

2007 Review of UK Government Timber Procurement policy **Submitted Comments and responses**

28 March, 2008

In March 2007, Defra announced a revision to the UK Government's timber procurement policy, as part of the Sustainable Development Action Plan:

From 1 April 2009 only timber and timber products originating either from independently verified legal and sustainable sources or from a licensed Forest Law Enforcement, Governance and Trade (FLEGT) partner will be demanded for use on the Government estate - appropriate documentation will be required to prove it. From 1 April 2015, only legal and sustainable timber would be demanded.

This builds on the current requirement for legal timber at a minimum, and a preference for sustainable timber.

Consultation

Following the announcement on changes to the government timber procurement policy, CPET ran a consultation exercise to explore issues associated with practical implementation of the changes in 2009. A total of 25 individuals and organisations submitted written responses on the revised UK Government Timber Procurement policy during the consultation period 5 July- 27 September 2007. In total 282 comments and proposed solutions have been categorised and are listed below.

1. Comments on Category A and B evidence	3
1.1. Proposed solutions for Category A and B.....	12
2. Comments on sustainability definition and verification.....	24
2.1. Proposed solutions for definition of sustainability	26
3. Comments on FLEGT.....	34
3.1. Proposed solutions for FLEGT issues	45
4. Comments on EU Harmonisation & Other issues.....	50
4.1. Proposed solutions EU issues	52
5. General comments on policy change and procurement policies	54
6. Comments on impacts of UK Government Policy	58
6.1. Proposed solutions on impacts.....	80
7. Comments on implementation	85
7.1. Proposed solutions for implementation	92
8. Comments on legality & transition schemes	104
8.1. Proposed solutions on legality & transition schemes.....	109
9. Comments on the lack of social criteria.....	115
9.1. Proposed solutions on social criteria	116

1. Comments on Category A and B evidence

Number	Comments on Category A & B evidence	Response
1	<p>The policy changes may also have the potential of increasing the administrative complexity in certification systems and increasing the cost of certification. The PEFC system delivers today effective low cost, credible certification for family forestry and small forest owners through effective group certification. But CPET activities in general, have the potential of forcing simple and effective working system to be more complicated and drive the cost of certification.</p>	<p>All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.</p>
2	<p>TFT general comments in response to the third reassessment of the five forest certification schemes</p> <ul style="list-style-type: none"> • It is vital that in assessing the ability of a forest certification scheme to deliver sustainable timber; economic, environmental and social factors should be given equal weighting. • Sustainable forest management as both a concept and in practice, is not viable, unless social, environmental and economic issues are given equal importance. Indeed, these issues are inextricably linked. • For example, unresolved land tenure and traditional rights issues can lead to inappropriate relocation of indigenous or local communities, causing indirect detrimental impacts on ecosystems and biodiversity outside the forest management unit. • Local and indigenous communities, in countries such as Indonesia, are often disenfranchised by allocation of forest concessions outside their community. 	<p>All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.</p>

Number	Comments on Category A & B evidence	Response
	<ul style="list-style-type: none"> • This leads to local communities/indigenous peoples becoming excluded from forests for which they have user rights. • Disenfranchised peoples may have an interest in damaging the assets of concession owners and are often used as a workforce for timber syndicates, carrying out illegal logging. • Lack of full and proper engagement with local communities and indigenous peoples can therefore lead to detrimental impacts on biodiversity and maintenance of ecosystems. • It is the TFT's experience that independent verification of compliance to FSC standards at forest management unit level, combined with complete COC/tracking throughout the supply chain is the only credible method for ensuring a certified timber product is from a 'sustainable' source. 	
3	<p>It is vital that 'Category B' evidence for timber/wood product procurement, including woodfuel, from all UK forestry is defined as, and meets the UK Forestry Standard¹. This includes material specified and procured from the UK's plantation forests, native woods and short-rotation coppice and forestry on agricultural land. The UK Forestry Standard is the UK's minimum standard for its domestic sustainable forest management².</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>

¹ Forestry Commission & Forest Service (2004) *The UK Forestry Standard – the government's approach to sustainable forest management*. 2nd Edition. Forestry Commission, Edinburgh & DARD, Belfast.

² Meeting Ministerial Conference for Protection of Forest in Europe (MCPFE) (1993) Helsinki Principles for Sustainable Forest Management, H1: <http://www.mcpfe.org/commitments>

Number	Comments on Category A & B evidence	Response
4	<p>In the UK, all forestry, including on agricultural land, must be managed to the UK Forestry Standard, and preferably to the voluntary UK Woodland Assurance Standard³ (UKWAS) which meets Forest Stewardship Council principles and criteria⁴ (CPET Category A). UK Government and devolved UK administrations are committed to increasing UKWAS uptake⁵ (2002 World Summit on Sustainable Development). We feel that UKWAS/FSC certification can provide nature conservation benefits through management planning and ecological survey, as well as being transparent and auditable.</p> <p>The RSPB feels that it is important that all the wood and timber products, including woodfuel, that UK Government, devolved administrations and local authorities specify and procure come from environmentally sustainable sources. We feel that specifying and procuring Forest Stewardship Council certified produce currently offers the best way of achieving this.</p>	<p>At present the UK Government Procurement Policy accepts four certification schemes for proof of legality and sustainability; PEFC, FSC, CSA and SFI. MTCC is accepted as proof of legality only.</p>
5	<p>Category B - Greenpeace is particularly concerned about the low standards required for 'Category B' evidence which include audit statements, government documentation and supplier declarations. Such weak standards are a critical loophole in the Government's drive for legal and sustainable timber.</p>	<p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue</p>

³ UKWAS Steering Group (2006) *The UK Woodland Assurance Standard – 2nd edition*. UK Woodland Assurance Standard Steering Group, Edinburgh. <http://www.ukwas.org.uk/assets/documents/UKWAS%20Second%20Edition%20Web.pdf>

⁴ http://www.fsc.org/en/about/policy_standards/princ_criteria

⁵ UK Forest Partnership (2002) *UK Forest Partnership for Action*. Forestry Commission, Edinburgh. www.ukforestpartnership.org.uk

Number	Comments on Category A & B evidence	Response
		to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
6	Category A - In addition, despite repeated calls from Greenpeace and other NGOs to only accept timber certified by the Forest Stewardship Council (FSC) as proof of legality and sustainability, CPET accepts other schemes as 'Category A' evidence. By accepting schemes like the Canadian Standards Association (CSA), the Sustainable Forestry Initiative (SFI), the Programme for Endorsement of Forest Certification Schemes (PEFC) and the Malaysian Timber Certification Council Scheme (MTCC), CPET is giving a veneer of respectability to schemes that fail to recognise the rights of indigenous people and to protect forests of critical importance, that have weak chain of custody tracing and that have no third party auditing.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
7	Linked to the above is the issue of how each scheme was assessed against the CPET criteria. CPET judged each scheme against a simple scoring system using a 3-point scale for 26 criteria. In many instances Greenpeace believe this system was leniently applied. In addition, CPET's assessment of the five certification schemes was a desk based exercise using written documentation provided by the schemes. This means that when judging them against the CPET criteria, no research was carried out in the forest as to whether the claims that each scheme are making are	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.

Number	Comments on Category A & B evidence	Response
	actually being implemented on the ground.	
8	The lack of ISO-style accreditation for CABs operating schemes for verification of legal origins of timber, and for step-wise or modular improvements towards certification of the quality of management, allows careless and unscrupulous business practices.	It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.
9	WWF continues to have concerns with regards to the current guidance on both Categories A and Category B. There is clear evidence to show that PEFC and MTCC do not meet the CPET criteria as reported. A number of independently commissioned studies on PEFC and SFI show consistent differences in the scoring (on 13 and 18 of the 26 criteria for PEFC and SFI respectively). Further research on the MTCC scheme, as detailed in a joint Fern and WWF letter has shown that it does not guarantee the delivery of legal timber and wood products into the supply chain. In some cases it could also deliver timber from unknown and wanted sources because the onus of ensuring that it does not come from converted high conservation value forests is on the buyer.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
10	Further to this issue is the actual interpretation of the CPET criteria. Despite the interpretation of the criteria having been reviewed and tightened, there would still appear to be a degree of political expediency in the decision making process starting at the consultant level. WWF considers that the role of the consultants is to evaluate schemes against the CPET criteria as set out in the guidance. If there is an issue with regards to whether the final conclusion is counter productive to the supply of legal and sustainable timber, then this should be determined by an independent impact assessment on which the CPET advisory board and	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.

Number	Comments on Category A & B evidence	Response
	then the UK government could base a final decision. This would make the decision making process far more open, transparent and constructive.	
11	WWF is also concerned about the current methodology which is entirely desk based and does not permit on the ground verification of issues arising through the complaints process. It should be the case that where a formal complaint against a scheme has been accepted for evaluation by CPET, that ground-truthing is permitted if necessary. The precedence for this has in actual fact already been set through follow up checks on the MTCC.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
12	WWF has strong concerns with regards to the Category B guidance. It would currently appear that a supplier can self declare, which weakens and undermines the value of Category A evidence. As a minimum, Category B evidence must require independent, 3 rd party verification and the establishment of a high risk register.	<p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
13	Given the significant differences in the quality of the schemes, the CPET should identify the strongest schemes in terms of their ability to demonstrate both legality and responsible forest management. Currently	All comments and suggestions will be considered as part of the 2008 Category A review that will commence

Number	Comments on Category A & B evidence	Response
	<p>there is no market advantage for the stronger schemes, which means that CPET risks delivering a weakening in the standards of certification and legal compliance. Also, by recognising certain schemes such as those under the PEFC, or the MTCC, CPET is permitting the conversion of high conservation value forests, accepting timber without chain of custody and independent third party auditing and failing to recognise the rights of indigenous peoples, as well as accepting a significant risk that illegal and unsustainable timber and wood products are still being used in government supply contracts.</p>	<p>in May.</p>
14	<p>A final comment would be that the system that proposed by DEFRA is a “one fits all” approach with no adaptation to the perceived risk what so ever. The risk of buying wood from unsustainable forest operations in the EU is limited, especially if the reference is made to deforestation. In fact the forest area and standing wood volumes are increasing constantly in the EU and forestry legislation is among the most stringent in the world. Monitoring of legal compliance is highly developed. In other parts of the world it may well be justified with the full system requirements for traceability and verification.</p>	<p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p>
15	<p>Unfortunately, any measures proposed to alleviate the (FSC)certified availability crunch will - when left to themselves - result in the trade and industry seeking the lowest allowable level of proof. Using FSC certified timber sometimes requires quite a bit of extra effort of all people involved in the design and manufacturing process, and not everyone is prepared to put that effort in. We (Ecotimber) ourselves have experienced on several occasions that, as soon as the demand for FSC timber is relaxed, the industry immediately reverts back to the usual supply channels. For instance, when the CSA certification was accepted by the UK</p>	<p>At present the UK Government Procurement Policy accepts four certification schemes for proof of legality and sustainability; PEFC, FSC, CSA and SFI. MTCC is accepted as proof of legality only.</p>

Number	Comments on Category A & B evidence	Response
	Gov, the demand for FSC cedar evaporated instantaneously. And (in particularly in Holland)where 70% FSC timber is accepted as sufficient to qualify for proof of FSC certification, it means that in practice merchants offer 70/30% as a matter of course, even when sufficient FSC timber was available.	
16	Identification of country of origin often cannot be maintained. Our company for instance purchases one item (47x100 Dry Graded Structural timber from timber originating in 12 or more countries)	It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.
17	CPET defines a sustainable source when it contains a minimum of 70% for a sustainable forest source, with the remainder from legal sources. In 2004 FSC created the Controlled Wood standards as a means to verify that the uncertified part of a FSC product comes from sources where the most damaging forestry practices are not occurring. These includes: illegal harvesting, violation of traditional and civil rights, threats to high conservation values, conversion from natural forest to plantations or non forest uses and use of genetically modified organisms. Having raised the bar beyond legality in a consistent manner, FSC allows a minimum percentage of certified material of 10%. The rest (90% maximum) has to come from controlled sources. One of the main industry complaints and an important issue to consider for this change, was the supply shortage of certified material. Nevertheless, it is important to point out that FSC Policy only allows companies to sell 10% of the production as FSC certified, while the 90% left will be sold as controlled. We believe that having included social and environmental requirements, which have to be verified on the ground and are not related or depending on any legal	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.

Number	Comments on Category A & B evidence	Response
	<p>framework adds consistency and credibility to the Controlled Wood Approach. It is important to address that FSC is the only certification scheme that has raised the bar beyond legal harvesting and included social and environmental requirements for assessing controversial timber sources.</p>	
18	<p>It should be in the interest of conformity assessment bodies that the certificates which they issue are fully in compliance with their contracts with accreditation authorities. The systems developed for FSC and policed by ASI at least provide for routine and random audit and for dispute resolution. Some controversial FSC certifications show a number of repeated faults in the system, most of them attributable to the low profit margins of certification and the incentives to shave time in the field and time to understand the motivations of the applicant suppliers. As certificates of the quality of forest management become more valuable, as through the UK government tighter requirements from 2009 and 2015, so there are increased incentives to cheat and mislead. It is not evident that any one of the ASI-accredited CABs for FSC certification spends enough time and effort to ensure that applicants fully understand and are willing and able to comply with FSC requirements. Some errors may thus occur because of genuine misunderstandings, especially in the increasingly complex chains of custody requirements for timbers from “mixed sources” in the FSC sense. Other errors are occurring because some suppliers are deliberately misleading CABs. Some CABs appear to be unwilling to develop their audit systems to cope with applicants who seek to cheat and mislead, and may thus be conniving with such applicants. Detective work by the grossly under-resourced accreditation authorities such as ASI then relies excessively on vigilant and articulate</p>	<p>All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.</p>

Number	Comments on Category A & B evidence	Response
	<p>independent forest monitoring by civil society. That may be especially difficult in small countries where regulatory capture prevents the government authorities from performing consistently, objectively and equitably their legal roles, and where civil society and IFM is deliberately hampered by colluding forest services and cheating suppliers. The attitude of DFID and Defra towards such misdemeanours seems to have been that as forest certification is voluntary the likelihood of accidental and deliberate fraud is low. Quantitatively this may be true, but monitoring is not sufficient to be sure. Qualitatively, some suppliers are quite willing to risk cheating the system, as the likelihood of detection is low and the penalties for being caught are derisory.</p>	

1.1. Proposed solutions for Category A and B

Number	Proposed solutions for Category A & B	Response
19	<p>Currently the UK Forestry Standard is not being applied in development situations by planners, or by agricultural regulators which may result in environmentally unsustainably forestry practices, and so not suitable for Category A, or B procurement. It may be 'legal', but not 'sustainable'. For example UK ancient semi-natural woodlands may be felled for development under planning law, or new short rotation coppice located on important wetland habitats – these should not enter the government wood supply chain as environmentally 'sustainable'.</p>	<p>The UK Government Policy will continue to recognise the minimum 70% claim for sustainability used by all certification schemes.</p>
20	<p>The RSPB feels that it is important that all the wood and timber products, including woodfuel, that UK Government, devolved administrations and</p>	<p>At present the UK Government Procurement Policy accepts four</p>

Number	Proposed solutions for Category A & B	Response
	local authorities specify and procure come from environmentally sustainable sources. We feel that specifying and procuring Forest Stewardship Council certified produce currently offers the best way of achieving this.	certification schemes for proof of legality and sustainability; PEFC, FSC, CSA and SFI. MTCC is accepted as proof of legality only.
21	Category B evidence should be limited to cases where third party independent verification of responsible forest management practises and chain of custody can be guaranteed. Allowance for first and second party verification should be removed. If evidence shows illegal and unsustainable timber continues to be used on government building projects, this category should be removed until such a time as there is a clear and requisite procedure for training all government procurement officers and suppliers and robust systems are in place to ensure it is not abused.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
22	Category A guidelines should be tightened to promote recycled timber and timber and establish the Forest Stewardship Council (or similar credible certification system) as the first choice for timber being used in Government projects.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
23	The assessment of whether each scheme has met the CPET criteria should be reviewed by an independent third party during 2008 and there should be scope for that third party to go beyond 'desk based research' and address any specific stakeholder concerns regarding the practical performance of particular schemes on the ground.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.

Number	Proposed solutions for Category A & B	Response
24	It is partly a problem of their own making that forest certification schemes have been communicated to procurement staff as market-based instruments instead of market-linked instruments. While the industry-supported MTCC, PEFC and SFI schemes may have adequate resources for independent monitoring of the sufficiency of field and office evaluations, anecdotal evidence suggests that reliability of audits are as much a problem for them as for FSC.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
25	Some 70 ENGOs have proposed to FSC International Centre that the contracting of audits should be taken back in-house, with evaluation audits then offered to accredited CABs for competitive bidding. Such a radical change ought to improve greatly the reliability of audits but is unlikely to happen without a revolution in FSC staffing. In the meantime, reliability could be improved by (a) better quality and more thorough explanation of certification requirements to applicant suppliers, by certification schemes and their CABs; (b) making pre-audit scoping visits obligatory; (c) more rigorous checks on conflicts of interest in CAB staff and consultants; (d) much more support for IFM by civil society, and formal links with CAB audits; (e) shorter response times and faster resolution of disputed certifications; (f) standardisation of minimum requirements and obligatory stages for modular or step-wise certification schemes, including recognition that some market rewards must be allowed for successful and sustained progress in modular schemes.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
26	It is unclear how much effort goes into prevention of forgery or fraudulent use of certificates of VLO or SFM in the UK. There is no point in having tough VPA license requirements if the delivery and use end is	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's

Number	Proposed solutions for Category A & B	Response
	not similarly checked.	implementation strategy.
27	Note that there is ample evidence from the pharmaceutical industry that firms balance the cost of conviction for selling dangerous drugs or substitutes against the benefits of early years of high sales and low detection rates. There is anecdotal and unsurprising evidence that timber suppliers use the same logic. Procurement and trading standards officers should presumably apply the same counter-measures to timber as they do to pharmaceutical drugs.	Noted
28	Permit ground truthing of valid complaints against schemes or evidence provided, where appropriate.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
29	Category B evidence should require independent, third party verification and be supported by a high risk register which could cover countries, sawmills, companies and timber species.	<p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B</p>

Number	Proposed solutions for Category A & B	Response
		requirements.
30	All countries that wish to have a “Legal” solution that does not supply fully certified “Legal and Sustainable” timber should have the possibility of submitting evidence to CPET for assessment under the legal category.	<p>It would be problematic for the UK Government to assess another country’s legal system.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
31	<p>Against this background and in response to the UK government procurement requirements that wood must be derived from legally verified sources, in early 2007 AHEC initiated with U.S. government support a “Data-based Assessment of the Risk of Illegal Logging of the US Hardwood Resource”. AHEC understood from discussions with CPET such a study would be an appropriate mechanism for American hardwood suppliers to conform to the Category B requirements for legality verification subject to: (a) a positive result indicating that there is a low level of risk of American hardwoods being derived from illegal sources; (b) independent verification of the results of the study; and (c) additional supporting evidence from the supplier that the American hardwood in question does indeed derive from the USA.</p> <p>This study is now being undertaken by Seneca Creek Associates LLC in</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>

Number	Proposed solutions for Category A & B	Response
	<p>association with Dr Paul Ellefson (University of Minnesota), Phil Guilery and Dr Gary Dodge. Seneca Creek Associates is a consulting firm that specializes in resource economics and policy and is known for its work in evaluating the economic implications of illegal logging and its expert knowledge of forest regulatory frameworks. Dr Ellefson is recognised in the U.S. as the leading expert on regulations and voluntary programs that affect forest management at the national and state levels. Phil Guilery and Dr Dodge have been heavily engaged in the development of FSC and PEFC risk assessment procedures.</p> <p>AHEC and the American Hardwood Federation are committed to taking action to tackle any significant issues associated with illegal wood supply should they arise from the study. The exact scope and nature of measures will be informed by the results of the study.</p> <p>In order to ensure consistency with the “Risk Register” being compiled internationally by FSC to facilitate implementation of the FSC Controlled Wood standard, the study will also assess the risk of wood being derived from the 5 categories of controversial source defined by this standard (illegally harvested wood, wood harvested in violation of traditional and civil rights, wood harvested in forests where high conservation values are threatened, wood harvested in forests being converted, or wood from GM trees). The objective is to allow US hardwood exporters to determine the risk of wood for all five risk categories based on the region from where the wood is harvested.</p> <p>The risk assessment begins at the broadest relevant geographical scale (i.e. the American hardwood producing region of the U.S.). If conditions at a given scale are not sufficiently homogeneous to establish low risk for each specific forestry aspect (i.e. illegal logging, GM crops etc) the</p>	

Number	Proposed solutions for Category A & B	Response
	<p>scale is further decreased. The risk assessment is continued at decreasing scales until conditions are sufficiently homogeneous. Risk designation may be possible at a national level under certain homogenous conditions, whereas under more heterogeneous conditions risk designation may be only possible at a district or local level.</p> <p>Outcomes of the study are expected to be tables and maps showing the level of risk that wood derives from illegal or other controversial sources by US county or district and by the various eco-regions making up the US hardwood resource. The study will also recommend documentation procedures for AHEC members to meet requirements for verification of source under the terms of the UK procurement policy and the FSC Controlled Wood standard. The study is scheduled for completion by the end of 2007.</p>	
32	<p>AHEC believes that in the further elaboration of UK government procurement policy and criteria, specific recognition needs to be given to the special conditions that prevail in the small forest owner sector in countries which are low risk from the perspective of illegal and unsustainable forestry operations.</p> <p>The existing Category B criteria and guidance do make allowances for such owners with respect to claims of “legality” – by allowing the use of risk assessments in countries with good governance – but not with respect to claims of “sustainability”.</p> <p>Given the extent to which the concept of forest certification has come to be equated with sustainable forestry in recent years, it is not surprising that CPET has drawn on the structure of forest certification systems in developing both the Category A and Category B criteria. However, it is</p>	<p>This comment initiated an ongoing dialog to discuss how this issue might best be addressed.</p>

Number	Proposed solutions for Category A & B	Response
	<p>necessary to emphasise the distinction between “sustainable forestry”, which refers to the actual process of managing forests to balance environmental, social and economic goals, and “sustainable forest certification” which is one of several tools that may be used to demonstrate sustainability.</p> <p>The existing Category B criteria, while intended to provide an alternative to forest certification, do not achieve this end in practice with respect to assurances of sustainability. Drawing directly on experience from forest certification, the criteria assume that in order to demonstrate that forests are “sustainably managed”, it is necessary to develop a “performance based sustainable forestry standard” in accordance with international principles through a participatory process and then to assess current forestry performance at individual forest management unit level against that standard. This in turn implies that the source of each individual piece of timber must be traceable to a specific certified forest management unit.</p> <p>The CPET Category B Guidelines indicate, correctly, that application of the Category B criteria for sustainability are unlikely to be practical for anything other than the simplest of supply chains and wood products. Hence they do not in fact provide a realistic alternative to certification for supplies of timber from small forest owners where it is usual for supply chains to be highly complex.</p> <p>CPET therefore need to evolve an entirely different approach with respect to small owners’ claims of sustainability. AHEC believes that under specified conditions, it should be possible to base claims of sustainability on the risk assessment approach. This approach would</p>	

Number	Proposed solutions for Category A & B	Response
	<p>only apply:</p> <ul style="list-style-type: none"> • when dealing with forests that are managed at relatively low intensity by small family forest owners; • in regions where there is clear evidence of good governance; • where rigorous independent research has been undertaken to provide an assurance of low risk. <p>As noted above, AHEC’s on-going risk assessment already goes beyond consideration of illegality to encompass a wider range of criteria defining controversial sources under the terms of the FSC Controlled Wood standard. In principle, there is nothing to prevent further refinement of this research in the future to ensure more comprehensive coverage of issues seen as critical for sustainability by UK government. In fact, AHEC’s existing research should go a long way to encompass the various criteria identified under section 1.2 (“Content of the Standard”) of CPET’s Checklist 3 for “Forest Source Information for Sustainability”:</p> <ul style="list-style-type: none"> • Conformance to CPET criterion S5 “Management of the forest must ensure that harm to ecosystems is minimised” is largely covered by the existing analyses of the risk of wood being derived from conversion forest, the risk of wood being harvested in forests being converted to plantations, and of the risk of wood being derived from forests where high conservation values are threatened. • Conformance to CPET criterion S6 “Management of the forest must seek to ensure that productivity of the forest is maintained” is partially covered by the existing analyses of the 	

Number	Proposed solutions for Category A & B	Response
	<p>risk of wood being derived from conversion forest. The existing analysis will also quantify trends related to hardwood forest area, standing volume, and production by species.</p> <ul style="list-style-type: none"> • Conformance to CPET criterion S7 “Management of the forest must seek to ensure that forest eco-system health and vitality is maintained”: the existing study will summarise forest laws, including those encompassing requirements to protect the health and vitality of US forests. • Conformance to CPET criterion S8 “Management of the forest must seek to ensure that biodiversity is maintained”: as with S5 this criterion is largely covered by the existing analyses of the risk of wood being derived from conversion forest, the risk of wood being harvested in forests being converted to plantations, and of the risk of wood being derived from forests where high conservation values are threatened. 	
33	<p>The on-going AHEC study will include an analysis of media coverage of forestry issues and involve interviews with a range of interest groups as part of the assessment of the risk of illegal activities. In future, this aspect of the study may be extended with the specific objective of assessing the risk of significant conflict between economic, social and environmental interests</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
34	<p>Adapt the existing Category B criteria and guidance to allow for claims of sustainability based on risk assessment under specified circumstances –</p>	<p>It is recognised under the UK Government Procurement Policy that</p>

Number	Proposed solutions for Category A & B	Response
	that is where wood derives from small non-industrial land owners in countries with good governance and where reliable risk assessments have been carried out;	<p>the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
35	Certification is an obvious solution to many questions of practical implementation of the policy change. Speaking for Norway & Norwegian forest owners we have a well organised and countrywide certified forestry under the PEFC scheme. Even the smallest forest property in Norway has the possibility to meet requirements of supplying certified wood. Through an effective chain of custody certification this will also solve the questions connected to processed forest based products from Norwegian raw material sources.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
36	A UK requirement of certified wood will in fact prove for the certified forest owners the use of having certification systems in place. In that respect forest certification will be an effective tool and the policy change may motivate to further development in certification in those countries where not all properties are certified.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
37	The potential solution requires however the recognition of schemes	All comments and suggestions will be

Number	Proposed solutions for Category A & B	Response
	<p>without scrutinising criteria over and over again, and accepting all schemes under a credible umbrella. Since the trade raw material and semi processed products is international, many finished products may have components from different sources. For the chain of custody rules to work effectively, all national schemes under the same umbrella must be equally accepted.</p>	<p>considered as part of the 2008 Category A review that will commence in May.</p>
38	<p>There may be an option of accepting wood delivered through forest owners' organisations, which would mean recognising the organisation as a credible supplier of their members' products. This will, however, be more or less the same as certification, but could form a temporary solution for countries developing their certification systems.</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>

2. Comments on sustainability definition and verification

Number	Comments on sustainable definition & verification	Response
39	verification of sustainability - this should be flexible and not fixed into any specific system	<p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
40	<p>CEPI believes that international forest related processes that have been undersigned by a large number of countries worldwide and often by the EU itself (e.g. MCPFE, Montreal, ITTO, etc., but also UNFF non-legally binding Instrument, CBD Extended Programme of Work on forests, etc.) as well as national forest legislation already include comprehensive provisions with respect to legality and sustainability. CEPI therefore strongly supports novel ways to include non-certified forests that comply with the legislation in place and therefore with the principles of SFM into the UK Government commitment. In that context CEPI supports a thorough mapping of the provisions of national legislations of the main countries of origin of timber and wood products imported on the UK market. In case</p>	<p>It would be problematic for the UK Government to assess another country's legal system.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B</p>

	the legislation in place in those countries, and the governance and enforcement mechanisms would be robust, certificates of origin would then be sufficient to meet the needs of the Government.	requirements.
41	Within the framework of existing public procurement policies we find it extremely difficult to provide sufficient evidence of sustainability without being certified. Since only a small fraction of world's forests are certified and since forest certification is a voluntary, market-driven tool, it is absolutely necessary to have other means to give proof of the sustainable origin of timber. It is unacceptable that market-based, voluntary tools are "de facto" used as requirements in governmental processes.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
42	Verification of legality and sustainability should be based on flexible approach, which takes into account various conditions in different countries and regions. The risk of buying wood from unsustainable forest operations in the EU is limited compared to other parts of the world. The requirements should always be proportional to the existing conditions.	It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this. The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
43	AHEC commends the concerted effort that is being made by UK government to ensure procurement practices are non-discriminatory and sufficiently flexible to accommodate a wide variety of potential	The comments have been considered as part of the new policy guidance.

	<p>approaches to verification of legal and sustainable forestry practices. AHEC is very keen to work with the UK government and the Central Point of Expertise on Timber (CPET) to develop mechanisms providing assurances of sustainable practices that are both acceptable to the UK government and which reflect conditions specific to the American hardwood sector.</p>	
--	--	--

2.1. Proposed solutions for definition of sustainability

Number	Proposed solutions for definition of sustainability	Response
44	<p>The key difference would be in the setting of standards for sustainability. By taking the legislative approach, balanced representation is not undertaken, a condition of a certification standard for sustainability. The credibility of such an approach would therefore rest upon the perceived risk of the country and the level of good governance. Addressing the risk, good governance and good forest laws and regulations is at the centre of the FLEGT (Forest Law Enforcement, Governance and Trade).</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B</p>

Number	Proposed solutions for definition of sustainability	Response
		requirements.
45	<p>Change the definition of sustainability. This is risky and will send unclear messages to the market. The potential to lower the standard is not a message that TTAP would support. However, if the change in definition of sustainability could be done so that it reflects or takes account of the national laws and regulations of a producing country, which are considered to be comprehensive and inclusive of good forest management practices and thus should ensure sustainable forest production, then a change in definition to account for “legal and sustainable” defined by producer country forest legislation, could be a solution.</p>	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>It would be problematic for the UK Government to assess another country’s legal system.</p>
46	<p>Use of national legislation coupled with risk assessment in terms of forest governance</p> <ul style="list-style-type: none"> • This would again involve changing the definition of sustainability. See comments on option 2. • The definition of sustainability could be changed to reflect the national laws and regulations of a producing country, where they are considered to be comprehensive and inclusive of good forest management practices and thus able to ensure sustainable forest production. • However, this would mean that a balanced representation approach would not be used. The credibility of such an approach would rely upon the perceived risk of the country and the level of good governance. FLEGT is working to address risk, good governance and good forest laws and regulations. • However, again this solution does not address the impact that 	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>It would be problematic for the UK Government to assess another country’s legal system.</p>

Number	Proposed solutions for definition of sustainability	Response
	<p>excluding transition schemes will have, as transition forests may not be able to comply with 100% of relevant legislation until later in the stepwise certification process. See solution 1.</p>	
47	<p>Develop a Country-risk approach to legality so that the burden of evidence required to prove “verified legal” is proportionate to the risk of illegal timber entering the supply chain. The TTF uses the Transparency International Corruption Perception Index as a preliminary screening tool – suppliers in countries with a score less than 6.6 require significantly evidence of legality and should be in a programme, such as TTAP, that delivers verified legal timber.</p>	<p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p>
48	<p>Would there be room for mutual recognition between countries of each other’s legislation and enforcement systems in order to facilitate procedures?</p>	<p>It would be problematic for the UK Government to assess another country’s legal system.</p>
49	<p>However much one might hope that forestry managed with future generations in mind is enshrined in law throughout the globe, in practice there is not a single country whose laws require sustainable management practices from its forest owners. Everywhere the law acts merely as the minimum that is acceptable; respect for perpetuity is always regarded as ‘legal plus’. Even in the United Kingdom, with one of the most heavily regulated forestry sectors, a voluntary standard known as UK Woodland Assurance Standard (UKWAS), whose conditions well exceed legal requirements, has had to be designed for those owners who wish to demonstrate their commitment to sustainability. Our contention is that that legislation alone can never be used as a measure of sustainable forest</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

Number	Proposed solutions for definition of sustainability	Response
	management.	
50	Apart from undermining our own national forestry standard of UKWAS, sole reliance on legislation would require those other countries where there is currently an appropriate balance of legal requirements and voluntary standards for forest managers who wish to demonstrate best practice to have to codify the latter in law. Such a move would be almost certainly proved as unacceptable and impractical to them as it would be for the UK to make UKWAS a legal document.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
51	The alternative of watering down the definition of sustainability to bring it nearer to a legal concept is just as unacceptable. An attempt to do so would inevitably engender something of a race to the bottom in which the motive of continuous improvement would almost certainly be lost in translation. Lost, too, would be the support of those companies and interest groups keen to promote sustainability who, far from wishing to see the concept watered down further, would prefer to have it expanded to include social criteria, particularly in light of the UK now being a signatory to the UN Declaration of Indigenous Peoples Rights (September 13th 2007).	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
52	Bearing in mind the problems related to the forest certification, there should be other ways to give proof of the sustainable origin of timber. CEPF is of the opinion that sustainable procurement policies should be based on existing government-based tools, such as national forest legislation, to define and verify legality and sustainability. In Europe one approach should also be to use the existing MCPFE criteria and indicators as an important basis for such a system.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM. It would be problematic for the UK Government to assess another country's legal system.

Number	Proposed solutions for definition of sustainability	Response
		The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
53	<p>There is one significant obstacle to use of risk assessment to demonstrate sustainability under the existing Category B criteria. Drawing from the forest certification approach, these criteria require the existence of a “<i>process to develop a definition of sustainability</i>”. However, while the existence of such a process is a necessary characteristic of a credible SFM certification system, it is not a necessary pre-requisite to sustainable forest management per se. In a region with democratic and accountable government, effective rule of law, political freedom and strong civil society, and a free press, it may be argued that the existing institutional, legislative and economic framework governing forests comes closest to a broadly agreed definition of “sustainable”. Under these circumstances, forests may be delivering what is regarded by local communities and the wider public as an appropriate balance between economic, social and environmental objectives. This may be occurring without forest managers necessarily working consciously to a formally agreed “sustainable forestry standard”.</p> <p>AHEC believes that conformance to the UK government criteria covering</p>	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.

Number	Proposed solutions for definition of sustainability	Response
	<p>the “<i>process to develop a definition of sustainability</i>” should not be regarded as mandatory for a risk-based mechanism to demonstrate sustainability. When assessing forest certification systems, the presence of such a process is necessary to give some reassurance that certified forestry practices are delivering an appropriate balance between social, environmental and economic objectives. In the risk based approach, such reassurance is achieved by assessing the risk that wood derives from a region where there is a lack of consensus, or of conflict, between economic, social and environmental interests. If there is little or no evidence of conflict in a country with good governance, a free press, and accountable institutions, then it is reasonably safe to assume that the existing institutional framework is delivering what is regarded by local communities and the wider public as an appropriate balance between economic, social and environmental objectives.</p>	
54	<p>In order to ensure that American hardwoods are not subject to unfair discrimination after that time, UK government would need to move quickly to amend the criteria for sustainability to allow for risk-based claims when dealing with small forest owners in countries with good governance. Even with these amendments, it would be difficult for AHEC to deliver on the risk assessments necessary to confirm sustainability of American hardwoods within the specified timescale.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>It is recognised under the UK Government Procurement Policy that the burden of proof is proportional to risk. The new policy guidance will reflect this.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving</p>

Number	Proposed solutions for definition of sustainability	Response
		compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
55	The key issues raised by stakeholders points out the possibility of recognising wood from countries based on the forest policy of the country. When we recall the background for developing certification schemes, part of the problem in the 1990's was the environmental organisations persuaded industry not to rely on governmental policies. When public procurement is concerned, the UK government will have the freedom to decide for themselves. Today we follow the requirement of the Ministerial process of Europe, MCPFE, when constructing credible certification schemes. All participating countries in the MCPFE process have committed themselves to sustainable forest management.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM. It would be problematic for the UK Government to assess another country's legal system.
56	There is an intriguing potential of simplicity to exploit the forest policy path further. This will mean that the UK government will make Norwegian government responsible for the sustainable forest management in their country. As a matter of fact, they already are responsible. This could imply the UK government are reluctant to accept wood supply from Norway, certified or not, they are in fact challenging the Norwegian government for not fulfilling their political commitment.	The UK Government introduced a timber procurement policy in 2000 recognising that consumer power is an important tool as part of its commitment to address illegal logging and de-forestation. The policy is in line with EU directives on procurement and is intended to promote demand for legal and sustainable timber.
57	We will urge the UK government to further exploit this policy pattern. This	The UK Government introduced a

Number	Proposed solutions for definition of sustainability	Response
	<p>will bring public procurement policy up to the level where it belongs – the political level. This will not necessarily promote forest certification or private consultancies, but could fulfil the requirements of promoting sustainability in a more effective, simpler and less expensive way.</p>	<p>timber procurement policy in 2000 recognising that consumer power is an important tool as part of its commitment to address illegal logging and de-forestation. The policy is in line with EU directives on procurement and is intended to promote demand for legal and sustainable timber.</p>

3. Comments on FLEGT

Number	Comments on FLEGT	Response
58	It is not clear whether FLEGT licences will be recognised by the five certification schemes currently approved by the UK Government (FSC, PEFC, SFI, CSA and MTCC) as demonstrating evidence of legality. It is our understanding that each certification scheme has their own definition of “legality”. It therefore needs to be clarified whether each scheme will accept / recognise FLEGT licences as evidence of legality, particularly given that Partner Countries will be able to determine their own definition of legality which means definitions may vary between Partner Countries (Ref. EU FLEGT Briefing Note 2).	The UK Government would support the efforts of certification schemes to collaborate with the FLEGT process.
59	Linked to point 1) above, how will the UK Government reconcile it’s own definition of legality with the definition of legality adopted by different Partner Countries? In relation to points 1) and 2) there is a risk of a “uneven playing field”, and a lack of compatibility and cohesion in UK Government policy.	The UK government’s definition of legality is consistent with that being used in the development of VPAs.
60	From a procurement officers perspective, there would appear to be an issue around equivalency in the UK Government policy as of 1 April 2009, as follows: The proposed policy says that “ <i>only timber and timber products originating either from independently verified legal and sustainable sources or from a licensed FLEGT partner will be demanded for use on Government estates</i> ”. The issue here is that FLEGT licenses will only deal with legality (and chain of custody up to point of export), but not sustainability. Given this fact, how can the FLEGT option be directly	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>The UK Government Policy will continue to prefer sustainable timber in the contract terms and conditions and this will be made clear in the new guidance.</p>

Number	Comments on FLEGT	Response
	<p>compared to the alternative which is timber from independently verified legal <u>and</u> sustainable sources? It will be difficult for procurement officers to evaluate bids from tenderers given that the two approaches are not comparable. It would be helpful if the UK Government could clarify how this is going to work in practice, as timber sourced with full evidence of legality <u>and</u> sustainability (whether via Category A or B route) is better than timber from a FLEGT licensed source.</p>	
61	<p>With reference to EU FLEGT Briefing Note 3, the Environment Agency has concerns that VPAs may be negotiated and come into force before legality assurance systems are fully operational and licensing of timber agreements commences. The practical repercussions of this for procurement officers needs to be considered. A key requirement must surely be that there is some type of communication / notification mechanism in place to keep public sector buyers informed about the status of VPAs and assurance / licensing agreements. Without assurance / licensing systems in place, VPAs are of little value as there are insufficient controls in place to ensure legality and chain of custody up to the point of export.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
62	<p>With reference to EU FLEGT Briefing Note 7, the Environment Agency notes that the FLEGT scheme will initially only cover solid wood product because of complexities of ascertaining origin of processed timber products. Whilst the Environment Agency acknowledges these complexities, it yet again introduces more complexity for the procurement officer who is managing, evaluating and awarding contracts for timber and timber products.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

Number	Comments on FLEGT	Response
63	The Environment Agency concurs with published comments to date from other stakeholders, about concerns and practical considerations in relation to the policy change. The Agency is particularly concerned about the issue of “circumvention” as this could significantly undermine the policy, and make a FLEGT licence even less comparable to evidence of legality via independent verification.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
64	By April 2009, it is highly likely that there will be no FLEGT licences in the market, so unless sustainable with supporting credible evidence, no company under TTAP will be eligible to supply the UK market.	The new policy represents the UK Government’s commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.
65	FLEGT licences may not cover all export products, some products may be covered others not, how will producers and UK buyers handle this, when trying to fulfil a government contract? Product coverage may also vary from one country to another, creating another layer of confusion for suppliers and buyers alike.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
66	The new policy contradicts the UK Government’s support and commitment to the EU FLEGT Action Plan, undermining the objective and actions of FLEGT and thus of TTAP.	The new policy represents the UK Government’s commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.

Number	Comments on FLEGT	Response
67	By April 2009, it is highly likely that there will be no FLEGT licences in the market, so unless sustainable with supporting credible evidence, no company under TTAP will be eligible to supply the UK market, unless TTAP has triggered companies to progress from legality to sustainability.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
68	Sending strong clear message to the European market and producers of tropical timber is commendable. The problem is the timeframe and the way the change was implemented. 18 months to either get sustainable or obtain a FLEGT licence is unrealistic. Many TTAP companies and other transition companies, such as those working with TFT and GFTN will effectively be cut off from supplying the UK Government in 18 months.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
69	The change in policy raises concerns over the trade and development implications between companies in FLEGT countries accessing the market where companies in non-FLEGT countries no longer having market access	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The new policy represents the UK Government's commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p>
70	However, from April 2009 effectively only sustainable timber will be acceptable to UK government buyers, as it is very unlikely that even the most advanced FLEGT partner countries (Ghana? Malaysia?) will be	The new policy represents the UK Government's commitment to FLEGT as part of the climate change,

Number	Comments on FLEGT	Response
	producing FLEGT licensed timber by April 2009.	<p>deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p> <p>Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.</p>
71	FLEGT licences may not cover all export products, some products may be covered others not, how will producers and UK buyers handle this, when trying to fulfil a government contract? Product coverage may also vary from one country to another, creating another layer of confusion for suppliers and buyers alike.	The definition of sustainability will not change as this is based on internationally accepted principles for SFM.
72	<p>Greenpeace notes that to ensure that environmental and social objectives are achieved, FLEGT Partnership Agreements should at minimum:</p> <ul style="list-style-type: none"> • Lead to the adoption of legality definitions that are based on the three pillars of sustainable forest management and take into account national and international laws in terms of the protection of biodiversity, the conservation of forest and natural resources associated with forests, climate change and indigenous people rights. • Establish a review process of all forest-related laws to identify weaknesses and where necessary, encourage legislative and policy 	The comments have been considered as part of the new policy guidance.

Number	Comments on FLEGT	Response
	<p>reform to ensure compliance with the new legality definition.</p> <ul style="list-style-type: none"> • Support the development of land use plans which would guarantee the participative management of resources that fully respects the rights of indigenous populations. • Establish a credible and reliable traceability system for wood, which relies on independent monitoring of timber and other extraction activities and third party verification of legality. • Improve radically forest law enforcement and environmental governance in the forestry sector, by strengthening civil society participation in the policy making and providing capacity building for independent judicial bodies, national tax authorities and government agencies. 	
73	<p>Further to this WWF encourages the UK Government to continue to play a supportive role through the FLEGT negotiations on VPA agreements and prioritise funding to facilitate these negotiations and widen their uptake.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
74	<p>According to the revised UK Government's timber procurement policy, from 1 April 2009 only wood from 1) independently verified legal and sustainable sources, or 2) from FLEGT legality licence partner will be required. This means that there will be higher demands for wood originating from EU Member States than from FLEGT-partner countries. From EU you need to prove sustainability and legality, from FLEGT partners only legality.</p>	<p>The new policy represents the UK Government's commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p>

Number	Comments on FLEGT	Response
75	<p>FLEGT licensed timber is another name for verified legal timber but which is only available from FLEGT partner countries. What about suppliers in countries such as Brazil that have shown no interest in joining the FLEGT partnership process? These suppliers should be given the opportunity to offer alternative forms of evidence that they are verified legal, such as some of the private sector schemes currently under review by CPET.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The new policy represents the UK Government's commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p>
76	<p>It is also acknowledged that it is unlikely that a FLEGT license will be operational by April 2009. Current developments indicate that even if Ghana and Malaysia, the two leading partner countries in the FLEGT VPA process, agree on a FLEGT VPA by mid-2008, it will take an average of 2 years before any licensing scheme can be fully operational. This therefore means that making a FLEGT license as an alternative to L&S requirements by April 2009 is also not workable within the given time-frame. It follows from above that the changes to CPET requirements therefore may defeat the UK government's targets/objectives.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.</p>
77	<p>How will the Flegt chain be proven, and cross contamination with non-flegt products be avoided?</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for</p>

Number	Comments on FLEGT	Response
		SFM.
78	<p>There could be WTO competition issues if there is a process in place for giving “Legal” timber from developing countries access to the UK market but denying this access to “Legal” timber from developed countries who do not qualify for Flegt. E.g USA and even UK.</p>	<p>The new policy represents the UK Government’s commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p> <p>The UK Government introduced a timber procurement policy in 2000 recognising that consumer power is an important tool as part of its commitment to address illegal logging and de-forestation. The policy is in line with EU directives on procurement and is intended to promote demand for legal and sustainable timber.</p>
79	<p>FSC has expressed some concerns in relation to the links of responsible forest management certification and FLEGT licences. In this sense we would encourage the UK government to discuss the practical implications of having a FLEGT licence in countries where there is a number of producers already certified by different schemes. In the case of tropical countries, where FSC has the highest number of certificates for responsible forest management, cost implications for forest managers is</p>	<p>The UK Government Policy will continue to prefer sustainable timber in the contract terms and conditions and this will be made clear in the new guidance.</p> <p>The UK Government would support the efforts of certification schemes to</p>

Number	Comments on FLEGT	Response
	an issue that has to be specially addressed.	collaborate with the FLEGT process.
80	<p>FSC would like to address the need for more friendly-user, clear information on the implications and development of FLEGT especially focussed to producer countries. We have identified within the consultation processes on FLEGT led by the EU commission that the use of complicated technical/legal terms, lack of translations and lack of appropriate communication means to involve stakeholders have prevented many interested parties in producer countries to take part of the consultation. FSC National Initiatives, which convene a large number of stakeholders in producer countries have raised their concerns on this matter. FSC is about to launch a 'procurement and forest governance forum' to facilitate the dialogue and exchange of information between our network all around the world.</p>	<p>The UK Government would support the efforts of certification schemes to collaborate with the FLEGT process.</p>
81	<p>what FLEGT licensing actually is and additional legislation against illegal imports</p>	<p>No response required.</p>
82	<p>By recognition of FLEGT VPA legality licences after April 2009, and not procedures currently being developed by AHEC to provide reliable assurances of legality, the policy has potential to unfairly discriminate against timber that is legally verified from a low risk country like the United States.</p>	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>The UK Government introduced a timber procurement policy in 2000 recognising that consumer power is an important tool as part of its commitment to address illegal logging</p>

Number	Comments on FLEGT	Response
		and de-forestation. The policy is in line with EU directives on procurement and is intended to promote demand for legal and sustainable timber.
83	<p>It was suggested by CPET at the consultation meeting on 13 September that the policy is not technically discriminatory since FLEGT VPA partnership agreements are open to all timber supplying countries. However AHEC’s own review of the FLEGT Action Plan, and of information supplied by the European Commission on VPA agreements (notably the series of seven Briefing Notes), indicates that such agreements are designed to be applied in countries where significant problems with forest law enforcement exist and where the EU believes there is a need to build capacity to tackle this problem. These conditions obviously do not apply in the United States where law enforcement is stringent and there is ample evidence to indicate that forests are being managed effectively. Furthermore, the Briefing Notes specify very detailed requirements for the content of legality verification systems – such as stakeholder systems to develop “legality standards” and implementation of full log tracking systems – which are clearly geared towards developing countries where there is a need to build consensus with respect to forest laws and where harvesting for wood export tends to be focused on relatively large forest concessions. The FLEGT VPA procedures seem entirely inappropriate for small forest owners in a country like the U.S. which is already characterised by good governance.</p>	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p> <p>The new policy represents the UK Government’s commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p>

Number	Comments on FLEGT	Response
84	<p>The reality is that conformance to a FLEGT VPA is not a realistic option for AHEC members. Therefore this aspect of the UK government policy has potential to be discriminatory. To avoid this, after April 2009 the policy should include equivalent recognition for verified legal timber from countries that are low risk with respect to illegal and unsustainable forestry practices.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
85	<p>As an alternative strategy, the policy should be adapted so that in addition to FLEGT VPA licences recognition is given after April 2009 to verified legal timber from countries that are low risk with respect to illegal and unsustainable forestry practices and which are therefore not a candidate for a FLEGT VPA.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
86	<p>The risk assessment to ensure conformance to the requirements for legality will not be completed before the end of 2007. AHEC's intent is to develop a program to tackle any issues arising from the study and to work out appropriate documentation procedures for AHEC members in consultation with CPET. However according to the new timescale, it now seems likely that these efforts will only come to fruition just as the policy is changed disallowing forms of legality assurance other than FLEGT VPA</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

Number	Comments on FLEGT	Response
	legality licenses.	

