

cpet

Central Point of Expertise on Timber

Evaluation of Category A Evidence

Assessment Results
Programme for the
Endorsement of Forest
Certification schemes

April 2006

1. Introduction

The UK Government's procurement policy on timber and timber products was announced in July 2000. This policy requires all Government departments and their agencies to actively seek to buy timber products from legal and sustainable sources. In 2003 the Government issued a model contract specification for the supply of timber and timber products that required timber to come from legal sources. The model contract also included a variant specification for timber from sustainable sources.

Supplying timber products from legal sources is a standard condition of UK Government contracts. Supplying timber products from sustainable sources is optional but those suppliers that offer it are given preference when bids are evaluated. The most straightforward way of providing assurance that sources meet these requirements is through certification (Category A evidence).

Five forest certification schemes (PEFC, FSC, CSA, SFI, MTCC) were originally assessed in November 2004. The assessment criteria were developed to provide assurance of compliance with the UK Government's model contract conditions for legal timber and model contract specification for sustainable timber¹. The scope of the assessments included the system and process requirements, as described in scheme documentation. The assessment criteria will be periodically reviewed and, where appropriate, improved in the light of experience.

Following changes to the PEFC certification scheme, in October 2004 and April 2005, PEFC requested that the scheme should be submitted for re-assessment against the UK Government requirements. The results of the original assessments and re-assessments were finalised as procurement guidance for public sector buyers in August 2005.²

The Government decided that the changes made to the PEFC scheme were sufficient to meet UK Government requirements for assuring legal and sustainable timber, once the changes were fully implemented at national level. However, this decision was made prior to the process of implementation by national schemes being complete, and therefore a public commitment was made to assess the adoption of these changes by the national schemes endorsed by PEFC within a reasonable timeframe.

The government had announced that PEFC would be confirmed as delivering assurance of both legality and sustainability if this assessment were to find that changes to the PEFC system requirements had been adopted by the national schemes as intended.

¹ A copy of the UK Government criteria for assessing certification schemes can be found on the CPET website at www.ProForest.net/cpet

² The results of both the original assessment and the reassessment are available on the CPET website at www.ProForest.net/cpet

Conversely, if the changes were found not have been adopted as intended then PEFC would be confirmed as delivering assurance of legality only.

2. The methodology for assessing PEFC national schemes

2.1 Scope of assessments

The assessments of adoption of changes by PEFC national schemes were carried out against the criteria set out in *UK Government Timber Procurement Policy: Criteria for Assessing Certification Schemes, 15 September 2004*.

The assessment was made based on publicly available documentation from national schemes currently endorsed by PEFC. No assessment of the implementation of these documented systems, nor of the actual outcome of certification in the forest, was made. The scope of the assessment was to examine only the system changes made by the PEFC Council that enabled the PEFC scheme to meet the three criteria that it had initially failed on. These are:

- Criterion 1.3.3 which relates to the process for standard-setting;
- Criterion 2.4 which relates to consultation during the audit process;
- Criterion 2.5 which relates to provision of publicly-available information on the audit results.

The assessment of compliance with criteria 2.4 and 2.5 considered five national schemes. Those selected included any that interested parties had suggested may not be fully adopting the new PEFC Council requirements. Otherwise, the selection was based on a stratified random approach. The five selected national schemes were those for Australia, Brazil, Finland, France and Italy.

The assessment of compliance with criterion 1.3.3 considered 14 schemes:

- The five selected national schemes (see above);
- All national schemes where standards have been endorsed by PEFC since October 2004 (when the revised international requirements were adopted)
- All national schemes where standard revision processes are in-progress or their commencement has been publicly announced

2.2 Methodology

2.2.1. Scoring system used

For each national scheme compliance with the requirements of each criterion was scored on a 3-point scale:

0: Inadequately addressed

1: Partially addressed

2: Fully addressed

As a result of having only three possible scores, the score of 1 applied to a wide range of situations, but this was considered a better option than trying to divide partial compliance into a number of different levels which carries a significant risk of becoming subjective.

2.2.2 Stakeholder comments

Interested parties were invited to comment on the schemes to be assessed. Only comments pertinent to the scope of the assessments were considered during the document review. Comments received from stakeholders were taken in to account when drafting the assessments, and are summarised in Appendix 2

The provisional findings were sent to each national scheme and to the PEFC Council with an invitation to review the findings and, wherever appropriate, to provide further information or comment on the draft findings.

