have negative impacts on ecologically important forest areas, culturally and socially significant areas, or other protected areas; and
- e) safeguards protective functions of forests for society and other regulating or supporting ecosystem services; and
- f) safeguards socio-economic functions of forests, including the recreational function and aesthetic values of forests and other cultural services; and
- g) has a land history providing evidence that the degradation is not the consequence of deliberate poor forest management practices; and
- h) is based on credible evidence demonstrating that the area is neither recovered nor in the process of recovery.

HCV and HCS terminologies are not used in the PEFC standard. This choice is motivated by the risk of imposing external standards that are too cumbersome, especially for small forest owners. But in fact, equivalent requirements exist in the PEFC standard. As for HCV forests, several

indicators allow for the protection of high conservation value forests. The PEFC thus refers to “ecologically important forest areas”, which are defined as forest areas:

- Containing protected, rare, sensitive or representative forest ecosystems;
- Containing significant concentrations of endemic species and habitats of threatened species, as defined in recognised reference lists;
- Containing endangered or protected genetic *in situ* resources;
- Contributing to globally, regionally and nationally significant large landscapes with natural distribution and abundance of naturally occurring species.

The above indicators help to prevent conversions for these forest types, but also for socially or culturally important forests. For forests that help to protect services other than carbon and biodiversity, such as hydrological or erosion-protection services, the indicators in Criterion 8.5 of the standard help to ensure their conservation.

Forests defined as ecologically important may be harvested if this does not degrade the important ecological values of this biotope (Indicator 8.4.2).

With regard to conversion of natural ecosystems (other than forests), introduced in Indicator 8.1.5, the only clauses that protect them are if these ecosystems are officially recognised as endangered, if they store significant amounts of carbon (with no minimum level of storage defined) and if it is not possible to prove that conversion will result in long-term conservation, social and economic benefits.

The cut-off date for conversions is stated in the appendices to the document and is set at 31/12/2010. Therefore, any plantation converted after this date is not eligible for certification.

As with the FSC, Indicator 8.1.4 allows 5% conversion under well-defined conditions.

Regarding Indicator 8.1.6, several clauses make it possible to avoid the risks of deliberate degradation, with the threshold degradation level still to be defined on a case-by-case basis in each national standard according to the specific context. As with the FSC, Clause g) only relates to deliberate degradation resulting from poor forestry practices and does not consider degradation by accidental fires, for example, that spread from areas adjacent to the forest of the concession certified.

It is not compulsory to check these indicators every year, which poses the same limitations as for the FSC.

## 4.2 Legal status of land, FPIC approach and labour rights

Indicator 6.3.2.1 requires that the legal status of land be well defined and respected.

Indicator 6.3.3.1 requires that operating practices respect the rules and standards of the International Labour Organization. Indicator 6.3.2.2 requires that forestry practices be conducted with due respect for the rights of indigenous peoples and communities, and states that these rights cannot be infringed without the FPIC of the holders of these rights. If the existence of these rights has not yet been assured or is an issue in an unresolved dispute, a process is put in place to find a just and fair solution. As with the FSC, there is no particular shortcoming in the standard itself for these social criteria, but once again, actually evaluating compliance requires great skill

on the part of the auditors in order to identify possible shortcomings in the time they have available to carry out their audit. These indicators are not checked annually.

### 4.3 Measures to facilitate access to certification for small producers

The PEFC is presented as a labelling system that is better adapted to national contexts; it is intended for small producers, among other stakeholders, because it respects a greater diversity of cases. A group certificate exists to facilitate access to certification, whose generic indicators were also revised in 2018<sup>16</sup>. Like the FSC, the PEFC is setting up projects so that group certification can be developed more easily in tropical countries in particular. In May 2019, we can highlight, for example, recognition of a group certificate in Indonesia<sup>17</sup> (which includes between 50 and 60 indicators) where community forests cover significant areas. It is not possible within the scope of this study to examine in detail the existing PEFC standards for group certification. There is also no scientific literature to date that has analysed whether this type of certificate actually results in a significant improvement in access to certification for small producers. Finally, there are no consolidated statistics yet available to estimate the share represented by group or small-producer certification out of the 331 million hectares certified worldwide by PEFC in 2020.