3.1. Proposed solutions for FLEGT issues

Number	Proposed solutions for FLEGT issues	Response
87	The Agency considers that more work is needed to understand the implications of the proposed policy change from 1 April 2009, to ensure that the sourcing of timber from a licensed FLEGT partner is workable in practice. In this respect, the Agency would be prepared to “pilot” the new policy to determine the key considerations for procurement officers “on the ground”. The results of this pilot could feed into the development of new guidance to support buyers, and the development of an information network to keep procurement officers informed of FLEGT licence developments.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra’s implementation strategy.
88	To be legal takes time. Not because companies want to be illegal, it is just timely, costly and hard work to implement the required changes in practices to be legal and more importantly to be able to show the documentary evidence from stump to buyer. In some cases to be legal requires a forest management plan, social impact assessment, environmental impact assessment, chain of custody systems from forest to end buyer. These are not insurmountable, they just take time. By removing a key market and sending an ever changing message to producers, results in a disincentive to change and to invest time and resources in meeting what is now perceived	The comments have been considered as part of the new policy guidance.

Number	Proposed solutions for FLEGT issues	Response
	as an ever changing market.	
89	Thus solutions must focus on the time frame, can there be phase in period that could support and recognise companies in FLEGT countries working towards legality third party verification and ultimately sustainability in the period until FLEGT licences are issued.	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.</p>
90	Postpone the target date for FLEGT licensed timber to 2011, with an option to review this target should FLEGT partnerships prove more difficult to implement in practice.	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.</p>
91	Change the emphasis in government procurement to demand/specify sustainable timber first and only if that timber is not available, accept the	The definition of sustainability will not change as this is based on

Number	Proposed solutions for FLEGT issues	Response
	verified legal alternative.	internationally excepted principles for SFM.
92	<p>FSC has started to discuss with our stakeholders and constituents which would be the areas of synergies and collaboration with the FLEGT action plan.</p> <p>Some of them are listed below:</p> <p>The FLEGT approach raises the floor under bad practice, curbing illegality and promoting good governance. It is compulsory and is heavily based on forestry reform through state regulation and control. While FSC is a voluntary process, it provides a successful ‘market’ driven mechanism that raises the bar of responsible forest management beyond legality to FSC’s high social and environmental standards. (It rewards good forest management and allows companies can demonstrate their social and environmental responsibility to gain market and brand recognition.) The FSC process and its resulting expertise present the following tools that can provide valuable contributions to fulfilling FLEGT goals</p> <p>Defining Legality through multi-stakeholder consultation and standard development</p> <p>FSC is the pioneer in forest management certification. Having developed the only internationally recognized standards for responsible forest management, FSC is recognized for its expertise in developing standards for socially equitable and environmentally responsible forest management through balanced, multi-stakeholder consultation processes.</p> <p>National FSC standard setting processes provide a forum to discuss how the national and international legal frameworks comply with principles for</p>	<p>The UK Government would support the efforts of certification schemes to collaborate with the FLEGT process.</p>

Number	Proposed solutions for FLEGT issues	Response
	<p>responsible forest management. This is done through broad multi-stakeholder consultation processes that comply with and fulfil the FLEGT objectives. FSC national standards have already been accredited in producing countries such as Brazil, Peru, Bolivia and Colombia.</p>	
93	<p>The list of products included into the first Voluntary Partnership Agreements (VPA) under FLEGT remains limited to raw materials or products with simple and few production stages. In order to include further manufactured products, pulp and paper and timber traded through various countries under the VPAs, a chain of custody, allowing traceability of timber content is needed.</p> <p>FSC's international chain of custody system - for tracking the flow of certified wood through the supply chain and across borders - is widely recognized as the leading solution in the market. The FSC chain of custody or its resulting expertise can be the basis for developing a tool to help eliminate the trade in illegally sourced forest products.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
94	<p>FLEGT requires that export licenses will be issued on the basis of evidence provided to the licensing authority. This evidence must show that all the requirements of a partner country's legality definition are met. The evidence is typically provided through regular audits of activities in forest management units and processing facilities.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
95	<p>FLEGT requires than an independent monitoring scheme is in place to provide assurance of compliance through a conformity assessment body, such as Accreditation Services International (ASI) which manages the FSC accreditation program.</p>	<p>The comments have been considered as part of the new policy guidance.</p>

Number	Proposed solutions for FLEGT issues	Response
96	Indeed, we believe this reality is conceded in the progression within the Government's policy statement which only allows FLEGT licensing as an intermediate measure before demanding legal and sustainable from 2015 onwards.	The comments have been considered as part of the new policy guidance.
97	CPET itself acknowledges that FLEGT's coverage is both incomplete and agreements are open to circumvention. Worse still, there is no evidence at present that the FLEGT regime works in practice: no countries have entered VPA agreements to date and the EU's verification mechanism is completely untested. Furthermore, FLEGT agreements are negotiated at governmental level, thus controls on operations in individual forests are left to national interpretations, which may fall well short of best practice. Finally, FLEGT is based on legality rather than sustainability (see above), which suggests that the incongruity of a two-tier requirement will remain at the core of the Government's timber procurement policy throughout the interim period 2009 -2015.	<p>The new policy represents the UK Government's commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p> <p>The UK Government Policy will continue to prefer sustainable timber in the contract terms and conditions and this will be made clear in the new guidance.</p>
98	Contrary to the suggestion that sources from sustainable and FLEGT may end up competing for the same contract, it is understood that contracts offering sustainable timber will be preferred over those offering FLEGT licensed timber. This was given in response to a question posed at the CPET Trade and Industry consultation meeting on 13 th September. We fully support this position.	The UK Government Policy will continue to prefer sustainable timber in the contract terms and conditions and this will be made clear in the new guidance.

4. Comments on EU Harmonisation & Other issues

Number	Comments on EU Harmonisation & Other issues	Response
99	We will also point at the importance of the EEA treaty and the need to harmonise rules within the whole EEA area.	The UK Government are currently working with other EU Member States to assess the possibilities of harmonisation. For an update on progress visit www.proforest.net/cpet .
100	There is a potential of different markets – read governments – making different rules in order to achieve the same goals. Since forest products are subject to international trade, there will be problems if countries in Europe and outside Europe have different rules and routines for proving sustainability. Harmonisation within the EU and EEA are, and preferably wider is important. We will strongly advice against British “drive-on-the-left” rules.	The UK Government are currently working with other EU Member States to assess the possibilities of harmonisation. For an update on progress visit www.proforest.net/cpet .
101	In addition, it should be noted that the revised policy contradicts the support the UK Government has lent to the harmonization approach across EU Member States.	The comments have been considered as part of the new policy guidance.
102	In addition, such bilateral arrangements should be supported by a new legislation that ensures that all timber and timber products placed on the EU market come only from legal and responsibly managed forests. Under this legislation, companies should be required to prove the legal source of their timber and timber products before they are actually allowed to place them on the EU market. This would establish a level playing field, guaranteeing a fair market competition between FLEGT licensed products and the others.	The comments have been considered as part of the new policy guidance.

103	<p>Finally, Greenpeace is also concerned that the UK Government is considering a new consultation process on the UK's timber procurement guidelines with the EU. Given that the UK is substantially further ahead on procurement than the majority of EU countries this could lead to a serious weakening and delay of the Government's policy.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
104	<p>WWF is concerned that the UK Government is considering a wider consultation process of the UK's timber procurement guidelines with the other EU Member States. As clearly highlighted in our recent Government Barometer Survey in April 2007, it is quite clear that progress on public procurement policy and implementation is patchy at best, with just four countries making clear progress. For the majority of other Member States the development of coherent, effective public procurement policies, does not appear to be a priority. There is a risk that wider consultation would only delay and weaken current UK Government commitment and progress. In addition public procurement policy is possible within the EU because of the EC "Public Utility Directives" which by their nature do not require harmonisation of policies. Each Member State is free to develop its own legislation, so there is no formal requirement to consult. DEFRA would need to be sure that the wider consultation process would be of benefit to the CPET process.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
105	<p>The UK government has been leading work with other Member States to harmonise procurement policies, as agreed under Action Point 17 of the FLEGT Action Plan. The UK Timber Trade Federation has likewise led work harmonising private sector purchasing policies with our sister organisations in the rest of Europe. The change in UK government policy is not a move towards convergence of public procurement policies but is at variance with other EU governments and contrary to the spirit of</p>	<p>The comments have been considered as part of the new policy guidance.</p>

	harmonisation that the UK has been supporting.	
106	large differences in legislation and law enforcement within EU and especially between EU and some other producer countries	The comments have been considered as part of the new policy guidance.

4.1. Proposed solutions EU issues

Number	Proposed solutions EU issues	Response
107	Varying criteria for public procurement in different EU countries risk to lead to trade barriers. There is a need for coordination at EU level to avoid such inconsistencies.	<p>The comments have been considered as part of the new policy guidance.</p> <p>The UK Government are currently working with other EU Member States to assess the possibilities of harmonisation. For an update on progress visit www.proforest.net/cpet.</p>
108	Public procurement policies should be harmonized within EU considering differences in production, exporting and importing of forestry products in different parts of Europe (1)Producers/exporters; 2)producers/exporters/importers; 3) importers) - conditions and views may be very different in these basic categories.	<p>The comments have been considered as part of the new policy guidance.</p> <p>The UK Government are currently working with other EU Member States to assess the possibilities of harmonisation. For an update on progress visit www.proforest.net/cpet.</p>

Number	Proposed solutions EU issues	Response
109	To overcome the numerous problems deriving from different national approaches, a coordination process should be started immediately at EU level. This process should lead to a harmonized EU policy for sustainable procurement above a large number of different national approaches.	<p>The comments have been considered as part of the new policy guidance.</p> <p>The UK Government are currently working with other EU Member States to assess the possibilities of harmonisation. For an update on progress visit www.proforest.net/cpet.</p>

5. General comments on policy change and procurement policies

Number	General comments on policy change and procurement policies	Response
111	<p>The Environment Agency welcomes the change of policy in 2009 / 2015 to include sustainable forest management considerations, but would make the observation that evaluating sustainable forest management practices on the basis of Category B evidence is virtually impossible within the normal constraints of available resources and procurement timescales. Sustainable forest management practices, as demonstrated by Category A evidence, is considerably easier to evaluate.</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
112	<p>The RSPB welcomes the adoption of this measure. We feel that UK Government timber/wood product procurement policy needs to apply to all UK devolved administrations and local authorities.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
113	<p>Greenpeace welcomes the Government's stricter commitments to purchase timber from legal and sustainable sources. If the Government succeeds in properly implementing this policy, then it has the potential to play a positive role in increasing the proportion of timber from environmentally and socially responsible sources in the UK market place. Furthermore, this could 'green' industry standards, and could help to spread good practice throughout the EU.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
114	<p>WWF is fully supportive of the targets set for the Government Estate for 2009 and 2015 and believes that they will help drive positive change in the</p>	<p>The comments have been considered as part of the new policy guidance.</p>

	timber market.	
115	TTF supports the 2015 target for sustainable only timber. We currently estimate that 60% of timber imports are certified, rising at 5% per annum, meaning that by 2015 the vast majority of imports will be certified.	The comments have been considered as part of the new policy guidance.
116	The current approach to sustainable procurement assumes that everybody is guilty until the opposite is proven by verified traceable systems. This in fact implies certified wood without saying so. So far nobody has been able to explain how, with these requirements; anybody can be eligible for sustainable procurement without having a certificate. Forest management in uncertified operations can operate to as high standards as certified forest management. The requirements for traceability and verification are not sustainability requirements.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
117	The certification scheme and in some cases the certifier have criteria for certification that go above and beyond the objective requirements of public procurement. If there is a “de facto” requirement for certification, it means that the authorities relinquish the control of who is eligible and who is not. The privilege of deciding this is left to the certifying scheme. It raises the question if it is not strange that a country does not accept its own legislation as proof of sustainability. The dual role of government is confusing: On one hand through forest legislation stating what is demanded from its forest owners to carry out sustainable forestry, on the other hand demanding fulfilment of criteria in a voluntary market driven system to buy their products.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
118	The link between voluntary forest management certification and public procurement to some extent becomes a roundabout way of delivering a new forestry act.	The comments have been considered as part of the new policy guidance.

119	Our fundamental position is that there are no insuperable difficulties in the Government estate demanding timber and timber products from either independently verified legal and sustainable sources or a FLEGT licensed source, although we have some misgivings about the workability of the latter scheme.	The comments have been considered as part of the new policy guidance.
120	Additionally, CEPI sees with reluctance the trend to reverse the burden of proof – and the correlated denial of the presumption of innocence principle – that places on the industry the obligation to prove it is not acting illegally or unsustainably.	The comments have been considered as part of the new policy guidance.
121	When developing guidelines for sustainable procurement we expect that besides the production of the raw material also other aspects related to the product and its use (e.g. renewability, energy efficiency, carbon footprint etc.) are fully taken into account. Sustainable procurement should support renewable products over non-renewable products.	The comments have been considered as part of the new policy guidance.
122	The certification scheme and in some cases the certifier have criteria for certification that go above and beyond the objective requirements of public procurement. If there is a “de facto” requirement for certification, it means that the authorities relinquish the control of who is eligible and who is not. The privilege of deciding this is left to the certifying scheme.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
123	AHEC supports the UK government’s efforts to develop a procurement policy giving preference to legal and sustainable forest products.	The comments have been considered as part of the new policy guidance.
124	There is a potential legal problem connected to verification of	The UK Government Policy will continue

	<p>sustainability. Certification may be an effective tool in assuring sustainability. The legal problem will be requiring certification – a market driven, private tool in public procurement procedures.</p>	<p>to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
--	---	--

6. Comments on impacts of UK Government Policy

Number	Comments on impacts of UK Government Policy	Response
125	<p>The new policy will mean that owners supplying to governments will need to be either certified or have demonstrable “Category B evidence”. The forest policy in the UK remains that Government regulation remains entirely separate from independent certification. However, The Forestry Commission fully recognises the benefits of owners (and out state Forest Enterprise FE) going down the certification route if they choose to do so. Moreover we have gone a long way to assist in the practical implementation of certification by facilitating the UK Woodland Assurance Standard (upon which all UK certification is based) and by the alignment of grants to assist with some of the costs of the work behind certification. Currently about 25% of domestic supply is not certified, including owners who choose not to do so, and a significant range of woodland management for which certification is never going to be appropriate. This range includes small woods, hedgerow trees, developing markets for wood fuel as an alternative to fossil fuels and generally wood generated from ad hoc management. It is vital that these suppliers have access to a range of markets.</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
126	<p>The UK Government timber procurement policy is seen as a market leader, setting the standard for other Member State governments and for the private sector. The EU timber trade federations have used the UK Government’s policy to influence the development of their own policies. This is also true for individual companies.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
127	<p>As I am sure you are aware, the FC is a partner in the “Wood for Good”</p>	<p>The comments have been considered as</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>campaign. The principal aim of this to raise awareness of wood as a sustainable materials, and increase the amount of wood used in construction. A major event is of course the London Olympics and work on this is starting to pick up speed. Wood will be a major material and in the rush towards completion; we must avoid positions where wood is being shunned and substituted by less environmentally sound materials - because of a lack of certified timber, or where manifestly un-sustainable wood finds its way into the project.</p>	<p>part of the new policy guidance.</p>
128	<p>Although the procurement policy only applies to governments, such purchases account for some 40% of the market. Moreover, it is likely that responsible purchasing will spread to others using the Government policy as a model. The proposed procurement policy change therefore focuses attention on how far the process of government regulation, based on the UK Forestry Standard, goes in meeting the new procurement requirements.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
129	<p>This change in policy statement has serious implications for the producers of tropical timber products. With a high value and important market for these products closed off for those without evidence of sustainability, effectively the value of the timber produced is reduced and trade will be diverted to less scrupulous markets and/or forest areas will be deforested faster and alternative, more lucrative commodities, grown. This will have a negative impact on deforestation rates, poverty and climate change.</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
130	<p>The new government procurement policy undermines the objectives of TTAP, of the FLEGT Action Plan and thus to some extent works against the drive for good governance in the forestry sector. The recent change in UK Government procurement policy jeopardises the potential to deliver on the</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>key objectives of the project – to ensure third party legally verified products are imported to the European market, by effectively removing one high value market with the risk that other markets will follow the UK Government and thus close off more of the EU market to producers who are trying to change for the better. The lack of market access, a key benefit of the project, will act as a disincentive for producers to engage in the project. There are a number of implications of the policy change and questions that remain to be answered.</p>	
131	<p>The change in policy raises may result in unfair trade practices where legally compliant companies in FLEGT countries can access the UK market but similar companies in non-FLEGT countries no longer having market access.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
132	<p>What has happened is a change in policy. The result is shifting goal posts for producers and buyers/traders, creating confusion and disillusionment.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
133	<p>While the UK Government may itself be a relatively small consumer of tropical hardwood products the impact of the procurement policy is widely felt and this impact is well documented in reports such as the market studies done by Rupert Oliver.</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
134	<p>UK is a leader in EU procurement policy but this goes beyond and the UK is also influencing purchasing policies of Japan, US, Australia etc. Other governments are bigger consumers of tropical timber and will thus have an even greater impact.</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
135	<p>The UK Government has been seen as a front runner in developing a comprehensive approach to timber procurement. The impact of the</p>	<p>All impacts have been considered during Reference Board discussions as</p>

Number	Comments on impacts of UK Government Policy	Response
	procurement policy has been widely felt, both within and outside Europe (Japan, US, Australia, etc). Whilst the UK itself is a small consumer of tropical hardwoods, other governments who may be influenced by the UK's policy are bigger consumers.	part of the interpretation of the policy and the drafting of the new guidance.
136	Due to the influence the policy has, it will have an impact well beyond its own supply base on tropical forests and the tropical timber trade.	All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.
137	<p>The revised policy has been presented as part of the Sustainable Procurement Action Plan, developed to help the UK government deliver on challenging operational targets set in 2006, including a target to save around 1 million tonnes of CO2 by 2020.</p> <p>The Action Plan refers to the Stern Report, stating that it</p> <p><i>“sets out the scale of the challenge represented by climate change, demonstrating that the global costs of inaction would far exceed the cost of tackling climate change, and that coordinated international action is the only way to address the issue. UK Government policy decisions will need to take the findings of the review into account, and the proposals outlined in this paper will ensure any implications for procurement policy are properly considered.”</i>⁶</p> <p>The Stern Review notes that deforestation contributes more to greenhouse gas emissions than the transport sector, and that curbing deforestation is a</p>	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

⁶ UK Government Sustainable Procurement Action Plan

Number	Comments on impacts of UK Government Policy	Response
	<p>highly cost effective way to reduce emissions.</p> <ul style="list-style-type: none"> • Responsible timber sourcing could be a vital tool for delivering the UK Government’s policy on climate change. • The timber policy could help increase the amount of tropical forest coming under responsible management, thereby helping to curb deforestation and the resultant green house gas emissions. • Yet, the policy does exactly the opposite, disincentivising responsible forest management in the tropics, by setting a target in 2009 that the majority of tropical timber suppliers will not be able to meet. 	
138	<p>The EU Timber Trade Action Plan, TTAP, is a private sector led initiative developed by the UK, Dutch, French and Belgian timber trade federations, with co-funding from the European Commission (EC). TTAP is managed by the Tropical Forest Trust (TFT) and has responded separately to the UK Government. TFT would refer the UK Government to TTAP’s response for a detailed analysis of the impacts the revised policy will have on FLEGT and TTAP.</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
139	<p>Rupert Oliver’s analyses for the TTF suggest that as regards supplies of wood from certified forests, there are few shortages of temperate and boreal softwood timber, some minor shortages of northern hardwoods, and major shortages of tropical timbers. However, in relation to overall market demand, the controversial tropical sources are not needed for public sector work in substantial quantities. Moreover, given the much greater research efforts on northern timbers, the likelihood of substitution of tropical timbers is the highest amongst these categories. The</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra’s implementation strategy.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>government does, however, own or control a large number of historic premises and may be encouraged or forced to use tropical timbers, like-for-like, in refurbishment. Failure to use timber from certified forests has resulted in a number of well publicised clashes with environmental NGOs during the last decade. Even though the volume of tropical timber is small, poor project management by government procurement offices have provided ENGOs with opportunities for publicising government failures to carry out its July 2000 policy commitment for timber sourcing.</p>	
140	<p>When the 2009 and 2015 UK government requirements come into force, the incentives for cheats will increase. It is not evident that the EU-appointed negotiators of VPAs have sufficient experience of tropical timber production and trade to incorporate measures against deliberate cheating and deception. Inadequate monitoring reducing the risk of detection, long-winded dispute resolution procedures, and small penalties for infringement increase incentives for cheating and deception.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
141	<p>WWF is concerned that the new government policy could exclude access to UK timber and wood product markets from local and indigenous communities with customary land rights in countries with poor governance structures, which fall outside of both certification and the current round of the FLEGT VPA process.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
142	<p>Sustainable timber is still not available in a number of key product segments, notably marine timbers such as Greenheart, Ironwood, Balau,</p>	<p>All impacts have been considered during Reference Board discussions as</p>

Number	Comments on impacts of UK Government Policy	Response
	which government departments such as the Environment Agency purchase for civil works.	part of the interpretation of the policy and the drafting of the new guidance.
143	Sustainable timber, to all intents and purposes, currently means certified timber given practical difficulties gathering sufficient Category B evidence (see Pilot Study CPET conducted with TTF members). Some key product categories supplying the UK market do not have significant quantities of certified forest, notably American hardwoods and some tropical species.	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
144	Certification has currently had limited uptake amongst small forest owners or communities due to cost, lack of expertise and practical difficulties with complex supply chains and ownership structures. American tree farmers and poor forest communities in developing countries are therefore likely to be cut out of the UK government market. The new policy is thus likely to discriminate against small forest owners, many of whom may rely on timber for a substantial proportion of their cash income. In the worst case scenario the new policy may work against the poor in developing countries. It certainly sends out the wrong signals to communities with forests they may wish to start managing sustainably.	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy</p>

Number	Comments on impacts of UK Government Policy	Response
		and the drafting of the new guidance.
145	The practical difficulties attaining certified forest management standards in many developing countries has meant that many producers are working in publicly funded schemes such as the EC FLEGT Timber Trade Action Plan that aim to produce verified legal timber by 2010/11, which will hopefully lead to certified status a few years later. One of the key drivers to get such producers on this road leading to legal and finally sustainable management has been the UK government procurement policy.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
146	The change in policy does not just remove that incentive to get into the scheme, but it also effectively undermines the key private sector element of the FLEGT Action Plan, which is part funded by the UK tax payer.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
147	The change in CPET requirements as stated is presumptuous in assuming that ALL current hardwood timber suppliers will be certified as Legal and Sustainable (L&S) by April 2009. It is unlikely that this will be the case in hardly 18 months' time. This policy runs the risk of excluding Malaysian timber (both MTCC and non-MTCC certified timber and timber products), other tropical timber suppliers and North American hardwoods from the UK market. Other third party verification schemes such as the FLEGT Timber Trade Action Plan (TTAP), to which MTC is a partner, and WWF's Global Forest & Trade Network, which has several UK and Malaysian companies as members, will also be excluded from the UK market. The UK government part-funds TTAP through the EC and the UK Timber Trade Federation (TTF) are partners in this project.	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B</p>

Number	Comments on impacts of UK Government Policy	Response
		requirements.
148	<p>It is widely acknowledged that the previous CPET process is seen as the model approach to be taken by EU member states in setting their respective national PPPs. Active efforts are being undertaken by the Dutch and Danish governments in utilising the CPET approach. Just as these governments are on the brink of harmonisation, the UK government announced the above changes. The fact that Scotland, Wales and Northern Ireland have also adopted the CPET approach further means that hardwoods run the risk of being excluded from the UK market. This upsets the whole process, and the UK is perceived as running off on its own tangent. The UK approach has the potential of creating a snowball effect amongst other EU member states in the process of implementing PPPs. In the likely event that this happens, there will be a stark contradiction between the actions of individual EU member states compared to the objectives of the EU FLEGT Action Plan.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The new policy represents the UK Government's commitment to FLEGT as part of the climate change, deforestation and development agendas. At the time the policy was revised a legal opinion was obtained.</p>
149	<p>It is crucial that sustainable procurement starts with the products that are most unsustainable. Our view is that wood and wood products are among the most sustainable products on the market.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
150	<p>In a comparison between materials it is important that equal attention is given to the sustainability of other materials. Putting requirements only on forest products skews the market in favour of other material and might lead to deselection of forest products.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
151	<p>The proportionality of this must be evaluated against the practical situation of small private forest owners who sell wood once every ten years. Solutions that are not discriminatory against small wood-lot owners must</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>be found and, due to practical problems, introducing demand of forest management certification is, involuntary, discriminating against small wood-lot owners, a very important forest owning category in many countries.</p>	<p>SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
152	<p>problems with discrimination of small forest owners when demanding forest management certification</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
153	<p>raising the costs, which would undermine the competitiveness of forest products relative to non-wood materials, which are not renewable, have higher energy intensity are not as recyclable</p>	<p>The comments have been considered as part of the new policy guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
154	<p>CEPI and the paper industry are committed to sourcing legally logged wood and to sustainable forest management. They see certification as one way to demonstrate SFM. When considering the implementation of the commitment of the Government, CEPI considers it is crucial no to create any discrimination, neither vis-à-vis overseas timber producing and exporting countries, nor vis-à-vis Europe's forest owners, notably those who are committed to SFM but whose forests are not certified (for size, financial or any other relevant reason). Similarly, CEPI considers that there should not be any differentiated treatment between wood imported from outside the EU and wood coming from Member States of the EU.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>
155	<p>The Confederation of European Forest Owners regards it as crucial that sustainable procurement policies start with the products which are most harmful to the environment. Compared to other products and materials, wood and wood-based products are among the most sustainable ones on the market. It is of high importance that equal attention is given to sustainability of other materials and products as well.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
156	<p>When developing guidelines for sustainable procurement we expect that besides the production of the raw material also other aspects related to the product and its use (e.g. renewability, energy efficiency, carbon footprint etc.) are fully taken into account. Sustainable procurement should support renewable products over non-renewable products.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
157	<p>One of the comments made in the past by Minister Barry Gardiner (since removed) and DEFRA is that public consumption of tropical timber in the</p>	<p>All impacts have been considered during Reference Board discussions as</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>UK is marginal, hence the changes to CPET requirements is NOT likely to have a significant impact on the utilisation of tropical timber by the private sector. This assumption is inaccurate. The UK TTF, CPET, timber traders and other related organisations have reported an increasing number of enquiries on CPET from private developers. Large construction companies/housing developers who have contracts with the UK government are bound to follow CPET guidance, and tend to do the same even when they are involved in private projects. Their aim here is to prove corporate and social responsibility, regardless of whether they are involved in public or private projects.</p>	<p>part of the interpretation of the policy and the drafting of the new guidance.</p>
158	<p>The United States is the world's largest producer of hardwood sawn lumber by a significant margin. In 2006, the United States produced 27.5 million m3 of hardwood sawn lumber, which compares to 15.9 million in Brazil and 10.7 million m3 in China, respectively the second and third largest producers. The United States accounts for 25% of the world's sawn lumber production and 46% of the world's temperate hardwood production. The United States is also the world's leading exporter of hardwood sawn lumber. In 2006, the country exported 3.1 million m3 of hardwood sawn lumber compared to 2.7 million m3 from Malaysia, the second largest exporter. Last year, the United States accounted for 15% of the volume of world trade in hardwood sawn lumber and 27% of world trade in temperate hardwoods.</p> <p>AHEC members have a very significant interest in maintaining market share in key European markets. The United States is the UK's largest single external supplier of hardwood sawn lumber by a significant margin. In 2006, UK imports of hardwood sawn lumber were valued at €336.6 million, of which €84.6 million (25%) derived from the United States. Malaysia, the</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>next largest supplier contributed €29.2 million (9%). The United States is also the EU's largest single external supplier of hardwood sawn lumber and veneers. In 2006, the EU imported hardwood sawn lumber to the value of 2335 million euro, of which 463 million euro derived from the United States. This compares to Malaysia, the second largest supplier, which contributed 325 million euro. During the same year, Europe imported hardwood veneer to the value of 637 million euro, of which 170 million euro derived from the United States. Gabon, the next largest supplier, contributed 71 million euro.</p> <p>The United States contribution to the international supply of hardwoods is set to increase substantially in coming years. Despite relentless population growth, urban expansion, and rising demand for American hardwoods, the area and volume of American hardwood forests has been expanding dramatically. The standing volume of hardwoods in all diameter classes and in the vast majority of species groups is rising, continuing a sixty-year-plus trend of increasing timber inventory. Between 1953 and 2007, the volume of U.S. hardwood growing stock more than doubled from 5,210 million m3 to 11,326 million m3. U.S. federal government forecasts indicate that further increases of 15 to 20 percent are expected in the hardwood growing stock inventory through 2030. Projections of hardwood growth and removals nationwide indicate that growth will continue to exceed removals through to 2050.</p> <p>Hardwood lumber production in the United States is projected to increase between 1997 and 2030 by about 15 percent, a percentage similar to that of harvest and consumption of hardwood roundwood. Net exports are forecast to rise consistently over this period as wood product manufacturing capacity in the United States has declined and due to</p>	

Number	Comments on impacts of UK Government Policy	Response
	<p>reduced availability of alternative decorative hardwoods from the tropics to overseas manufacturers.</p> <p>These trends indicate that the US hardwood sector should play an increasingly important role in the future supply of hardwoods to the UK and European markets.</p>	
159	<p>The vast majority of American hardwood derives from the eastern United States where around 73% of hardwood forest land is privately owned, often by families whose ownership stretches back several generations. There are approximately 4 million private forest owners in the region with an average lot size of 50 acres. The hardwood processing industry owns only 11% of the eastern U.S. hardwood resource, with the balance of 16% owned by Federal and State Governments. This fragmentation of forest ownership creates significant challenges for forest certification.</p> <p>Although around 49 million hectares (24%) of the 204 million hectares of total U.S. timberland (forest land suitable for timber production) is now certified, only a very small proportion of the certified area supplies hardwoods suitable for sawn lumber and veneer production. The current position of the three forest certification systems operating in the U.S. in relation to the American hardwood sector is as follows:</p> <ul style="list-style-type: none"> • The Sustainable Forestry Initiative, which has certified 28.9 million hectares of forest land in the U.S., is designed specifically for certification of large forest tracts. The certified area is made up almost exclusively of large areas of industrial forest land supplying raw material to the pulp, paper, panel products and softwood 	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>lumber industries.</p> <ul style="list-style-type: none"> • The Forest Stewardship Council has certified 9.1 million hectares of forest land in the U.S., 5.5 million hectares of which consists of large tracts of publicly owned forest land. Much of the remainder is in large privately owned forest estates. Some of these areas are able to supply FSC certified American hardwoods (e.g. State of Pennsylvania forest lands, Forestland Group), but only constitute a tiny proportion of overall hardwood supply. FSC regional standards in the US are not well adapted for application by non-industrial forest owners. • The American Tree Farm System (ATFS), which has certified around 9 million hectares in the U.S., has been evolved for smaller owners. The ATFS certification procedures have only recently been finalised and awareness of the program remains very low in hardwood producing regions of the U.S. ATFS is seeking, but has not yet achieved PEFC endorsement. ATFS has not been assessed against the UK government procurement criteria. 	
160	<p>Efforts are now underway in the United States, as in other parts of the world, to develop and implement “group certification” procedures for small forest owners. However these efforts, which are being managed by ATFS and FSC, are still in their early stages. Only a very small proportion of small forest owners in the U.S. are currently covered by such schemes.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
161	<p>Significant time and resources would need to be devoted to overcome remaining obstacles to group certification in the U.S. A key challenge is to generate sufficient support amongst the huge and diverse constituency of</p>	<p>The comments have been considered as part of the new policy guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>small forest owners to provide adequate throughput of certified material in a market where demand for certified material remains very restricted. Creating awareness of forest certification amongst the owners of American hardwood forest land is a major challenge for all the programs. According to a recent survey, forest certification systems (including ATFS, FSC and SFI) have very low participation (2%) and very low awareness (17%) amongst U.S. family forest owners. (Getting the Attention of Family Forest Owners, Geoff Feinberg, Sustaining Family Forests Initiative, July 2006)</p>	
162	<p>There is also a need to encourage small owners to work together in a sector where there is little or no tradition of co-operative action. The situation in the U.S. where only a small proportion of forest owners currently participate in forestry associations and similar organisations contrasts sharply with the situation in European countries where such organisations have provided a foundation for widespread uptake of group certification. For example in Finland all landowners are required by law to contribute to cooperatives which have provided a solid foundation for the rapid uptake of group and regional certification.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
163	<p>A recent paper commissioned by FSC-US (Family Forest Program and Small Low Intensity Forests as a Cross Cutting Issue in the Standard Review Process, February 2006, Phil Guillery) notes that development of the FSC-US Family Forests Program has been inhibited by the existing FSC regional standards for the US which were developed primarily for larger operations. The paper highlights that <i>“the current regional standards are generally not approachable from the perspective of the family forest owner or manager. The standards are also difficult to audit or implement on small properties.”</i> The paper notes that to date only a few relatively small groups - usually</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>comprising less than 100 individual forest parcels - managed by consulting foresters or small forestry associations have been FSC certified. It is noted that <i>“certification costs are still deemed high by many participants and seen as an obstacle to participation. This is illustrated by the high turnover rate of group certificates in the U.S. Many group certificates only function because they receive some type of subsidy from individual family forests to participate in the FSC system.”</i></p> <p>It is notable that a major factor preventing widespread forest certification in the American hardwood sector has also made a significant contribution to the sustainable management of the nation's forests. The dominance of small non-industrial forest owners has meant there is a strong link between the U.S. population and their forests. Around 4% of the total U.S. population directly own forest lands. Through living and working in the forests all their lives, many U.S. citizens have gained a deep understanding of forest management. Lack of certification does not imply lack of sustainability in the context of American hardwoods.</p>	
164	<p>Fragmentation of forest ownership also means that it is extremely difficult to trace wood from individual forest to point of sale. A research paper has summarised the problems of traceability in the American hardwood sector (Journal of the Institute of Wood Science, Volume 15, No 4, Winter 2000, <i>"Sourcing US hardwood materials for French Furniture Manufacture: A 'Chain of Custody' Case Study."</i>). The paper includes a case study of a large sawmilling company in Pennsylvania illustrating the sourcing practices typical of an American hardwood exporting company. The mill does not own or control forest, as is the case for most US hardwood sawmills, and instead buys raw material directly from at least 800 small private forest owners within a 25-100 mile radius. To augment its own production, the</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>sawmill also buys sawn lumber from 40 other smaller sawmills, which in turn may buy from at least 1,000 out of the 500,000 private forest owners in the state. So each year this single mill will buy timber derived from around 1800 forest owners. In the following year, supplies will derive from a different set of 1800 forest owners.</p> <p>The sawmill also buys some "gatewood" logs, a common practice in the USA. These are logs offered at the gate of a sawmill by independent logging contractors or hauliers from one or more forests that may not be identified to the buyer. The independent loggers are a major target of the Sustainable Forest Initiative - participating organisations are required to support certificated logger schemes and other educational initiatives to promote good practice amongst non-industrial forest owners - but this does not generally lead to the certification of forest lands.</p> <p>Even if certified logs were available, it would be technically difficult and prohibitively expensive to alter mill operations to ensure separation of certified and uncertified raw material, either by physical segregation or by batch processing of certified and uncertified material at different times. The sawmill and dimension plant production flow involves 104 sort combinations on the green (pre-drying) sawmill grading line alone. Production involves sorting by species, grade, length, width and thickness on an accumulation basis until a bundle quantity is collected. Thus one bundle may gradually accumulate from numerous shifts using many different parcels of logs. There is additional sorting on the dry grading line to deal with degraded material after kilning. Without widespread availability of certified logs, to achieve certification this mill would have to run dual stocks and duplicate production and plant facilities.</p> <p>There are instances where forest products can be certified and tracked</p>	

Number	Comments on impacts of UK Government Policy	Response
	<p>relatively easily. For example, when large volumes of wood raw material are derived from large tracts of forest under single ownership, and where production is focused on a limited range of relatively simple products. Those American hardwood suppliers that can benefit in this way from economies of scale, and simple trading chains, have undergone forest certification and are now able to supply a limited range of certified products. However these remain the exception rather than the rule.</p>	
165	<p>While the American hardwood industry can point to a very positive record with respect to the long term expansion and sustainable management of forests, there are emerging threats. These threats derive from mounting pressure to divert wood fibre production to alternative industries and to convert hardwood forests for alternative uses. Procurement policies that result in extra bureaucratic burdens on family forest owners managing forests for production of high quality American hardwood logs, or which discriminate in favour of larger estates and less complex supply chains, are likely to increase rather than to reduce the level of threat.</p> <p>Drawing on a detailed analysis of data derived from U.S. government sources, a recent report on the “State of North American Hardwood Resources” (Jim L. Bowyer, 2004 for the National Hardwood Lumber Association) notes that the outlook for hardwood forests is particularly troubling in the U.S. South “<i>where plans to convert millions of acres of oak-hickory to southern yellow pine, coupled with rapid population growth and anticipated agricultural expansion, are likely to result in markedly reduced hardwood inventories, and especially inventories of sawlog-sized timber. Forecasts indicate a loss of twelve percent of the area of forest land supporting hardwoods in the South within the next half-century</i>”.</p>	<p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	<p>The report notes that other trends affecting long term availability of American hardwoods for high quality lumber production are the increased use of hardwoods in papermaking, and rising ability to use low and medium density hardwood in the manufacture of structural and non-structural composite products. The impact can be seen in the fact that the hardwood pulpwood harvest in the U.S. increased more than eight times faster than the sawn timber harvest over the past 50 years, and about twice as fast over the past two decades, a trend that is expected to continue. The ability to use large volumes of small diameter trees is creating a disincentive to manage hardwood forests over long rotations, and is tending to skew management planning toward maintenance of relatively fast growing pioneer species. These trends are likely to be compounded in coming years as more forests are turned over for production of bio-fuels.</p> <p>Another trend identified in the regular 10-yearly U.S. Federal Government Renewable Resources Planning Act (RPA) Assessments is towards increased fragmentation of forest lands as urban areas expand and as titles to forestland are passed to successive generations. In many areas, hardwood forests are now being divided into smaller and smaller units. Under these circumstances, it is becoming increasingly difficult to encourage land owners to engage in forest management at all. Any additional bureaucratic burden associated with provision of assurances of responsible hardwood harvesting is likely to be seen as just another reason for disengagement from active forest management. These small fragmented areas are under particular threat from being diverted away from timber production for construction of primary residences and second homes.</p> <p>AHEC believes that these negative trends may be countered by the continued expansion and development of markets for high quality</p>	

Number	Comments on impacts of UK Government Policy	Response
	<p>American hardwood products. It is critical to ensure that small family owners that are managing diverse semi-natural hardwood forests over longer rotations are given fair access to the highest value timber markets such as those that exist in the public sector in the UK and other European countries. Fair access to these markets will provide a positive incentive for continued investment in sustainable hardwood production. It is critical that these owners are not disadvantaged in relation to suppliers of wood products from large forest estates and industrial-scale plantations, or indeed suppliers of alternative non-wood products such as plastics and aluminium.</p>	
166	<p>We submit the comment on behalf of the NFOF. The NFOF and other regional Forest owners' co-operatives throughout Norway have 40,000 family forest owners as members and owners, representing 80% of the annual cutting in Norway. The whole commercial forest area in Norway is certified under the Norwegian PEFC scheme. Our producers and the industry based on our forest products have supplied UK with sustainable and renewable forest based products in several hundred years.</p>	<p>The comments have been considered as part of the new policy guidance.</p>
167	<p>We make the last point to put the current issue into perspective. Most of our members have managed their forests through several generations. The fact that today's growth in Norwegian forest is all time high and the sustainable considerations never so all-embracing, should be put into consideration when new requirements and administrative systems are developed. We thoroughly support efforts that truly promote sustainable development and the use of renewable forest resources. The evaluation of the policy change 2009 should be based on the results of the policy change. The best change will be changes that make a positive difference</p>	<p>The comments have been considered as part of the new policy guidance.</p>

Number	Comments on impacts of UK Government Policy	Response
	without introducing more complex rules and expensive administrative burdens.	
168	As commented above the policy change has the potential of making supply of sustainable products more complicated. New governmental policies should aim at deregulation and simplified procedures. It may seem a little unnecessary if supplies that have been regarded sustainable through generations suddenly have to be burdened with additional paperwork. We do not see in the documents that experience has proven any reason for making changes at least regarding Norwegian forestry.	The comments have been considered as part of the new policy guidance.
169	One potential issue is the competition between products from different raw material sources. There may be a drawback for sustainable and renewable materials if possible substituting materials are not subject to similar requirements and administrative routines.	The comments have been considered as part of the new policy guidance.
170	In the round of comments small forest owners are identified as a potential problem. The real problem is not small forest owners itself, but the organisation of small forest owners. The policy changes may underline the lack of strong and effective forests owners' organisations in many countries. This calls for supporting the organisations. We fear, however, that new bureaucratic and rigorous rule may burden developing organisations in a way as to weaken their ability to do their primary job.	The comments have been considered as part of the new policy guidance.

6.1. Proposed solutions on impacts

Number	Proposed solutions to reduce impacts	Response
171	Using the UK Forestry Standard (UKFS) for Category B evidence in the UK relies on the Forestry Commission (FC) and Forest Service Northern Ireland (FS) existing UKFS compliance checking processes. UK Forestry Standard is a condition of FC and FS woodland planting and management grants, GB Felling Licences and Environmental [Impact] Assessment. For UKWAS/FSC certified owners, UK Forestry Standard compliance is part of an UKWAS audit.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
172	It is important that the UK's commitments to sustainable forest management ensure that any domestic timber/wood products from 'agricultural' funded and regulated woodland work, and planning consented woodland work meets the UK Forestry Standard.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
173	DEFRA will need to take account of the potential impacts of its policy on such communities and find solutions, perhaps through working on Category B evidence requirements for such communities in conjunction with overseas development aid experts.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.

Number	Proposed solutions to reduce impacts	Response
174	For owners of small and low intensity managed forests (SLIMFs) in the UK, the UKWAS Steering Group is investigating options to make UKWAS/FSC certification more accessible. This could assist more UK produced CPET Category A and B timber/wood products into the supply chain for UK government, devolved administrations and local authorities.	The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
175	It is crucial that sustainable procurement starts with the products that are most unsustainable. Our view is that wood and wood products are among the most sustainable products on the market.	The comments have been considered as part of the new policy guidance.
176	In a comparison between materials it is important that equal attention is given to the sustainability of other materials. Putting requirements only on forest products skews the market in favour of other material and might lead to deselection of forest products.	The comments have been considered as part of the new policy guidance.
177	It is important that the same criteria are applied for bio-fuels from wood since industry products and energy are competing for the same resource.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
178	Forest-based products must have a level playing field with other products - we should not narrow our views, but openly evaluate sustainability of different product groups based on different raw materials.	The comments have been considered as part of the new policy guidance.
179	It is generally recognised that small forests owners are reluctant to	All impacts have been considered

Number	Proposed solutions to reduce impacts	Response
	embrace certification because the costs and complexity often outweigh the benefits to them. We have detected two reasons for this.	during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.
180	The second reason is a false impression that forestry management standards are bureaucratic and expensive. Already the most advanced certification schemes are modifying standards to alleviate the cost and complexity on small woodland owners. For example, the simplest route - with no cost or added burden for the small woodland owner - is to combine with certified sustainable timber in 'mixed' label products, because all sources judged as low risk of supplying from illegally harvested or other unacceptable sources are permissible. Hence, every woodland in the UK, for example, would be likely to qualify as 'low risk' and their timber rated as eligible to combine into the 'mixed' label.	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
181	At a more advance level, timber certified as sustainable (the other element in some mixed sources labels) has to come from woodland which has been subject to more detailed checking but, even here, mechanisms have been developed to minimise the cost and complexity for small forest owners and those owners who manage their forest at low intensity. For example, an FSC scheme provides for of 'group certification' (a number of woodlands certified as a single entity) combined with the reduced auditing requirements applicable to small and low intensity managed forests.	The comments have been considered as part of the new policy guidance.

Number	Proposed solutions to reduce impacts	Response
	Membership for such a scheme is quoted as little as £50 per annum by one body accredited for UK forest certification ⁷ .	
182	Group schemes have other benefits. Certification can bring small woodland owners together in group schemes and collectively provide access to those markets which demand certified products. Co-operation of this kind is already bringing more forest area throughout the world into sustainable management, whilst in the UK the potential biomass market is a major opportunity for a 'light' certification touch to bring more small woodlands not only into management regimes which they have avoided until now, but into sustainable production as well.	The comments have been considered as part of the new policy guidance.
183	Putting requirements only on forest products favours other materials and products and might lead to deselecting of forest products in public purchasing. Sustainable procurement has to be established in a way that assures an equal treatment among different raw materials and products. Therefore equal attention has to be given to sustainability of other materials and products as well.	The comments have been considered as part of the new policy guidance.
184	The new policy specifies that wood used in central government contracts must derive from verified legal and sustainable wood products or FLEGT VPA licensed wood products by April 2009. Since the existing criteria and procedures effectively only allow access to certified wood products when dealing with complex supply chains and products, and CPET is only now giving serious consideration to alternative more flexible assurance systems better adapted to small forest owners in low risk countries, the new timescale presents a very significant challenge for the American	The definition of sustainability will not change as this is based on internationally excepted principles for SFM. The UK Government Policy will continue to allow Category B evidence as an alternative means of proving

⁷ Soil Association SLIMF Group Certification leaflet, 2003

Number	Proposed solutions to reduce impacts	Response
	hardwood sector.	compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.
185	Supporting forest owners' organisations is another practical solution. In the transition period towards 2009, the UK government should urge EU to support further development of forest owners organisation. PEFC has today an effectively, credible and working solution for certification connected to forest owners' organisations. Group certification not connected to the last commitment and relationship within a forest owners organisations will, according to our opinion, not be stable and credible.	The comments have been considered as part of the new policy guidance.
186	AHEC would therefore urge UK government to reconsider the current target date, at least for those suppliers able to demonstrate clear progress to provide assurances of sustainable practices in accordance with UK government criteria.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
187	Given the time taken to build political support and to develop these new mechanisms, and the need to bed in existing procedures - such as the AHEC Risk Assessment process - we would strongly urge the UK government to reconsider the April 2009 target date for wood to derive from verified sustainable sources. Provisions should, at least, be made for those suppliers demonstrating clear progress to provide assurances of sustainable practices in accordance with UK government criteria.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.

7. Comments on implementation

Number	Comments on implementation	Response
188	<p>In previous years this obligation has been fulfilled by obtaining information from Land Securities Trillium (LST) who manage the Estate on our behalf under a PFI arrangement. LST provide this information in the form of an annual 'timber report'. The compilation of this report involves checking numerous certificates from the varying suppliers to ensure the timber was purchased from a certified source. This is a time consuming, costly and lengthy process for ourselves and LST. DWP also occasionally engage the services of external auditors to review the timber report, which further adds to the cost of the process.</p> <p>In an ideal world the process would be simplified - the proposal to introduce the new regime from 01.04.09 is likely to go quite some way to achieving this aim, but in the meantime your advice as to the most efficient way to fulfil our obligations whilst reducing the time/cost factor would be appreciated.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
189	<p>The timber trade itself will no doubt be making a response to the consultation. From, what I have heard so far, the industries general feeling is that this is being introduced too quickly. Whilst the industry will always argue for more time, I do feel that there is a danger of getting into a position where the new guidance is circumvented or discredited. This runs the risk of undermining an innovative policy that is very widely supported, both here in the UK and throughout the rest of the world. The timber industry is a very fragmented one with long supply chains and connections to every part of the globe. Even with the best of intentions, these changes will take time to implement, and to make the policy stick we do need to</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

Number	Comments on implementation	Response
	develop more sophisticated monitoring systems.	
190	TTAP, the EU Timber Trade Action Plan, supports timber procurement policies and the harmonisation across Europe of such policies, applied to trade federations, is an output of project. TTAP supports the use of timber procurement targets and monitoring of implementation, with progressively more rigorous requirements. However for both public and private sector alike, such targets should be set in consultation with industry and in a way to engage and support trade with tropical timber producing countries. In this way timber procurement policies can be used to support and enhance developmental goals, poverty alleviation and climate change initiatives in which the role of forestry is clearly outlined in the Stern Report.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
191	The market has been waiting for the UK policy to be effectively implemented for a significant change in demand for legal wood products to occur. The mere threat of the demand for legality is changing the way that timber producers do business. But the demand is not as evident in the market place as it could be. Before changing the requirements of the policy and risking significant negative impacts on tropical producers, it would have been more influential in the market to have improved implementation of the policy.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
192	What is needed with the UK Government policy is effective implementation.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.

Number	Comments on implementation	Response
193	<p>Implementation problems include</p> <ul style="list-style-type: none"> • Lack of clear targets for increasing proportion of procurement of sustainable timber products • Lack of comprehensive monitoring programme • Departments have been slow to implement the policy <p>Consequently, the policy has yet to have the impact that it was designed to.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
194	<p>However, since the introduction of the original policy in 2001, Greenpeace has on numerous occasions exposed the Government for its failure to live up to its own standards (Cabinet Office -2002, Home Office -2003, Admiralty Arch - 2006). Whilst the Government has taken some steps to improve its sourcing, such as the establishment of the Central Point of Expertise on Timber (CPET), the development of weak guidelines combined with a lack of monitoring and enforcement means that illegal timber could and unsustainable timber continues to find its way onto Government construction sites.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
195	<p>From Greenpeace's perspective the overriding issue with regard to the commitment set out above is that the Government has done very little to date to ensure the effective implementation of its procurement policy, as shown by Greenpeace's repeated exposes. Problems include:</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
196	<p>Government contractors fail to communicate the need for 'legal and sustainable' timber down the supply chain to timber suppliers. In the case of Admiralty Arch, "<i>The subcontractor order place with System Clad (the</i></p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot</p>

Number	Comments on implementation	Response
	<i>hoarding supplier) was similar to all other orders with Tagg [Allenbuild's subcontractor], but did not pass down the obligations up upon the use of sustainable timber, as we naively believed such obligations, complied with by Tagg would have similar applied."</i> Letter from Allenbuild to Ecovert FM.	study report and Defra's implementation strategy.
197	There is no mechanism for monitoring adherence to government policy on site and no clear penalties if legal and sustainable timber is not delivered.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
198	When the demand for 'legal and sustainable timber' is included in the specifications written by Government departments, there is still little understanding of what is actually required by contractors. In the case of Admiralty Arch " <i>Alenbuild failed to realise that the document passed to Ecovet in June 2006, from System Clad did not provide satisfactory supporting evidence that the hardwood faced plywood was obtained from a sustainable source."</i> Letter from Allenbuild to Ecovert FM. Another example was the evidence supplied by the timber supplier WI Chambers who used the following statement to fulfil CPET category B: " <i>we have sought at all times to select Chinese supply partners who can offer a level of environmental support for their products...we found some evidence of legality regarding the SE Asian hardwood minority element in this product for which we are seeking greater detail and certification.....both mills with whom we are established a regular trading relations are in a process of dialogue with WWF with the aim of joining the WWF FTN environmental audit scheme in order to clearly demonstrate a commitment to the use of legal and sustainable raw material"</i> .	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.

Number	Comments on implementation	Response
199	<p>The nature of timber use by government almost inevitably creates distance between the intentions of procurement officers and the sub-contractors actually carrying out the work. Time delays caused by the layers of contracts may mean (have meant) that those using timber may have quite limited time to identify precisely what is required and then to locate suitable sources. The lack of standardisation in the construction industry, and the peculiar demands in government projects involving rehabilitation and refurbishment, may compound the problems of short notice for delivery.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
200	<p>Architects and specifiers may be unaware of information banks which locate sources of timber of verified legal origin and from responsible / sustainable forest management. Specifiers may not be accustomed to negotiating with contractors a range of alternatives for timber dimensions, timber types (botanical species) or timber grades, if the original specifications are difficult to fulfil. Rehabilitation and refurbishment of historic buildings may also constrain the types, dimensions and grades of timber which can be used, and this is particularly likely to affect tropical hardwoods.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
201	<p>Air-conditioning of government buildings may impose further demands on the quality of hardwood timbers, in particular requiring that they be properly kiln dried and below a specified moisture content, and free of wood-rotting fungus when delivered on site.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
202	<p>The WWF-UK Forest and Trade Network, which currently has an estimated 40% of the UK timber and wood product market have reported no appreciable increase in demand for legal and sustainable timber and wood</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot</p>

Number	Comments on implementation	Response
	<p>products as a result of the CPET policy. Effective implementation of the CPET requirements is therefore key. Even now there are no targets or monitoring requirements and no clear data to demonstrate the effect that the CPET has had to date, or any plans to monitor the effects that the tightening of government policy will have. If anything, the requirements for monitoring of timber supplies procured by central government has weakened.</p>	<p>study report and Defra's implementation strategy.</p>
203	<p>In the WWF report, "UK Illegal Logging, Cut it Out." We highlighted that the only target set by central government with regards to timber procurement was as a result of the World Summit on Sustainable Development in 2002. The target set was that, "by November 2006, 50% of expenditure on timber by central government departments in England would be on products which can be independently verified as being from sustainable sources." It is not possible to quantify whether this target has been achieved because from 2004, government departments were no longer required to report on timber they procured.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
204	<p>There are a lack of incentives and disincentives to encourage the effective uptake of government procurement policy: currently contractors can take up government contracts and fail to comply with the subject matter of the contract. This is due to a lack of financial penalties being agreed and imposed at the contracting stage; a lack of monitoring by the procurement staff involved; a failure to implement effective monitoring/policing of the contractual requirements, such as ensuring that spot checks are undertaken on site; ensuring site foremen are trained to ensure that unspecified timber, just as timber which fails the structural requirements is excluded; ensuring that the correct paper work is in place from the suppliers at the point at</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>

Number	Comments on implementation	Response
	<p>which the timber is purchased and not afterwards. All too often simple filling out of dockets at the point of purchase is not done, which means that the chain of custody is lost and is very difficult to trace back retrospectively.</p>	
205	<p>There is a failure by DEFRA to adequately promote and monitor the uptake of CPET within both central government departments and local authorities. Given that the combined purchasing power of central government and local authorities is estimated to be as high as 40% of UK GDP, the reluctance by central government to dictate terms through central guidance to local authorities on this issue should be overcome through incentives, guidance and promotion and support of other independent initiatives that can help further progress amongst local authorities. Failing this, the policy should be made a requirement for Local Authorities through the central guidance process.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
206	<p>It is a question of principles and/vs practicalities. Whereas the principle should be (in our view) full certification to the highest standard (currently FSC), the practicality is that there is not always enough timber of the right kind available to do the job in hand. Although in many cases a solution can be found to resolve the issue, e.g. by changing design, specification, timber species, more forward planning or otherwise, the fact is that currently the level of production of FSC timber cannot always meet demand.</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p> <p>At present the UK Government Procurement Policy accepts four certification schemes for proof of legality and sustainability; PEFC, FSC, CSA and SFI. MTCC is accepted as proof</p>

Number	Comments on implementation	Response
		of legality only.
207	Enforcement of the Government procurement policy is weak within central government and almost non-existent elsewhere, in particular in Local authorities and for repair and maintenance.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
208	The situation of having several certification schemes necessitating several parallel CoC systems in each supplier is complicated enough, if we add the complication of flegt it will be impossible. Simplicity is required.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
209	Lack of consistency of standards across the market place. E.g. Ecohomes and Cpet rate schemes differently.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.

7.1. Proposed solutions for implementation

Number	Proposed solutions for implementation	Response
210	One way forward on this could be to set up a group to look in detail at the how the new guidance could be phased. This could keep the pressure on the suppliers whilst working with the industry at achieving a workable	The definition of sustainability will not change as this is based on internationally excepted principles for

Number	Proposed solutions for implementation	Response
	<p>solution. One idea might be to work on a proportion basis, so instead of requiring a minimum 70% sustainable and 30% by April 2009, could this be 50:50 in 2009, 60:40 in 2010 and 70:30 in 2011. I am sure this would go a considerable way to alleviating concerns and ensuring the policy is fully implemented. In parallel, work could be done to ensure monitoring is put in place.</p>	SFM.
211	<p>Tracking and monitoring on site: There should be a clearly appointed person on each project to track and monitor the timber coming on site. This means checking each timber consignment coming onto site. The new FSC project certification system provides a good mechanism for how this could be practically achieved.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
212	<p>Financial penalties should be included in all contracts for when there are failures to implement the Government's procurement policy and should be of sufficient to act as a deterrent to failing to implement the policy.</p> <p>Spot Checks: A practical system of spot checking on government construction sites should be introduced to ensure compliance on government building sites.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
213	<p>Setting targets and public reporting: Targets should be set year on year for improving the government's procurement record and a way of publicly reporting on progress should be introduced.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>

Number	Proposed solutions for implementation	Response
214	A high risk registry should be developed to help contractors understand what countries and species are considered high risk within Category B if it remains.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
215	Greenpeace believes that the Government's procurement policy should be mandatory beyond central government and include the broader public sector like, for example, Local Authorities and Non Departmental Public Bodies.	The policy is not mandatory to local authorities or devolved Governments. The devolved powers have adopted the policy. Only a handful of local authorities operate a timber procurement policy and therefore they are identified as a key target for the implementation strategy.
216	It is not evident that the sub-contractors for government timber-using projects generally are aware of the mainly web-based information sources about VLO and SFM sources, nor about comparative knowledge on timber properties. Web sources such as those for FSC forest management certificates and verifications of chains of custody are effective with practice but not so helpful for the occasional user in a timber yard or building sub-contractor. Small extra resources to develop user-friendly shells or front-ends for these systems, with tutorials and on-line or off-line help for occasional users, would be helpful.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
217	Buffer stocks are least likely to be available for tropical hardwoods, so procurement staff need to be aware of probably long lead times when developing calls for tenders.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot

Number	Proposed solutions for implementation	Response
		study report and Defra's implementation strategy.
218	Traceability of supply lines was demonstrated by B&Q more than a decade ago. Adaptation of industrial tracking and tracing systems (as for automobile parts) seems to be well developed by the larger Scandinavian suppliers (perhaps especially some Finnish companies) but may not be worthwhile for small and intermittent parcels of tropical hardwoods. Government (Defra) should more explicitly support development of risk-based tracking and tracing, taking account of international country rating systems such as those of Transparency International (I have a short list of rating systems).	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
219	Small contractors, contacted through trade associations, would always benefit from training courses devised to cope with their specific needs for more targeted and up-to-date information on timber sources and alternatives. This may be only a one-generation need, as younger people entering the contracting and building trades are more likely to have IT skills. Paper-based information - through wall posters and trade magazines - should used as well as electronic updates. Stihl chainsaw posters show the commercial benefits of Pirelli-type calendars in conveying simple market messages.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
220	FSC National Offices run small numbers of short courses to aid architects and specifiers in EU countries (the "broker" scheme; contact FSC UK National Office for details). BRE and TRADA can be helpful in the UK to enquirers who are articulate about their needs and problems in relation to government building standards. They seem to be less able than in past	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.

Number	Proposed solutions for implementation	Response
	<p>decades to deal with enquiries about non-standard requirements for rehabilitation and refurbishment of buildings. Sources such as the US-based Woods of the World or Oxford-based PROSPECT and the CITES timber guide are relatively little known and not as user-friendly as occasional users really need. The original team at OFI estimates that a thorough and lasting upgrade of the PROSPECT comparative timbers database would cost around GBP 50K. Such an upgrade would also be helpful in cases of litigation where timber identity needs to be confirmed.</p>	
221	<p>As solutions to the quantity problem, sub-contractors are likely to appreciate training through trade associations to use new sources of information, including how to match information sources to contract specifications. The same sort of training should also be useful to procurement staff, who may not have current information about how to specify timber with alternatives and how to negotiate contracts when supply lines are long, complex and intermittent. These comments are, as before, most likely to apply to tropical hardwoods.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
222	<p>Attention to the supply systems needs to be complemented by attention to the delivery to government timber contracts. It is unclear how much effort goes into checking on the implementation of government procurement policies; anecdotal evidence (from Defra) suggests that there are few checks on how government policy is implemented in terms of contracts using Defra-advised clauses and even fewer checks that timber delivered to a project site matches the procurement specification. I understand that this is not peculiar to timber.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
223	<p>In summary, the greatest benefits should come through devising and</p>	<p>All comments and suggestions for</p>

Number	Proposed solutions for implementation	Response
	operating independent monitoring systems, integrating CAB and IFM, and ensuring that procurement officers understand why these are important. Monitoring systems will need to become more comprehensive to cope with the greater demands of the 2009 and 2015 government timber requirements.	improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
224	Implementation of CPET requirements: Clear guidance to contractors	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
225	Ensuring on site monitoring of legal and sustainable timber supply (could be done by expanding the role of the site foreman)	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
226	Correct paper work requested before delivery of the timber to the contractor (dockets)	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
227	Financial penalties for failure to comply, or financial incentives for full compliance	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's

Number	Proposed solutions for implementation	Response
		implementation strategy.
228	FSC project certification	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
239	Spot checks	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
230	Clear targets set by Government against which progress can be monitored.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
231	Mandatory monitoring of the procurement of legal and sustainable timber and wood products by central government and local authorities	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
232	Advisory, promotion and monitoring guidance for central governments and local authorities	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot

Number	Proposed solutions for implementation	Response
		study report and Defra's implementation strategy.
233	Publication of annual progress reports on the CPET website	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
234	Report the scoring of certification schemes within the CPET evaluation process and make this information public	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
235	In cases where a CPET decision a particular scheme or piece of evidence is clearly counter productive to the supply of legal and sustainable timber and that this clearly does not compromise the quality and value of the certification process, then there should be an independent impact assessment on which the CPET advisory board and then the UK government could base a final decision. This would make the decision making process far more open, transparent and constructive.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
236	Ensure that all suppliers of uncertified timber to UK government contracts have a risk management system in place for their purchasing, such as the TTF Responsible Purchasing Policy or the WWF Forest and Trade Network scheme. These companies are managing the risk of supplying illegal timber on behalf of their customers and this should be specifically recognised and encouraged. Such companies should also be able to provide the necessary evidence for the legality of timber they are	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.

Number	Proposed solutions for implementation	Response
	<p>purchasing from high risk countries (see 3 above) and be actively engaged with such suppliers to ensure they are moving towards verified legal and sustainable timber supply.</p>	
237	<p>Currently, the procurement of timber usually is in the hands of the subcontractor doing a particular part of the job. In practice it means that, by the time the tendering process has been finalized and the main contractor and sub contractors have been appointed, even when originally FSC timber was specified by the client or designers, it may be difficult to obtain the timber within the allocated time frame. This can be, in particular, an issue in larger projects or projects calling for specific, non-standard dimensions. It would help matters enormously if the client or main contractors could issue advance purchase notices or something similar which would give the suppliers and producers sufficient time to produce and supply the stuff.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
238	<p>Generic CoC alongside scheme specific CoC will be a solution for Flegt product</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>
239	<p>Strengthen audit processes in government, and look for incentives to ensure policy adhered to.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>

Number	Proposed solutions for implementation	Response
240	Develop BM Trada ideas for Generic CoC based round “legal” and “legal and sustainable” categories, this would solve the issues related to Government procurement although it will not please those who have scheme specific policies.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra’s implementation strategy.
241	CPET to consult with BRE to bring consistency. Resolve once and for all the social issues question and to what extent they should be taken into account in the assessment of schemes for “legal and Sustainable”. Our feeling is that we should aim our standards high and take them into account, giving the schemes a minimum of 2 years to meet any new assessment criteria. Which should tie in with the 2009 deadline. We can then go forward without fear of too much future change.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra’s implementation strategy.
242	All approved certification schemes have to be accepted to supply products.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra’s implementation strategy.
243	We believe implementation of this policy is the most valuable contribution the UK Government can make to increase the uptake of sustainable forestry throughout the globe. The policy will naturally act as encouragement for the many organizations who already take the trouble to join certified forest management and chain of custody schemes. It also serves as an example to the procurement policies of other countries who tend to look to Britain for a lead. Finally it will undoubtedly act as a spur to those organizations who have sat in the sidelines until now.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra’s implementation strategy.

Number	Proposed solutions for implementation	Response
244	Enforcement of the policy and proof of implementation by departments is the essential to driver and has been lacking to date.	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.
245	FSC UK supports the government's position that independent verification is an essential element of any timber procurement policy, given the scale and complexity of the global timber market. Without independent verification there is too high a risk of illegal timber entering government procurement channels.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
246	The policy only need worry about thresholds if a particular certification scheme does not itself lay down what are acceptable combinations. The percentages in FSC-labelled projects and products have been carefully thought through and agreed as sustainable by a broad spectrum of stakeholders. Percentages differ depending on the label, because we know the one-size-fits-all approach often becomes unworkable, and therefore self-defeating, in practice. We just urge the process to have confidence in the most tried and tested labeling schemes to deliver sustainability.	All comments and suggestions will be considered as part of the 2008 Category A review that will commence in May.
247	It is indeed regrettable that traders are burdened with operating several systems and, under this policy, will have also to include FLEGT licensed material. However, the situation is not as bad as sometimes painted; standards such as FSC's are now sufficiently flexible to include timber that is derived from other schemes, as long as it meets general requirements of legality and low-risk sourcing. For example, FSC Project Certification	All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.

Number	Proposed solutions for implementation	Response
	<p>requires a project (or even part of a project) to derive just 50% of its timber from FSC sources, with the remainder meeting the 'controlled wood' criteria of legality and risk. In reality, this will allow great scope to mix FSC-certified timber with that of most of the other reputable certification schemes.</p>	
248	<p>The first is that there has been, to date, insufficient 'market pull' to make it worth their while. The requirements of the 2009 policy should challenge this inertia, so long as forest owners who take the trouble to become certified know that those who haven't will be disadvantaged. Parallels exist in other spheres of industry: in the 1990s, small businesses were reluctant to adopt standards such as ISO 9000 and 14001 - arguing that somehow they did not apply to them - until they became a virtual condition of trading with the Government and larger companies. Today even the smallest companies work to these standards as a matter of course.</p>	<p>All comments and suggestions for improved implementation have been fed into the Construction Sector Pilot study report and Defra's implementation strategy.</p>

8. Comments on legality & transition schemes

Number	Comments on legality & transition schemes	Response
249	<p>Some facts and figures about TTAP.</p> <ol style="list-style-type: none"> 1. TTAP receives Euro 7 million funding from the European Commission. 2. Co-funded by the EU TTF partners with euro 2 million. 3. Runs from March 2005 to December 2011. 4. Will work with 70 supply chains and undertake approximately 700 gap assessments. 5. This equates to working with 700 companies in the supply chain, across nine producing countries to become third party legally compliant. 6. Works in 9 countries: Bolivia, Brazil, Cameroon, China, Congo Brazzaville, Gabon, Guyana, Indonesia and Malaysia. 7. All TTAP countries in SE Asia and Africa are covered by potential FLEGT legality licences. The others are important sources of wood products for the EU market and China plays a key role as a global processor of tropical timber which is then sold on to the European market. 8. Works with 4 partner EU TTFs on issues of procurement and harmonisation of purchasing policies and this is influencing change in procurement policies of other TTFs across Europe. Legality is seen as the first goal, with 100% legal products to be sourced by the end of TTAP, 2011. 9. TTAP has the potential for huge impact to change the way buyers and suppliers do business. 	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on legality & transition schemes	Response
250	<p>Only a small proportion of tropical timber imported into the EU is either credibly certified or verifiably legal. This is unlikely to change by 2009, as certification uptake will not accelerate sufficiently to close the gap in certified products, nor will FLEGT licenses be available in the market. Tropical timber suppliers will therefore find it very difficult to meet the UK Government's requirements. The slow uptake in certification in the tropics is because getting forests certified to credible forest certification schemes is significantly more complex in the tropics than in boreal or temperate regions.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>
251	<p>The policy could be used as a tool to encourage uptake of transition programmes, helping forest managers and owners work towards legality verification or compliance with a forest management standard. Transition schemes such as the TFT are vital support programmes, developed to help provide on the ground expertise that is needed to help get tropical forests certified to legal or sustainable forest management standards.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
253	<p>The TFT works with its 48 retail and manufacturing Members to increase the area of FSC certified tropical timber, directly affecting over 100 million USD of tropical timber trade. This significant volume of tropical timber trade, along with timber from other transition schemes is now excluded from UK Government buying. Without the support that transition schemes such as TFT are able to provide, the proportion of tropical forest credibly certified will continue to remain very low.</p> <ul style="list-style-type: none"> • The policy discourages efforts by Transition Schemes to increase the area of sustainably managed forest • Suppliers will be disincentivised, including the 48 TFT Members sourcing from transition sources, who are working over time to meet 	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>All impacts have been considered during Reference Board discussions as part of the interpretation of the policy and the drafting of the new guidance.</p>

Number	Comments on legality & transition schemes	Response
	<p>the aim of the policy.</p> <ul style="list-style-type: none"> • Over 100 million USD of tropical timber trade the TFT directly works with will be cut out of the UK market. • The revised policy may be taken up by other Governments, exacerbating the effect of excluding transition sources. • At current rates of tropical deforestation, which the 2009 target will do little to curb, a significant proportion of intact tropical forest will have disappeared by 2015, reducing potential certified products available to the UK market 	
254	<p>Thus, any acceptance of a step-wise approach - of which I am in favour from a practical point - has to be accompanied by very strict guidelines as to its verification as well as setting a clear time frame for the individual steps that are required to be taken by the parties involved (including producers, government bodies, traders, importers, etc etc). Needless to say, it has to start off from a clearly defined minimum level.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
255	<p>FSC promotes socially and environmentally responsible forest management around the world. Responsible forest management is defined in the 10 FSC Principles and 56 Criteria. Legal compliance is a basic requirement of FSC certification and often the first step to move towards responsible forest management. But sole compliance with national legal requirements often remains a far step away from responsible forest management. Therefore many stakeholders recommend legality as a first step in a stepwise, modular or phased approach which leads towards responsible forest management within an agreed time frame.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

Number	Comments on legality & transition schemes	Response
256	<p>The main difficulties with the legality approach are:</p> <ul style="list-style-type: none"> • legal requirements are not internationally consistent or universally acceptable (i.e. what is legal in country X may be unacceptable in country Y and illegal in country Z); • legal requirements are often inconsistent (sometimes contradicting) between international, regional and national levels ; and • the scope of legality is not defined universally. <p>Because of the inconsistencies between national laws and the lack of universally defined minimum criteria for legality verification, timber produced in the most harmful way -including human rights violations and conversion of natural forests - could be labeled or claimed as 'legal' and marketed to environmentally aware markets. This could potentially bring the whole range of labeling schemes for timber and timber products into disrepute.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
257	<p>In addition to the lack of a universally agreed standard for legal verification, the lack of an international accreditation framework for legality verifications is also a concern. Accreditation controls and monitors the certification bodies and thus guarantees the quality of audits and the correct implementation of standards.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
258	<p>Allowing the promotion of legally produced products to the end consumer creates the risk of establishing a parallel market competing with certified products coming from responsible forest management. This would significantly weaken incentives for producers to move towards sustainable forest management. Business to business market access coupled with</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

Number	Comments on legality & transition schemes	Response
	deterrents for non-verified legal timber should be strong enough incentives for companies to move towards legality as a first step on their way to responsible forest management and responsible trading.	
259	Independent legality verification has been shown through anecdotal evidence to haven't produced market benefits to producers in tropical countries. In tropical countries, hardwood timber producers have found a niche market and in most of the cases price premiums when selling FSC products, especially to the European Union.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
260	Though legality compliance is a first and crucial step towards responsible forest management, care should be taken that legality verification schemes are being used as 'green washing' elements by controversial companies to promote themselves as 'responsible'. This is particularly relevant in the case of companies that would not be able to achieve certification of responsible forest management because of issues like conversion and conflicts with indigenous communities.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
261	On the other hand, the existence of stepwise approach schemes toward FSC certification has given producers in tropical countries the opportunity to get early market benefits through business to business communication of their progress. The implementation of stepwise approaches as the GFTN in tropical countries like Peru has demonstrated to achieve good results when based on a credible implementation and verification framework. For that reason, FSC is going to launch the FSC Modular Approach Program which will allow credible stepwise schemes to operate consistently and provide a format of reporting progress to avoid confusion in the marketplace.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.

Number	Comments on legality & transition schemes	Response
262	<p>This is because there are good reasons, that are gaining increasing recognition internationally, to promote Legality Verification as a complementary first step to Certification. Unless the Certification tool evolves to incorporate Legality Verification, the split would make sense and strengthen the Certification process. In that regard, Legality Verification should become a prerequisite to Certification. Otherwise, there is a significant risk that one day a certified company might fail to pass the Legality Verification test! I could send you a short position paper to support that view. In case these two options will be (temporarily) accepted, it will seriously undermine the Legality Verification movement and the efforts being made in that direction by millions of hectares of forest concessions, particularly so in the Congo Basin.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

8.1. Proposed solutions on legality & transition schemes

Number	Proposed solutions on legality & transition schemes	Response
263	<p>In some ways it is fortuitous that we are currently in a process of revising the UK Forestry Standard. However, the programme for this is tight and we need to work very closely with DEFRA and CPET to ensure that the new procurement policy criteria can be reasonably accommodated within the UKFS and regulatory framework. Clearly it is critical that this is achieved and the Government's approach to sustainable forestry is consistent.</p>	<p>The UK Government Policy will continue to allow Category B evidence as an alternative means of proving compliance. Innovative proposals put forward as Category B will be considered and assessed to establish whether it meets Category B requirements.</p>

Number	Proposed solutions on legality & transition schemes	Response
264	Third party legally verified products from FLEGT VPA countries accepted until FLEGT licences are issued.	Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.
265	Is a solution therefore to allow third party verified legal products from FLEGT VPA countries access to the market until such a time when FLEGT legality licences are being issued? Any delay in issuing licences may be driven by governments rather than the willingness to change by the private sector. Thus extend the timeframe for acceptability of FLEGT legality licence and create an equivalent to such a licence until FLEGT licences are issued.	Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.
266	But, how to include companies with third party verified legal products from non-FLEGT countries and what about China?	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
267	Inclusion of a category for transition sources, companies that are legal (origin and compliance) progressing to sustainable. This was in the original government policy as developed through extensive stakeholder consultation in 2001 and 2002, where three levels were recognised as being required: legal; legal progressing to sustainable and sustainable. The TFT and GFTN models work with transition companies. Use	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.

Number	Proposed solutions on legality & transition schemes	Response
	certification like the Smartstep approach to verifying companies that are legal and progressing to sustainable, with a time frame in place to achieve the target of sustainable certification.	
268	Timeframe – April 2009 to 2015 allow transition, then from 2015 only sustainable.	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.
269	<p>Create two new categories, transition schemes and legality verification schemes, to be included within the 2009 target.</p> <ul style="list-style-type: none"> • Verification of stepwise approach can be used to ensure that sources are on a credible path to be certified to an acceptable standard. • In the original government policy, developed through extensive stakeholder consultation in 2001 and 2002, three levels were recognised as being required: legal; legal progressing to sustainable and sustainable. • Timeframe – April 2009 to 2015 allow transition, then from 2015 only sustainable. • This would encourage uptake of certification and facilitate the ability of suppliers to meet the 2015 target. • This does not address the problems raised by requiring FLEGT licenses from 2015 – see below. 	The definition of sustainability will not change as this is based on internationally excepted principles for SFM.

Number	Proposed solutions on legality & transition schemes	Response
270	<p>Amend the definition of sustainability to encompass transition/stepwise programmes.</p> <ul style="list-style-type: none"> • Amending the definition could be contradictory, as it could reduce incentives to source sustainable timber. • A change in definition will potentially confuse the market place. • The change would send the wrong signal to other private and public sector timber buyers. • An amendment of the definition may be seen by NGOs as a further weakening of the implementation tools developed for the policy, particularly given the controversy over lack of social assessment of acceptable certification schemes for category A evidence. • TFT could not support such a change. 	<p>The definition of sustainability will not change as this is based on internationally accepted principles for SFM.</p>
271	<p>Third party legally verified products from FLEGT VPA countries accepted until FLEGT licenses are issued.</p> <ul style="list-style-type: none"> • Potential delays in issuing licenses are unlikely to be caused by resistance from the private sector, but more likely to be due to operational delays in implementing the system • Extending the timeframe for acceptability of FLEGT legality license and creating an equivalent to such a license until FLEGT licenses are issued may help solve this problem • A mechanism for including third party verified legal products form 	<p>Where there is a proven lack of supply of FLEGT or sustainable timber products the new guidance will detail actions to be taken. This will also include advice on what to do when the FLEGT VPA has been signed but the licensing scheme is not operational.</p>

Number	Proposed solutions on legality & transition schemes	Response
	<p>non-FLEGT countries will need to be considered.</p> <ul style="list-style-type: none"> • However this solution does not address the impact that excluding transition schemes will have, as transition forests may not be able to comply with 100% of relevant legislation until later in the stepwise certification process 	
272	<p>Much more effort should be devoted to step-wise / modular schemes and the greater challenges (than for SFM) in checking that real progress is achieved and maintained.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
273	<p>In the meantime develop an equivalent standard for FLEGT licensed timber that can be offered to suppliers in non-FLEGT countries, and consists of independent verification of legality to the same technical standard established in the FLEGT VPAs. This would count as “equivalent” evidence under Category B rules, as required by UK Government Procurement Rules.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
274	<p>The re-introduction of the second category previously removed from CPET on grounds of ‘potential complications’, i.e. ‘Legal progressing towards sustainable’. The reinsertion of this category will ensure that progressing certification schemes such as MTCC and other similar efforts such as TTAP and GFTN will maintain market access until such time that they achieve sustainability ratings.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>
275	<p>The reintroduction of the second category of legal progressing towards sustainable in order to maintain the current status quo of PPP</p>	<p>The definition of sustainability will not change as this is based on</p>

Number	Proposed solutions on legality & transition schemes	Response
	harmonisation efforts amongst select EU member states.	internationally excepted principles for SFM.
276	<p>We understand through our participation in the consultation process that FLEGT is now being regarded as the option of last resort, to be used only if there is no prospect of procuring timber from a legal and sustainable source. FSC UK is happy with this fall-back role for FLEGT (we ourselves provided input to the recent EU consultation on additional legislative options to underpin FLEGT), but are now concerned that some FLEGT-equivalent schemes are being suggested. These appear to be transitional schemes (e.g. stepwise, modular or other such mechanisms), but in our view these should only be allowed if subject to all the rigour of balanced-chamber review whilst being designed and independent certification when in operation. Only through such disciplines will these transitional schemes be prevented from becoming a vehicle for stalling and delay. Given all our concerns, it seems somewhat unnecessary to invent even more mechanisms as there is at least one reasonably cast-iron modular approach under development (2005 FSC-POL-10-003 Modular Approaches to Forest Certification).</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p> <p>The UK Government Policy will continue to prefer sustainable timber in the contract terms and conditions and this will be made clear in the new guidance.</p>
277	<p>The concerns expressed under this heading would appear to relate mainly to the exclusion of legal verification schemes and stepwise/modular approaches to certification practiced in tropical countries. To us, any scheme set by a reputable standard setting body and checked by an independent certifier should be acceptable to the Government procurement system, so long as it meets the criteria discussed in the FLEGT paragraph above.</p>	<p>The definition of sustainability will not change as this is based on internationally excepted principles for SFM.</p>

9. Comments on the lack of social criteria

Number	Comments on the lack of social criteria	Response
278	The exclusion of social criteria in assessment remains controversial.	At present the UK interpretation of the EU Procurement Directive does not permit the inclusion of social criteria as part of the contract terms and conditions as these are not deemed relevant to the subject matter (i.e. timber product). However an on-going process to seek clarification from the European Commission has been instigated by Defra. For updates on this issue please see www.proforest.net/cpet .
279	The UK Government's stated policy is to purchase sustainable produced timber and timber products. Yet the Government's criteria for sustainable forest management excludes social aspects of sustainable forest management, such as protecting the rights, health and livelihoods of people who live in or adjacent to and who depend on forests. This is in contradiction to international agreements to which the Government is a signatory and which the Government cites in its advice to procurement authorities. This includes the new declaration adopted by the UN General Assembly on the Rights of Indigenous Peoples of which the UK is a signatory.	At present the UK interpretation of the EU Procurement Directive does not permit the inclusion of social criteria as part of the contract terms and conditions as these are not deemed relevant to the subject matter (i.e. timber product). However an on-going process to seek clarification from the European Commission has been instigated by Defra. For updates on this issue please see www.proforest.net/cpet .

280	<p>WWF considers that the continued failure to include social criteria in the UK procurement process is unacceptable. A commitment was made by DEFRA in August 2005 that it would revisit the social criteria. Prior to that DEFRA had been in receipt of numerous independent legal opinions that the EC Public Utility Directives do not explicitly exclude the consideration of social criteria and that if anything, the acceptance of social criteria in the Directives is implicit. The legal precedence for including social criteria in public procurement guidelines in other Member State interpretation of the Public Utility Directives has been set (for example Denmark and the Netherlands). In addition the UK is a signatory to the UN Declaration of Indigenous Peoples Rights (press release September 13th 2007); this, in our view, makes the continued failure to include social criteria in the UK public procurement policy completely untenable.</p>	<p>At present the UK interpretation of the EU Procurement Directive does not permit the inclusion of social criteria as part of the contract terms and conditions as these are not deemed relevant to the subject matter (i.e. timber product). However an on-going process to seek clarification from the European Commission has been instigated by Defra. For updates on this issue please see www.proforest.net/cpet.</p>
-----	--	---

9.1. Proposed solutions on social criteria

Number	Proposed solutions on social criteria	Response
281	<p>Include social criteria within the CPET assessment for sustainable forest management: In February 2005, FERN, Greenpeace and Friends of the Earth sent a submission to the UK Environment Audit Committee on this issue.</p>	<p>At present the UK interpretation of the EU Procurement Directive does not permit the inclusion of social criteria as part of the contract terms and conditions as these are not deemed relevant to the subject matter (i.e. timber product). However an on-going process to seek clarification from the European Commission has been instigated by Defra. For updates on this</p>

		issue please see www.proforest.net/cpet .
282	DEFRA should prioritise the inclusion of social criteria which reflect the interests of local and indigenous communities in both Category A & B evidence	At present the UK interpretation of the EU Procurement Directive does not permit the inclusion of social criteria as part of the contract terms and conditions as these are not deemed relevant to the subject matter (i.e. timber product). However an on-going process to seek clarification from the European Commission has been instigated by Defra. For updates on this issue please see www.proforest.net/cpet .