Comments, together with additional information, were submitted by the national schemes and the PEFC Council and discussions were held to clarify particular issues. The provisional findings were reviewed on the basis of this additional input and proposed changes were drafted. Provisional results, together with comments from schemes, and all stakeholder comments about scheme performance, were discussed with the CPET Reference Board.

3. Results

The purpose of the assessment was to examine whether the changes made to the generic PEFC systems had been adopted by all national schemes as required. The review found that the changes made to PEFC systems with respect to the involvement of environmental and social stakeholders in the decision making process for setting forest management standards (criterion 1.3.3) do not appear to have been fully adopted by national schemes. The detailed findings of the assessment of PEFC national schemes are found in Appendix 1.

3.1 PEFC as assurance of legality

No change: Full assurance of legality

The assessment did not address criteria relating to legality and thus the PEFC system continues to be adequate to ensure that certified forests meet UK Government requirements for legal timber. In addition, the requirements for control of uncertified material in mixed source products are adequate to deliver legality. Therefore, all PEFC-certified products deliver UK Government requirements for legality.

3.2 PEFC as assurance of sustainability

No change. Continued 'probationary' status.

The assessment raised concerns with the interpretation some national schemes had made of the PEFC requirement for achieving consensus in the development and revision of standards. In particular, it was not clear that the voting procedures adopted by two of the schemes reviewed would ensure that decisions could only be made in 'the absence of sustained opposition to substantial issues by any important part of the concerned interests' – the definition of consensus adopted by PEFC. These concerns bring into question the status of PEFC as delivering the assurance of sustainable timber for the UK Government. In the light of further discussions with interested parties the UK Government therefore decided that these findings should be scrutinised further before the probationary status of PEFC can be resolved.

A review will be conducted later in 2006 of all the forest certification schemes first assessed by CPET in November 2004. The review will also take account of any evidence relevant to implementation of schemes' documented systems and requirements.

In the meantime the PEFC system will remain on probation in providing assurance that PEFC certified forests and plantations meet UK Government requirements for sustainable timber. In common with all schemes, uncertified material cannot be guaranteed as coming from sustainable sources. Therefore, only PEFC-certified products containing 70% or more material from certified forests deliver UK Government requirements for sustainability.

Appendix 1. Detailed findings of the assessment of PEFC national schemes

This appendix contains the detailed findings of the assessment.

The results are presented in the form of two tables containing the following information:

Criterion: This sets out the UK Government criteria for assessing forest certification schemes which a scheme must meet.

Findings: This contains notes from the assessment process summarising the objective evidence compiled from the scheme documentation to justify the scores given. *It should be noted that the text in this column is in the form of notes to summarise the information to be used in making an assessment and may in some cases be ambiguously or imperfectly worded. It was not designed to replace original scheme wording nor to be quoted in isolation.*

Score: This sets out the score given for the degree of compliance with the scheme with each criterion. See Section 2.2.1 for notes on the scoring system used.

Source documents

Three types of publicly available scheme documentation were consulted:

- Standards development procedures
- Statutes and By-laws
- Criteria for certification bodies

These documents are available from the PEFC website, on national scheme websites and also upon request from the schemes.

UK Government Timber Procurement Policy

Criteria for Assessing Certification Schemes (First Edition)

Assessment of Programme for the Endorsement of Forest Certification schemes (PEFC) National Schemes

April 2006

1. Criterion 1.3.3

Criterion
The decision-making process adopted by the standard-setting body should ensure: <ul style="list-style-type: none">• no individual person or organisation can veto the process;• no single interest can dominate the process;• no decision can be made in the absence of agreement from the majority of an interest category.

PEFC revised its standard-setting requirements in October 2004. Any national scheme making use of the standard setting process after this date must meet the revised requirements.

The assessment considered fourteen national schemes. Five national scheme standard setting processes were found to have been completed and the application for endorsement submitted to PEFC before the revised **Annex 2: Rules for Standard Setting** was adopted by the PEFC Council, and had not made use of the standard setting procedures since. Thus they have not been considered in the assessment of Criterion 1.3.3.

Two national schemes had been endorsed before the revised **Annex 2: Rules for Standard Setting** was adopted by the PEFC Council, but had since made use of the standard setting procedures, and thus were considered in the assessment of criterion 1.3.3.

The remaining seven schemes had been submitted for endorsement after the revised **Annex 2: Rules for Standard Setting** was adopted by the PEFC Council, and thus were considered in the assessment of 1.3.3.