### 4.4 Compatibility and possible improvements of the PEFC standard

The PEFC Standard meets the key requirements of the SNDI and the PEFC is active in supporting the SNDI. Some of the identified limitations may already be undergoing concrete actions. The proposed actions from the 'PEFC and SNDI: compatibility and possible improvements' work seminar held on 14/01/2022 (see Appendix 2 for the agenda and participants) are presented below.

- *Frequency of auditing of key indicators for the SNDI*

As with the FSC, only the full evaluation audit (every five years) checks all indicators. In annual audits, the frequency of auditing is based on the auditors' experience and the way in which they wish to manage their audits. It is possible to include a requirement to check some of the key SNDI indicators in each annual audit.

To follow up on this proposal, the SNDI representatives can specify to the PEFC representatives which indicators, and for which countries, it would be advisable to have a systematic annual audit. If a form of preferential access to French and European markets can be guaranteed for PEFC-certified products, it would be an additional incentive for PEFC to require the annual audit of certain indicators.

- *Risks of recurrence of minor non-conformities*

The document defining audit standards for certification bodies is currently being revised. A new rule is being proposed for full evaluation audits (every five years): granting certification or renewed certification will require that all major and minor non-conformities are resolved. For the time being, as with the FSC, only the resolution of major non-conformities is compulsory to obtain certification. This change is already common practice in some countries, including France,

<sup>16</sup> <https://cdn.pefc.org/pefc.org/media/2019-01/4dcd0115-1245-493f-b485-1abac79a54ef/c1bd4a22-68d9-503b-b031-9e238e57c105.pdf>

<sup>17</sup> <https://pefc.org/what-we-do/our-collective-impact/our-projects/indonesias-community-forests-learning-from-the-past-to-improve-the-future>



but is not governed by an official document. It still needs to be discussed and evaluated, but it is an important improvement, because the risks of recurrence of minor non-conformities will then be limited to the annual monitoring audits (years 2, 3 and 4), and their possible recurrence will therefore be more limited (year 2 and year 4) for each certification cycle. PEFC France will inform the SNDI of the final decision regarding this specific modification.

- *5% conversion limit / cut-off date issues / authorised exceptions*

In the international PEFC standard, there are no specific checks on the exceptions that authorise conversions up to 5%. However, the standard specifies concrete indications on the various strict conditions to be fulfilled and on the evidence to be provided. Some national standards have already put their checks in place, for example, in Malaysia, the PEFC-labelled national standard requires that an environmental impact assessment be carried out before forest clearing can be authorised. This specific issue and the list of selected checks should be further developed through the revision of national standards. At this time, there are no plans to revise the standard to change this percentage or add additional limits.

The cut-off date for conversions in the PEFC system is also earlier than that proposed by the European regulation on imported deforestation (31/12/2020). This means that PEFC-certified products will be in competition with wood products that are less ambitious in terms of deforestation deadlines.

- *The issue of degradation*

The current version of the PEFC international standard does not explicitly define degradation because there is no consensus on what constitutes forest degradation. However, the international meta-standard implies that risks of degradation and damage to forest ecosystems should be minimised through six principles in the standard. Thresholds are not defined because they depend on the local context.

To improve consideration of degradation, additional analyses are necessary. An initial analysis could evaluate whether, in the national PEFC standards of the main tropical countries exporting to France and Europe, the rates of timber extraction considered locally and the management carried out do in fact minimise the risks of degradation. More generally, an in-depth study on forest basins exporting to France would be necessary to analyse whether it is possible to define forest degradation thresholds, which take into account the complexity of the relationship between forest stand, site conditions and different forest types, and which can be easily checked and audited. Such an evaluation could also help to operationalise the HCS Approach, as also discussed in Section 3.4.

