

DOVETAIL COMMENTARY

Beyond Certification II – Reducing it to a stronger Solution

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When you make maple syrup there is a time after all the preparation and collection of material (sap and firewood usually) from the forest that you simply have to turn up the heat, stir it up a bit, and tend to it carefully to make it come out well. Certification may be at the same point.

The original goal of forest certification was to create a label that would enable the market to identify and select wood from well-managed forests and thus allow demand from the marketplace to provide economic benefit that would translate into increased funding for better forest management practices. In short, the goal was to link clear market choices with sustainable forestry.

Last month's commentary "Beyond Certification" discussed the opportunity to learn from the past 20 years of forest certification and to identify opportunities to both improve on existing programs and develop new approaches. This month's commentary takes a look at forest certification from two opposite ends of the spectrum, that of the forest and that of the marketplace to see if it is successfully addressing that original goal and to recommend a possible next step.

The Forest Perspective:

Twenty years ago there was no common agreement on the definition of "sustainable forestry." Today, with great regard to forest certification, there appears to be a general consensus on what good forestry entails. However, this consensus has not been boiled down to a finite number of characteristics to which individual landowners are held accountable. Instead, current sustainable forestry is a complex series of interwoven ecological relationships on which no two landowners may find uniformity. In an attempt to consider every possible negative outcome, certification has become similarly complex.

This complexity provides incredible strength when it results in comprehensive auditing that leaves no stone unturned, reviews all aspects of forest management, and helps identify a full spectrum of opportunities for improvement. For land managers that want to make changes (or need to), the current certification process can be very constructive in identifying key gaps and setting priorities for strategic improvements. However, for land managers that are already doing a very good job and are in regions with significant regulatory and management structure already in place (i.e., many of the current certificate holders), this emphasis on the details can be extremely frustrating and costly. As one manager put it in a private conversation, "it's frustrating spending time and money trying to be 'more perfect' when there are a world of issues to be addressed on other lands."

The broad-brush approach inherent in some certification systems appears to lead to cost inefficiencies as well. For example, the lack of trust in existing infrastructure (e.g., government, management planning, and legal systems) leads to unnecessary administrative costs to landowners in regions like North America. Also, in some instances, the attempt to address globally issues that are dominantly of regional concern leads to efforts that appear unnecessary. The net result is high forest management costs related to certification (or penalties) on well-managed sites and few lands that are certified in regions (e.g., tropics) where sustainable forestry is in greatest need of attention.

The Market Perspective

The key to success⁽¹⁾ of a certification system is its effectiveness in the marketplace. This effectiveness is primarily based on trust in the certified brand. It has been said that we trust those that we believe have the ability and the commitment to do what they say.⁽²⁾ Thus, certification is as effective as the extent to which the certified label is recognized and trusted.

To date certification is relatively unrecognized in the marketplace in North America, at least by the average consumer, and the concept of certification is both poorly understood and poorly differentiated from other “green” marketing activities. For example, is forest certification of the wood in a product equal to, more, or less important than attributes such as VOC-free?

Certification is also relatively unrecognized and poorly differentiated in the market channels that transfer wood products. In the U.S. approximately 4,000 of the estimated 200,000 wood products companies are chain-of-custody certified today, and research suggests that even key individuals from companies that are certified are poorly informed as to what that certification actually means. It is also common for individuals and organizations to ask the difference between certification programs when in fact they really don’t know anything about either, and are simply trying to define them by their variances rather than their attributes. Thus actual benefits to the customer remain undefined and no value can be placed.

To a certain extent some of this lack of understanding of certification by the marketplace can be explained by the complexity of the systems they represent, but it is also true that there are no simple claims that can be made about today’s certified wood products because there are almost no universal truths. For example, the simplest claim of all, the source of the wood, cannot be universally guaranteed. That is, a seller couldn’t necessarily claim that the wood in a labeled certified product actually comes from certified forests. It is hard to convince buyers that a product has extra value when there are no definable benefits to that claim.

Result of two perspectives – is it working?

So is the marketplace providing funding for the benefit of forest management? It is hard to see that this is true at this point. Anecdotally it would appear that the opposite is true, meaning that costs have increased while selling prices have remained stagnant. Certainly, it is true that some new buyer-seller relationships have been created and there are benefits to aligning like-minded

organizations. But there is little to no evidence that a clear premium exists for certified products, in general.

So, how do we solve this? How do we clearly answer the question of what it means to support sustainable forestry with the purchase of sustainable forest products? First, we recognize the value of the current programs. The current certification programs and systems offer a robust structure and model for developing exemplary forest management systems where they are lacking. The level of detail and breadth of issues that are covered help develop professional levels of forest stewardship. But the gap of providing a straightforward and guaranteed benefit for the market can't be filled by these systems as they currently operate.

We need to leverage our twenty years of experience to boil down the complex list of 100s of possible indicators of sustainability to the top 3, 4, or 5 mandatory and universal building blocks that define good wood. These core components should be measurable, auditable and widely applicable. They should support a vision for the forestry we want to see now and in the future, and the responsible wood products that the marketplace desires. By identifying the cornerstones of sustainable forestry, we will articulate the expertise of our good forest managers and eliminate the confusion in the marketplace. Today we have the knowledge and experience to address this issue. By turning up the heat a little, and boiling the system down a bit, we should be able to come up with something a little more intense, a little more pure, and better tasting to the marketplace.

- Jeff Howe, Ph.D., President and Kathryn Fernholz, Executive Director