Findings		
Schemes scoring a '0'	Schemes scoring a '1'	Schemes scoring a '2'
Schemes that scored a '0'	Schemes that scored a '1'	Schemes that scored a '2'

<p>have decision-making processes that had not fully incorporated PEFC Council requirements for consensus.</p> <p>Two schemes scored a '0'.</p>	<p>have decision-making processes that had incorporated PEFC Council requirements for consensus. They also follow PEFC systems that require invitations to interested parties to participate in the decision-making process, without ensuring participation of different interest categories,</p> <p>Four schemes scored a '1'.</p>	<p>have decision-making processes that had incorporated PEFC Council requirements for consensus. They also follow systems that require social, environmental and economic interest categories to be present.</p> <p>Three schemes scored a '2'</p>
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2. Criterion 2.4

Criterion
<p>The certification audit must include sufficient consultation with external stakeholders to ensure that all relevant issues are identified relating to compliance with the requirements of the standard.</p>

The assessment considered five national schemes.

PEFC required that the changes to PEFC Technical Document **Annex 6: Certification and Accreditation Procedures** be adopted by national schemes by 11 October 2005 and implemented for all certificates by 10 October 2006. The assessment therefore considered all five schemes.

Findings		
Schemes scoring a '0'	Schemes scoring a '1'	Schemes scoring a '2'
<p>No schemes scored a '0'.</p>	<p>Schemes that scored a '1' have standards that require consultation with external stakeholders, but do not explicitly require identification of all relevant issues relating to compliance with the standard.</p> <p>In addition, one scheme</p>	<p>Schemes that scored a '2' have standards that include requirements to use relevant information from external parties as audit evidence to determine the conformity with the forest management standard.</p> <p>Three schemes scored a '2'.</p>

	<p>adopted the requirements two months after the PEFC deadline. However, the scheme in question implemented further requirements that only certificates issued under the new requirement would be granted a logo use license. On this basis, the scheme would score a '1'.</p> <p>Two schemes scored a '1'.</p>	
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3. Criterion 2.5

Criterion
A summary of the results of the certification audit (excluding confidential information) is publicly available to interested parties.

The assessment considered five national schemes.

PEFC required that the changes to PEFC Technical Document ***Annex 6: Certification and Accreditation Procedures*** be adopted by national schemes by 11 October 2005 and implemented for all certificates by 10 October 2006. The assessment therefore considered all five schemes.

Findings		
Schemes scoring a '0'	Schemes scoring a '1'	Schemes scoring a '2'
No schemes scored a '0'.	<p>Schemes that scored a '1' have standards that require results of the certification audit to be made public, though limit this availability to relevant stakeholders.</p> <p>One scheme adopted the requirements two months after the PEFC deadline. However, the scheme in question implemented</p>	<p>Schemes that scored a '2' have standards that require results of the certification audit to be made publicly available.</p> <p>Four schemes scored a '2'.</p>

	<p>further requirements that only certificates issued under the new requirement would be granted a logo use license. On this basis, the scheme would score a '1'.</p> <p>One scheme scored a '1'.</p>	
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Appendix 2. Stakeholder comments

Environmental NGOs	2 submissions	<p>One NGO noted that a particular scheme did not require all interest categories to be present (criterion 1.3.3). They also noted in practice that the scheme did not seem to be adhering to the criteria in 2.4 and 2.5</p> <p>Another NGO noted that as part of the audit process for a particular scheme, stakeholders were limited to 'relevant' ones, as deemed to be so by the scheme (criteria 2.4).</p>
Forest industry groups	6 submissions	<p>The six submission were all in relation to the same scheme, and noted the presence of scheme documentation that would meet criteria 1.3.3, 2.4 and 2.5 as well as practical experience with 1.3.3</p>
Forest companies	2 submissions	<p>The two submission were both in relation to the same scheme, and noted the presence of scheme documentation that would meet criteria 1.3.3, 2.4 and 2.5 as well as practical experience with 1.3.3</p>
Foreign government departments	1 submission	<p>One department provided a letter of general support for its national scheme.</p>
National schemes	All 14 schemes had iterative communication with CPET as part of the drafting of the assessments	<p>Three schemes did not agree with their draft scores of '1'.</p> <p>Two schemes did not agree with their draft scores of '0'.</p> <p>One scheme noted that since they were endorsed before 29 Oct 2004, they should not be</p>

		assessed against 1.3.3, despite having used the standard setting process recently.
PEFC	PEFC had iterative communication with CPET as part of the drafting of the assessments	The communication reflected that of the 14 schemes.