- *The issue of HCS and HCV*

Specific HCS and HCV terminologies are not included in PEFC. However, this is an issue of terminology, because many requirements of the PEFC standard are very similar to the HCV or HCS approaches. The internal review process for the standard will most likely include discussions on HCS. As for HCVs, PEFC decided to avoid using the terminology with a capital letter because it is largely outside of the local context; it is an FSC concept and it adds a constraint in particular for smallholders, by referring to a very specific methodology. However, high conservation values (without capitals) are considered by PEFC certification.

To move forward on this subject, if funding is available for such a study, the PEFC could document - through a comprehensive analysis of PEFC national standards - how protection of HCVs and HCS is guaranteed. For the SNDI, it is useful for the time being to use terminology that is not limited to HCV and HCS methodologies, by specifying specific indicators/criteria.

- *Improving access to certification reports*

The PEFC recognises that access to certification reports (public summaries) needs to be improved and that a generic format for these reports should be created to increase transparency. This project is currently underway, as is the creation of a database to record these reports so that important data can be easily verified (evolution of non-conformities, etc.). It would be useful if the SNDI told PEFC what data/formats it is advisable to have in these public reports.

## 5. FSC AND PEFC CHAIN OF CUSTODY CERTIFICATION

'Chain of Custody' certification allows FSC- or PEFC-certified materials to be tracked from the forest to the consumer, including all successive stages of treatment, processing, manufacturing and distribution. The audit principles are the same as for the FSC or PEFC forest management standards.

For the FSC, there are three Chain of Custody labels depending on the composition of the finished product (Table 3).

**Table 3: FSC Chain of Custody labels**



The product only contains materials from FSC-certified forests.



The product contains (i) at least 70% of materials from FSC-certified forests and/or recycled materials, and (ii) no more than 30% of recycled materials and/or so-called 'controlled' wood.



The product only contains recycled content.

The FSC-STD-40-005 V3.1 standard<sup>18</sup> describes the requirements for wood from so-called controlled origin. Materials considered unacceptable and therefore not suitable for use in the composition of FSC Mix products are those from:

- Illegally harvested wood.
- Wood harvested in violation of traditional and human rights.
- Wood from forests in which high conservation values are threatened by management activities.
- Wood from forests being converted to plantations or non-forest use.
- Wood from forests in which genetically modified trees are planted.

For the PEFC, there are four types of Chain of Custody labels depending on the composition of the finished product (Table 4).

**Table 4: PEFC Chain of Custody labels<sup>19</sup>**



The product contains at least 70% of PEFC-certified forest materials and the content of recycled material is less than 100%.



The product contains at least 70% of PEFC-certified forest materials and does not contain recycled materials.



The product only contains materials from PEFC-certified forests.



The product only contains recycled materials.

<sup>18</sup> <https://connect.fsc.org/document-centre/documents/resource/373>

<sup>19</sup> <https://cdn.pefc.org/pefc.org/media/2020-02/d1ad5a21-0267-4db4-a41b-07fd577ffdea/3abf07e8-b7f9-5f42-ba2a-9ca608ee415f.pdf>

For requirements relating to timber from controlled sources, the timber must not come from controversial sources defined as resulting from forestry activities:

- That do not comply with local, national or international legislation relating to forestry activities, including in particular: biodiversity conservation, conversion of forests to other uses, management of forests with high environmental and cultural value, protected and endangered species, including CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) requirements, health issues and working conditions of forest workers, indigenous peoples' property, occupancy and use rights, third-party property, occupancy and use rights, and payment of taxes and fees
- That do not comply with the harvesting country's trade and customs legislation, as far as the forestry sector is concerned
- That use genetically modified forest organisms
- That convert forests to other types of vegetation, including the conversion of primary forests to forest plantations.

## 6. TIMBER LEGALITY VERIFICATION STANDARDS

The extent of illegal activities in the forestry sector is difficult to document, making it difficult to track progress. However, several initiatives over the past 15 years have made improvements in monitoring of the legality of forestry activities (Barber and Canby 2018). Despite these improvements, Lawson (2014) estimates that 30–50% of internationally traded tropical timber comes from illegally cleared forests.

There are a number of initiatives, often led by institutions developing standards or by certification bodies, that have set up standards for verifying the legality of timber.

In 2011, Proforest listed four standards that apply to several countries (Proforest 2011): SW-VLC (SmartWood Verification of Legal Compliance), BV-OLB (Bureau Veritas – *Origine et Légalité des Bois* [Timber origin and legality]), SGS-TLTV (SGS Timber Legality and Traceability Verification), SCS-LHV (SCS LegalHarvest Verification). These standards are still in use with some modifications (Table 5).

**Table 5: Legality verification standards**

Standard	Owner	Features	Links
LegalTrace®	SGS	SGS has developed its own generic verification system for timber traceability and legality called SGS LegalTrace®. It replaces the SGS-TLTV system. It is designed to comply with national regulations and international initiatives such as the European Union's Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan.	<a href="https://www.sgs.com/-/media/global/documents/brochures/sgs-gis-forestry-legal-trace-brochure-lr-a4-en-17-05.pdf">https://www.sgs.com/-/media/global/documents/brochures/sgs-gis-forestry-legal-trace-brochure-lr-a4-en-17-05.pdf</a>

Standard	Owner	Features	Links
<b>LegalSource (formerly SW-VLC and SW-VLO)</b>	NEPCon	LegalSource™ standard describes the requirements for an organisation to establish and implement a due diligence system to manage the risks of harvesting or sourcing illegal timber and wood products. LegalSource certification should not be considered as a guarantee of the legality of the materials covered by the scope, but rather as certification that a system is in place to implement due diligence.	<a href="https://www.nepcon.org/library/standard/legalsource-standard-version-21">https://www.nepcon.org/library/standard/legalsource-standard-version-21</a>
<b>Origine et Légalité des Bois (Timber origin and legality)</b>	Bureau Veritas	The OLB system (Timber origin and legality) was developed in 2004 by Bureau Veritas Certification. It allows forestry and timber trade companies to trace the origin and prove the legality of forest products.	<a href="https://certification.bureauveritas.com/sustainable-forestry-certification">https://certification.bureauveritas.com/sustainable-forestry-certification</a>
<b>Legal Harvest Verification (LHV)</b>	SCS	The SCS LegalHarvest™ verification applies to forest management, chains of custody and multiple sites. The verification confirms the legal right to harvest, process, transport and export wood products, regardless of the location of operations.	<a href="https://www.scsglobalservices.com/services/timber-legality-verification-legal-harvest">https://www.scsglobalservices.com/services/timber-legality-verification-legal-harvest</a>

*Source: Proforest, 2011; Nogueron et al., 2018*

The majority of these standards partially cover the issues of labour rights, land status and community rights. On the other hand, they are entirely dependent on national legislation for zero-deforestation, HCV or HCS criteria. If conversion is considered legal in the national legislation in the forest area in question, even with certain limitations, it is possible to trade the timber from it with these labels. They can only guarantee the absence of illegal deforestation.

## CONCLUSIONS

The four verification standards for the legality of timber only guarantee the absence of illegal deforestation. They depend on legislation in the exporting countries and its effective application. They are therefore not suitable for guaranteeing the complete absence of deforestation and forest degradation. Similarly, the EUTR does not prevent imports of timber from legal deforestation or degradation in exporting countries.

The FSC and PEFC Forest Management standards are much more ambitious. The generic versions of these FSC and PEFC standards are compatible with the SNDI criteria. However, to be fully compliant, improvements are proposed.

Annual verification of criteria for guaranteeing SNDI requirements should be made compulsory. This is the case primarily for criteria prohibiting deforestation and for obtaining FPIC from local communities and indigenous peoples, where applicable. To do this, legal entities or individuals representing the spirit of the SNDI should make proposals to the FSC and PEFC, which can be passed on for use when revising standards.

Ideally, no minor non-conformities should be authorised for criteria that guarantee SNDI requirements. If non-conformities remain authorised, they must be managed and monitored by strict and specific rules and must not be repeated during the certification cycle. An alternative is the proposal tested by the PEFC, which requires the resolution of major and minor non-conformities during audits for certification and renewed certification every five years.

A document analysis should be systematically introduced upstream of the field visit during audits, to ensure rigorous recording and validation of all criteria.

Audit reports should be made readily available and include the checklists used by certification bodies to verify compliance.

Both standards refer to the conservation of forests that store large amounts of carbon, but the High Carbon Stock Approach cannot be integrated into these standards at this time. Research on large forest basins is needed to operationalise this concept, and to analyse if it is possible to define thresholds between different types of forest, which can be easily checked and therefore audited.

Both standards refer to forests with high conservation value. In the case of the FSC, which introduced the terminology, it is even the subject of an entire principle. Indicators and checks for forests which should be defined as high conservation value sometimes need to be more specific. Methodologies for such definitions should not be restricted to the HCV approach, which is too cumbersome for many smallholder foresters. Training programmes for auditors are needed and they must be made systematic so that auditors can rigorously identify these forests and check that they are being conserved.

These two types of standards are demanding and not easily accessible for a large number of stakeholders. So, for example, despite efforts within the FSC and PEFC to facilitate access to certification for small producers, they still only represent a small share of certified producers in tropical countries. Specific support in some tropical countries and incentives to promote the use of certified products in France are needed to encourage wider adoption.

This is all the more necessary as the cut-off date currently proposed by the European regulation for the absence of deforestation (31/12/2020) is later than the cut-off date retained by these two

standards. This could make the use of PEFC and FSC certification to access European markets less attractive.

Lastly, a final important point relates to the transparency and monitoring of imports. There is currently no public census of certified and non-certified timber imports in France. Estimates have already been made and are presented in this report. They are based on a methodology that is not sufficiently precise due to a lack of reliable data and dedicated resources (Teeuwen *et al.* 2021). However, it would be useful to have such information available. This would allow us to check whether or not there is an increase in certified imports and therefore evaluate whether the SNDI as a whole results in an increasing share of timber imports that meet its criteria. In addition, they would enable a more accurate estimate of the extent to which differentiated taxation of certified and non-certified imports would be likely to generate sufficient resources to support small producers' access to certification in a significant way, as proposed, for example, by Karsenty (2019)<sup>20</sup>.

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<sup>20</sup> <https://www.willagri.com/2019/09/09/les-filieres-tropicales-a-lepreuve-de-la-lutte-contre-la-deforestation-importee/>



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# APPENDICES

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▷ <b>APPENDIX 1</b> .....	<b>32</b>
FSC et la SNDI : compatibilités et améliorations possibles	
▷ <b>APPENDIX 2</b> .....	<b>36</b>
PEFC and SNDI: compatibilities and possible improvements	

# Appendix 1

## FSC et la SNDI : compatibilités et améliorations possibles

**Mercredi 17 novembre 2021, 13 h 30 – 18 h**

**Lieu : CIRAD, 42 rue Scheffer, 75116 Paris**

- A partir de 13 h 30** Accueil des participants.
- 14 h 00 – 14 h 15** Rappel des questions du chantier standard bois sur FSC, objectif et attendus de l'atelier.  
*M. G. Piketty*
- 14 h 20 – 14 h 40** Déforestation importée, certification et FSC (titre provisoire).  
*A. Sautière*
- 14 h 40 – 15 h 00** Questions/réponses.
- 15 h 00 – 15 h 30** FSC et la SNDI : actions mises en place, actions en cours et pistes d'amélioration.  
*G. Dahringer*
- 15 h 30 – 15 h 45 Pause café**
- 15 h 45 – 17 h 30** Échanges : Avantages, limites, acceptabilité des réponses proposées et propositions complémentaires/alternatives.  
*Tous les participants.*  
*Modérateur : M. G. Piketty / C. Duhesme*
- 17h30 - 17h45** Conclusions et feuille de route.  
*A. Sautière, M. Schwartzberg, C. Duhesme, M. G. Piketty*
- 17h45 – 18h00** Clôture.  
*G. Lescuyer*

**Participant(e)s en présentiel :**

M. G. Piketty et G. Lescuyer (CIRAD)  
A. Sautière et G. Dahringer (FSC)  
S. Prince Robin ou M. Reboul (MTE)  
P. Deletain (MEAE)  
C. Duhesme (ATIBT)  
M. Schwartzberg (AFD)  
D. Hermann Apt (consultant)

**Participant(e)s en visio :**

J. Betbeder (CIRAD) (tbc)  
E. Toja (FSC)  
N. Perthuisot (Sylvexpert)

## Appendix 2

# PEFC and SNDI: compatibilities and possible improvements

**January 14<sup>th</sup>, 2021, 8:30 am – 12:30 pm**

<b>8:30 – 8:45</b>	“Tour de table” (brief presentation of the participants).
<b>8:45 – 9:00</b>	Reminding the questions appointed regarding compatibilities of PEFC standard and SNDI criteria + objective of the workshop. <i>M. G. Piketty</i>
<b>9:00 – 9:20</b>	The SNDI: main requirements, modalities and timing of implementation, link between SNDI and ongoing work on timber standards. <i>M. Reboul / I. le Roncé / M. Schwartzenberg (tbc)</i>
<b>9:30 – 9:45</b>	Presentation of the processes that govern PEFC (governance, establishment of standards, their revisions, articulation between PEFC International and member countries, etc.). <i>P. E. Huet</i>
<b>9:45 – 10:00</b>	Presentation of the work carried out by PEFC in Brussels in relation to these topics. <i>M. Drca</i>
<b>10:00 – 10:15</b>	Questions/Answers.
<b>10:15 – 10:30 Break</b>	
<b>10:30 – 10:45</b>	How the PEFC standard takes into account the deforestation/ degradation aspects. <i>H. Inhaizer</i>
<b>10:45 – 11:00</b>	Questions/Answers
<b>11:00 – 12:00</b>	The 8 questions (see document sent) are reviewed and in turn PEFC International and PEFC France bring elements of response. <i>Q/R with the participants</i> <i>Moderation : M. G. Piketty and C. Duhesme</i>
<b>12:00 – 12:30</b>	Conclusions and follow-up. <i>P. E. Huet and M. G. Piketty</i>

### **Participants :**

CIRAD: M.G. Piketty

PEFC France: P.E Huet, G. Dhier

PEFC International: M. Drca, H. Inhaizer, T. Arndt

SNDI: M. Reboul (MTE), P. Deletain (MEAE), I. Le Roncé (MAA)

ATIBT: C. Duhesme

AFD: M. Schwartzenberg

GRET: J. Fétiqueau

Transitions: D. Hermann Apt

## Timber standards and the National Strategy to Stop Imported Deforestation

### Compatibility and possible improvements

France is the second largest importer of primary tropical wood-based products in Europe, and the largest consumer. Although the European Union has had regulation (EUTR) for almost a decade enabling imports of timber and of wood products originating from illegal deforestation to be kept out of the EU market, the French *Stratégie Nationale de lutte contre la Déforestation Importée\** (SNDI) is intended to cover deforestation as a whole, including legal deforestation and issues around forest degradation. Forest certification standards, which provide an important lever for action to minimize these risks within the timber industry, were the subject of a collective "Certification" project in the framework of the Scientific and Technical Committee for Forests. The study resulting from this work analyses the quality of existing timber certification schemes, with a view to integrating the zero deforestation objective.

Based on a preliminary comparative study, two standards well known to the general public were studied: FSC (Forest Stewardship Council) and PEFC (Program for the Endorsement of Forest Certification). The authors of the study checked the certification principles and audit procedures for the two standards and reviewed zero deforestation requirements, in particular integration of the HCV (High Conservation Value) and HCS (High Carbon Stock) approaches, the extent to which legal status of land is taken into account, the free, prior and informed consent approach (FPIC), labour rights, and measures facilitating access to certification for smallholders and forest communities. They conclude that these two standards meet the main requirements of the SNDI, contrary to other existing standards. However, they also highlight certain limits.

Various proposals for improvement are put forward, having been the subject of work seminars with representatives from the FSC and the PEFC. The objective is to specify the definition of certain criteria and their implementation, to improve procedures for checking the compliance of certain indicators, and to enable greater access to certification for small producers in tropical forest countries.

\* National Strategy to Stop Imported Deforestation

Co-chairs:



Secretariat:

