

Increasing the contribution of forest certification to sustainable rural livelihoods

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With contributions from the FSC SLIMF Technical Committee ⁴

SUMMARY

Forest certification is increasingly recognised by consumers and governments as an important tool for identifying responsible forest management.

However, while certification has been adopted rapidly in some regions, it is proving more difficult for small-scale forest operations and low intensity forest operations, including some community forestry or NTFP initiatives, to obtain formal recognition for their stewardship in the form of forest certification. The cost of certification per hectare, and the challenges of interpreting forest management standards to their reality, have created barriers for some forest managers and communities.

In response, a multi-national committee has been established to work with the Forest Stewardship Council (FSC) to improve access to certification for small and low intensity managed forests. This initiative, started in April 2002, centers around designing and testing new policies with the aim of supporting small and low intensity forest operations in achieving and retaining forest management certification. Results to date include methods to reduce certification costs by streamlining certification procedures, draft guidelines for the production of more appropriate, user-friendly standards, and proposed modifications to group schemes for small-scale and low intensity forest management units. Field trials of these procedures and guidelines are currently underway.

The authors wish to disseminate this work and seek feedback.

Keywords: forest certification, small forest, low intensity forest management, access, FSC.

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INTRODUCTION

Certification has become an increasingly common feature in global and national markets as a way of recognizing products and practices which comply with specific standards or requirements. While some certification programs, such as the International Organization for Standardization (ISO), are industry-oriented, others have particular relevance to rural communities. Organic agriculture and forest certification systems promote ethical management of natural resources.

Forests and trees play a critical role in the livelihoods of the world's poor (Scherr et al. 2002). Resource use and production by poor rural residents tends to be small-scale and non-industrial, and is largely for subsistence use. However, there have been many efforts in recent years to promote community-based forest management and other initiatives to help generate financial benefits for rural communities.

Worldwide, the number of people participating in small forest and community managed operations is substantial (Harrison et al. 2002). For example, small plantation growers (under five hectares) play a significant role in South Africa's timber supply; one large timber company estimated that up to one third of their timber is grown by small producers (Lewis and Maynard 2000). Community forestry is strong in Mexico and Papua New Guinea, where Indigenous and local communities own 80 and 90 percent of the forests, respectively (White and Martin 2002).

There has been much discussion about the relevance of certification, both to communities who seek markets for their products, and to those who depend on rural resources for their livelihoods. Studies suggest that certification systems are more easily applied to large industrial operations (Goldfield 2002; Nussbaum et al. 2001; SASA 2003), and could create an extra barrier to the competitiveness of smaller or community-based operations if certification becomes a requirement for product sales (Markopoulos 2002).

While forest management and organic agriculture certification systems are substantially different in their approaches, they both recognize and reward improved management of rural resources. However, there are a number of outstanding questions about the degree to which certification can contribute to sustainable rural livelihoods. This paper discusses the link between forest certification and rural livelihoods, based on the example of the Forest Stewardship Council (FSC) certification system, and describes a current initiative to increase the contribution which forest certification can make to rural livelihoods.

The paper begins with a description of a sustainable livelihoods framework. The concept of forest certification and its growth over the last decade is introduced, followed by a discussion of the potential impact of FSC certification on sustainable rural livelihoods, for both certified operations and communities affected by certified forests (Section Sustainable Rural Livelihoods and Forest Certification). This includes a discussion on the accessibility of FSC certification to small and low intensity forest operations. Two initiatives have been developed by FSC to address the special constraints these operations face in becoming certified. The first, group certification, was introduced in 1998, and is described in Section Group Certification. The second, the 'SLIMF Initiative', has developed a number of recommended

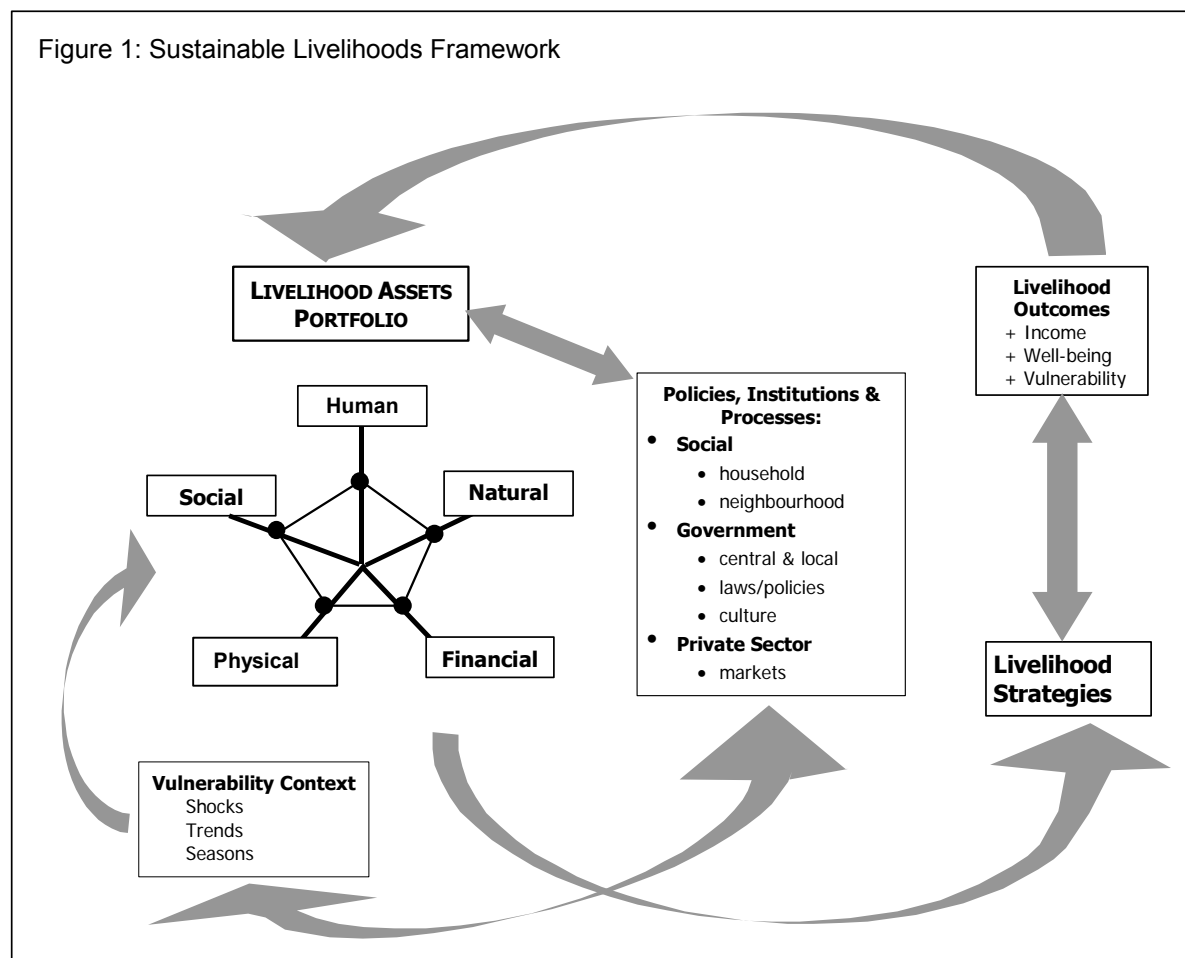
changes to FSC policy and procedures and is presented in Section Increasing Access to FSC Certification for Small and Low Intensity Forest Operations. The potential impact of these initiatives on rural livelihoods is discussed in Section FSC Certification and Sustainable Rural Livelihoods.

SUSTAINABLE RURAL LIVELIHOODS AND FOREST CERTIFICATION

Sustainable livelihoods framework

The sustainable livelihoods framework (Chambers and Conway 1992; McLeod 2001) provides a holistic framework for examining individual and community strategies for living (Figure 1) (Majale 2002). The human, natural, financial, physical and social assets of individuals and communities are presented in the broader context of macro-level policies, institutions and processes. The sustainable livelihoods approach has obtained acceptance in poverty alleviation programmes for its emphasis on identifying existing assets and safety nets of individuals and communities (Majale 2002; Farrington et al.1999). This framework can be a useful model for examining the relationships between natural resources (such as forests), social conditions and macro-level influences.

This paper will focus primarily on efforts to include small and low intensity forest operations in certification processes. The first step in these efforts is to define which forest operations are included in the target group (discussed in greater detail in Section Eligibility Criteria Framework). This target group often is considerably poorer



than large industrial operations, and does not have access to financial, technical, management and marketing resources which are available to larger operations. However, by the virtue of owning or having access to forest land, this group has some natural and financial assets, which distinguishes them from the “poorest of the poor” rural residents. The paper thus focuses on improving livelihoods of those with access to forest resources rather than alleviating poverty *per se*.

Forest certification

Forest certification was conceived as a market-based system that identifies products coming from responsibly managed forests. It is a relatively new concept that started in the early 1990s and led to the establishment of the Forest Stewardship Council in 1993. Other forest certification systems have since been developed, some national and a few international.

Within a decade, forest certification has grown from “just an idea, to become routine practice in some parts of the world” (Markopoulos 2002). Groups of retailers and manufacturers have formed in 18 countries ⁵, and some European governments have begun to consider procurement policies which use certification as a means of meeting their commitments to purchase timber products from legal and sustainable sources only (DEFRA 2002). However, certification has evolved beyond this market-based tool: it has been identified as a means for measuring good forest management and for identifying legal production, prompting some countries to incorporate certification into their national requirements for forest management.

For example, in Bolivia, the government now accepts third-party forest certification as an equivalent to government audits, enabling certified forest concessions to forego statutory inspections for compliance with national management standards (Markopoulos 2002). In Guatemala, certification is a requirement for the retention of forest management concessions in the Mayan biosphere reserve (Robinson 2000a), and in Mexico, the national government offers subsidies for certification evaluations (Alatorre, pers. comm.).

While there is a diversity of forest certification systems, they share four common institutional elements: standard setting, accreditation, certification and labelling (Meidinger et al. 2003). Box 1 presents these elements in relation to FSC.

⁵ Members of the WWF-supported Global Forest Trade Network (GFTN).

Box 1: Core elements of the Forest Stewardship Council certification system (adapted from Vallejo and Hauselmann 2000).

Standard setting: For a forest operation to be certified, it must demonstrate a minimum level of forest management. Forest stewardship standards define what this level is: they describe the requirements for “good” forest management (Meidinger et al. 2003). FSC’s forest stewardship standards are based on ten globally applicable principles and 56 criteria for forest stewardship. These principles are used to create national and sub-national standards, through a multi-stakeholder process that incorporates the social, environmental, and economic interests of the particular country. Standard development is coordinated by FSC National Initiatives (a contact person, working group or permanent office promoting FSC in a country).

Accreditation: Accreditation is the process by which an authoritative body (for example, FSC) formally recognizes that a certification body is competent to carry out certification tasks.

Certification: Certification is the process by which an independent third party (for example, an FSC-accredited certification body) assesses whether the practices of an operation fulfil the established standard. For *forest management certification*, the certification body evaluates a forest operation against the national FSC-endorsed standard where one exists, or against the certification bodies’ FSC forest management standard. *Chain of custody certification* for processing operations verifies the tracking of products from a certified forest throughout the stages of production. FSC certificates are generally valid for five years and audits are carried out annually.

Labelling: Products from FSC certified forests can be labelled with the “tick and tree” logo. This label identifies to consumers that the product comes from a well-managed forest.

The Forest Stewardship Council is an international third-party forest-management certification system available to forest operations in both developing and developed countries. It is a membership organization, with equal representation of social, economic and environmental interests. As of February 2003, over 34 million hectares of forests worldwide were FSC certified (FSC 2003a).

Because of its growing prevalence, its promotion as a market tool, and its use as a regulatory mechanism, forest certification is having an increasing impact on how forest resources are managed. This in turn can affect livelihood strategies in forested rural areas. Within the sustainable livelihoods framework, forest certification systems affect the macro-level elements of policies, institutions and processes, with resulting indirect effects on individual and household assets. The example of the Forest Stewardship Council is used to examine these effects in greater detail.

FSC certification and sustainable livelihoods

FSC certification can contribute to rural livelihoods in three ways:

- Influences on *policies, institutions and processes* which affect rural people's livelihoods.
- Influences on rural people's *livelihood assets*
- Influences on the *livelihoods* of communities *affected by forest management*

Policies, institutions and processes

FSC places considerable emphasis on fair process in the development of its forest stewardship standards. Through its requirements for stakeholder participation and consultation, the FSC system provides an opportunity for stakeholders, including poorer and smaller forest operators, Indigenous Peoples and NTFP harvesters, to be involved in standards-setting and certification evaluations for their country (Irving 1999; Thornber et al. 1999).

Through multi-stakeholder involvement, national forest stewardship standards can be developed to reflect local forest management practices, cultural aspects of forest use, and social, environmental and ecological dimensions specific to the country. Involvement in standards development processes has enabled local and indigenous knowledge to be incorporated into local criteria and indicators of forest management (von Kruedener 2000). In this regard, the application of FSC's participatory processes can be a potentially significant element for social reform of a country's forest sector (von Kruedener 2000).

As previously mentioned in section Forest Certification, FSC certification has been adopted as a means of achieving government policies in Bolivia and Guatemala. In addition, in Latin America, certification has sometimes reduced government paperwork requirements and thus "allow[ed] small groups and communities that previously operated outside the law [to] become formal and legal" (De Camino and Alfaro 2000).

Rural livelihood assets

Achieving FSC certification is a strong indication of well-managed forests (natural assets), and demonstrates the manager's commitment to economically and ecologically viable long-term forest management. Additionally, participating in the process of certification evaluation has been found to strengthen social assets such as community forest management organizational structures (Aguilar 2000; Robinson 2000b; Bass et al. 2001).

While studies have suggested that some community forestry operations have experienced difficulties in achieving an increase in the market value of their forest products (Markopoulos 2002; Irving 1999), there are examples from Latin American community forestry operations of certification raising the price paid for precious woods ⁶, opening up international markets (Maynard and Robinson 1998) or giving access to a niche market.⁷ The extent to which financial capital can be generated by

⁶ In a community in the Peten, Guatemala, requests for certified wood from an international buyer pushed up the price and led to an increase in the price paid for mahogany by national buyers (Robinson 2000a).

⁷ In the late 1990s the Mexican community Noh Bec were able to sell FSC certified chicle (resin) to a niche market in the USA for production of 'rainforest gum' when demand in the market for non-certified chicle fell dramatically due to oversupply. At this time other nearby communities were unable to sell their product, and chicleros (resin tappers) lost their principal livelihood source for a season (Argüelles, pers. comm.).

certification, however, depends on a number of additional factors, such as market availability, credit, isolation from markets, transport and management abilities associated with access to markets (Hellin and Higman 2003).

FSC certification has also facilitated access to loans, subsidies or grants, thus providing tangible financial benefits. By providing a third-party validation of the quality of the forest use and management, certification has encouraged private-sector or donor-agency investment and government support, or provided a short-cut to them, bypassing lengthy application and evaluation processes (e.g. in Mexico. Robinson 2000a).

Livelihoods affected by forest management

FSC certification bodies are required to carry out stakeholder consultation with affected groups and individuals prior to, and during evaluations for forest management certification. This process creates opportunities for dialogue between the forest management operation and workers, local communities and Indigenous Peoples. In some cases, this has helped these groups achieve social objectives, such as securing land title and controlling incursions onto their land or helping them set the terms under which resources are used (Kruedener 2000; Irving 1999). In this way, certification may contribute to the livelihoods of people who did not previously have formally recognised rights to forest resources.

One such example is found in central Amazonas, Brazil, where Gethal, a timber company, guaranteed usufruct rights to the homesteads of traditional riparian community members and granted them exclusive rights over Brazil nut harvesting in the Gethal management area, which was facilitated by the opening of access paths (May 2002). In other cases, these consultations have brought to light practices which have negative consequences for the natural or social assets of local peoples, and consequently the certification of the forest operation has not gone ahead (Rezende de Azevedo, pers. comm.). In this way, the consultation process can be significant in stimulating a forest operation to review its practices and reconsider those with negative consequences for local people's livelihoods.

FSC certification also requires forest operations to instigate appropriate health and safety procedures for its workers, and to promote the sharing of benefits (via employment generation for example) with local communities. Clear dispute resolution procedures designed to enable individuals and communities to have their concerns fairly and transparently addressed are required by certificate holders and at all levels of the FSC system.

Contribution of certification to sustainable livelihoods

By creating space for direct participation in certification processes and by promoting good forest resource use, there is the potential for the natural, human and social assets of individuals and communities involved in forest management to be strengthened by the FSC system. The combination of access to standards setting processes, stakeholder consultation opportunities and the availability of complaints-handling processes can strengthen the portfolio of livelihood assets at the individual and community level, and thus contribute to positive livelihood outcomes, reduced vulnerability, and increased well-being and incomes (see Figure 1).

However, equality of opportunity for participation in FSC processes does not necessarily translate into equality in reality. Numerous challenges have been experienced in carrying out field-level consultations with stakeholders affected by forest operations. Time and cost constraints necessitate a degree of sampling, and identifying representative leaders of different groups has proven to be far from straightforward. The opportunity costs for stakeholders to engage in discussions about individual certifications can be high or information to help them understand the potential value of engaging may be lacking.

Although standard setting processes are open to participation by all sectors, it is often the case that owners and managers of small-scale forests and low intensity managed forests do not have the time, money or expectations to participate. There is therefore a danger that standards are set with requirements which reflect the practices of the larger forest management organisations represented on standard setting groups, but which are not appropriate to small or low intensity managed forests.

Similarly, while achieving FSC certification may bring financial benefits, access to new markets and help strengthen managerial capacity of some communities, it can be comparatively more expensive and more challenging for managers of small forests and forests managed at a low intensity to understand and implement certification requirements.

These challenges have been recognized by FSC in its *Social Strategy* document (FSC 2003b). Those that can be addressed directly by FSC have been prioritised for action in the next few years. These include activities such as developing guidelines for certification bodies on stakeholder consultation, and providing information on certification processes and how to participate for target groups such as Indigenous Peoples and communities. The work described in this paper also forms part of FSC's *Social Strategy*. The challenges in accessing certification faced by some forest owners and users and the mechanisms being developed to address these are presented in the following sections.

FSC accessibility for small and low intensity forest operations

The FSC system was designed with the idea that forest management standards and certification processes should be flexible –‘according to size and scale’- while maintaining the rigor of evaluation. However, recent studies suggest that larger operations - whether private landowners, concessionaires or public bodies - are often better equipped to gain access to information about certification, to implement the requirements of certification, and to respond quickly to market demands (Higman and Nussbaum 2002; Nussbaum et al. 2000). This challenge is not unique to forest certification: similar conclusions have been reached by the *Social Accountability in Sustainable Agriculture* (SASA) initiative, a collaborative project between four certification and labelling schemes (SASA 2003) ⁸.

⁸ The SASA project (Social Accountability in Sustainable Agriculture) partners include IFOAM (International Federation of Organic Agriculture Movements), FLO (Fair Trade Labelling Organizations International), SAI (Social Accountability International) and SAN (Sustainable Agricultural Network).

A small survey ⁹ conducted by FSC in early 2002 identified several groups of forest users that face particular challenges in obtaining FSC certification. These groups can be classified into two categories of forest users: **small** forest operations, and **low intensity** forest operations (Table 1).

Table 1. Examples of forest users facing challenges in obtaining FSC certification (as identified by members of FSC’s email fora)

Small	Small forest operations with customary and communal land tenure Small privately owned forests with secure tenure Cooperatives of small farmers with forest land
Low Intensity	Non-timber forest product (NTFP) collectors, especially women and men who harvest on land that is not theirs Some traditional and indigenous communities Some communities with forest concessions or with firm usufruct rights to forested lands

It should be noted that the categories of “small” and “low intensity” are broad groupings. Defining ‘small’ and ‘low intensity’ tends to be relative and depends on national norms. While there are considerable differences in small and low intensity forests between countries, it is important to note that these groups can face similar challenges in relation to other forest operations in their country. One of the difficulties in addressing the problems facing these groups is developing a definition which adequately reflects this diversity, while remaining meaningful. This is discussed in Section Eligibility Criteria Framework.

Of the constraints these groups face, seven main challenges were identified:

Cost of certification: The cost of FSC certification is influenced by the evaluation system (evaluation, auditing, reporting) and by the extent of changes an operation must make to meet the requirements specified in the forest management standard. In comparison to large forest operations, small forests and low intensity operations and users find that the cost of certification per hectare is prohibitively high. The annual cost of certification per hectare has been estimated to be ten times higher for a forest under 500 hectares than for a forest larger than 20 000 hectares (WWF 2001).

Lack of information about forest certification: General information about FSC, specific information about certification requirements and process, and advice on finding a certification organization can be difficult to obtain, hard to understand, or not available in an appropriate language or format. This is especially important in areas with poor communication infrastructure and low literacy levels.

Difficulty in interpreting forest management standards: The FSC Principles and Criteria, and national/sub-national standards based on them, tend to apply most easily to large, industrial forestry operations, while needing more interpretation for small scale or low intensity forest operations. It is often not clear which parts of the

⁹ Derived from responses to a questionnaire circulated to FSC members and three email fora (FSC certification bodies, FSC National Initiatives and FSC social forum).

standards can be interpreted differently, and what this interpretation should be. Standards which were developed with the aim of excluding poorly managed, large, industrial forests from certification need adaptation in order to facilitate the inclusion of small scale or low intensity, well managed forests (Higman and Nussbaum 2002).

The need for a more flexible evaluation system: The current systems are not responsive to the scale of forest management operations. Report writing, annual audits, forest monitoring requirements are currently the same for high and low risk operations.

Lack of capacity, resources and skills around forest management or organization,

Difficulties realizing the economic benefits of certification, and

External political factors which can negatively impact the possibility of an operation becoming certified.

The identification of these key challenges for FSC formed the backbone of the new initiative to propose policy and procedural changes within FSC that directly target small and low intensity managed forests. This is known as the **Small and Low Intensity Managed Forests Initiative** (SLIMF Initiative). FSC and its technical committee agreed at the time of conception that the SLIMF initiative would focus its efforts on evaluating FSC's own systems and processes for means of addressing the identified constraints. Therefore the work focuses on the first four key challenges: cost, information requirements, standards interpretation and flexible systems. The remaining three groups of challenges were judged to fall outside the scope of what FSC could address through this particular initiative. FSC, as a market-based certification organization, has neither the mandate nor the capacity to implement the type of technical assistance which would be required to address these latter challenges. However, FSC recognizes these particular challenges and welcomes initiatives by partner organizations in addressing these.

The SLIMF Initiative, begun in 2002, is described in detail in Sections Increasing Access to FSC Certification for Small and Low Intensity Forest Operations and Section FSC Certification and Sustainable Rural Livelihoods of this paper. The results to date are presented, and their potential impact on sustainable livelihoods is described.

The SLIMF project, however, is not the first policy introduced by FSC to assist smaller operations in gaining access to certification. In 1998, a **group forest management certification policy** was introduced to reduce certification costs among forest operations seeking certification. The opportunities and limitations of group forest certification are discussed below in Section Group Certification.

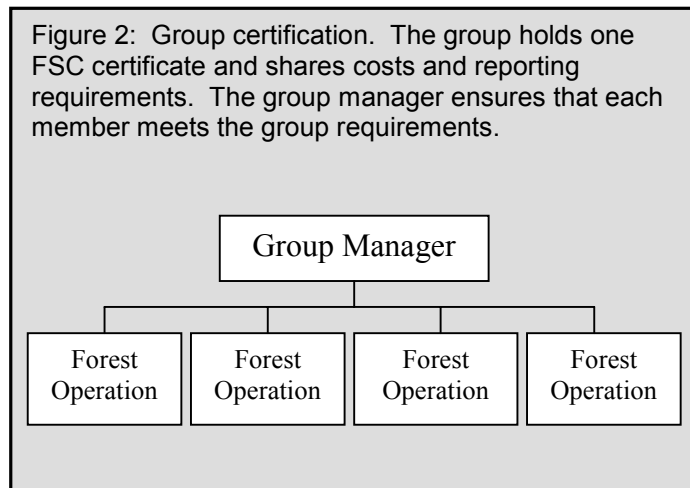
GROUP CERTIFICATION

Small forest operations are faced with disproportionately high costs of certification in comparison to larger enterprises (Nussbaum et al. 2001). Group certification has been implemented by forest, organic and fair trade certification initiatives as a means to enable certification of smaller operations as one way of addressing this challenge.

Group certification allows a number of small operations to work together and apply for certification as a single entity, which allows them to gain some of the economies of scale available to larger enterprises.

In order to be eligible for certification, a group manager is needed who is responsible for ensuring that the members of the group comply with the requirements of the standard (Figure 2). The group manager applies for certification on behalf of the entire group. The certifier inspects the group manager's system of ensuring compliance, and visits a sample of members' forests. This means that not all forests have to be visited by the certifier, thus reducing the cost of the initial inspection and subsequent monitoring. In addition, report writing, peer review and consultation processes are carried out once for the entire group, rather than being required for each forest. This allows the costs to be shared among all members of the group.

While only 16 percent of FSC's 486 certificates are for forest operations smaller than 1000 hectares, thousands of small forest operations have obtained certification as part of a group. To date (February 2003), there are 105 group FSC forest management certificates which cover 3,098,000 hectares and include over 8000 individual forest operations (Stewart et al. 2003).



Group schemes have provided an effective means of allowing small forest operations access to FSC certification in many situations. An analysis of group schemes in Europe suggests that they work well and provide satisfactory access for members (Lindahl and Garforth 2000). Nussbaum (2002) suggests that in addition to reduced certification costs, group schemes can provide other benefits to their members such as training and support to meet the forest management standard.

However, group certification is not a perfect solution in every situation. Studies have revealed that for some small and low intensity forest operations, particularly those in developing countries, many of the problems described earlier (Section FSC Accessibility for Small and Low Intensity Forest Operations) remain, including the cost of certification, complex forest management standards, and inappropriate evaluation and monitoring requirements (Nussbaum et al. 2001).

Additionally, group certification requires the existence of strong organizational structures and administrative capacity in order to have an effective group manager. Where groups are established by outsiders, such as development NGOs or government bodies, there is a danger of imposing new management structures, using external, short-term funding and creating an unsustainable group management organisation. Social capital can be unintentionally destroyed through interventions that impose new social relations without taking into account the strengths of the old (UK DFID 1999).

In order to directly address the challenges encountered by small and low intensity forest operations in both individual and group FSC certification, the Small and Low Intensity Managed Forests (SLIMF) Initiative was developed.

INCREASING ACCESS TO FSC CERTIFICATION FOR SMALL AND LOW INTENSITY FOREST OPERATIONS

The SLIMF initiative was launched by FSC in 2002, with the goal of “finding and implementing practical solutions to the barriers faced by small and low intensity forest operations in accessing and retaining FSC certification.” These operations include those listed in Table 1, and are referred to in this paper as the *target operations*.

FSC selected a nine-person international technical committee to give input to this work. Selection criteria for committee members included knowledge and experience of working with small and/or low intensity managed forest operations and with FSC certification. Participants were chosen to achieve a balance between ‘North’ (4 people) and ‘South’ (5)¹⁰ and to bring varied experience from their work in certification bodies, research institutions, NGOs offering technical support, and FSC national initiatives or standards setting groups.

A review committee with open, voluntary membership provides feedback on the technical committee’s recommendations. This committee currently has over 110 members from 37 countries. These individuals typically include small woodlot owners, community forest managers, certification body representatives and people involved with regional FSC activities.

The initiative was designed to maximize stakeholder involvement. Individuals and interest groups have participated in the policy development process at all levels. Through face to face meetings and teleconferences, FSC staff have worked with the technical committee to draft initial policy recommendations and procedures. These drafts were circulated to the review committee and amended based on comments and feedback received. FSC-accredited certification bodies were also consulted to ensure that the revised draft procedures would be appropriate and applicable in the field.

In addition, this work has received support from FSC’s economic, social and environmental sector members. At the FSC General Assembly in November 2002,

¹⁰ FSC defines Northern as "High Income" countries and Southern as "Low", "Middle" and "Upper-middle" income countries (according to United Nations criteria).

over 200 FSC members from 44 countries made the motion in support of the SLIMF initiative the highest priority for debate. This motion was unanimously passed.

The SLIMF initiative aims to address the first four challenges identified in Section FSC Accessibility for Small and Low Intensity Forest Operations by carrying out the following tasks:

- Defining eligible forest operations that qualify to use adapted certification systems and standards (i.e. defining small and low intensity managed forests)
- Recommending more appropriate FSC systems and standards. Specifically, this has involved:
 - Output 1: Designing streamlined certification procedures for certification bodies to use when evaluating eligible forest operations
 - Output 2: Developing more appropriate and user-friendly forest management standards.

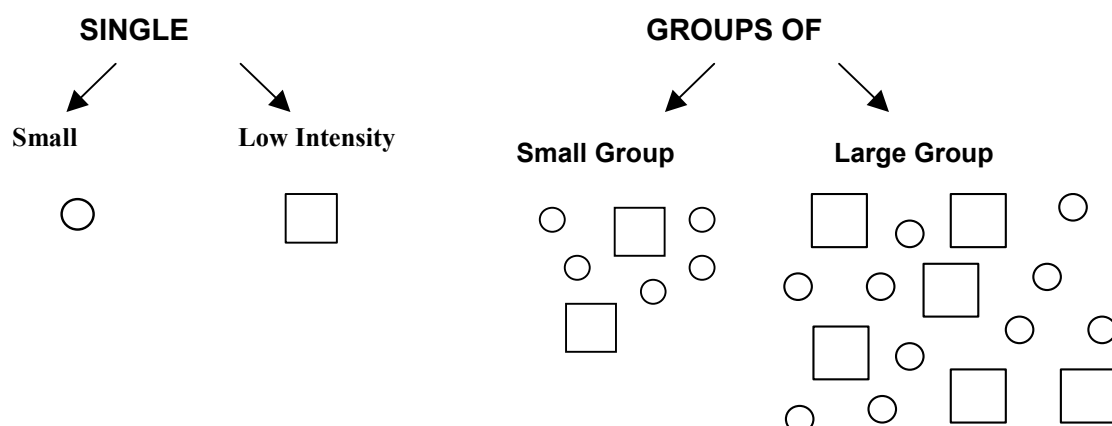
The initiative also contemplates the provision of guidance to FSC National Initiatives, certification bodies, and the target groups about the policy changes developed. A concluding component of the initiative will support the dissemination of material about forest certification and standards to the target groups using locally adapted materials and supplementary communication mechanisms. Field tests in both developing and developed countries will be coordinated with the assistance of FSC certification bodies.

Results to date

Eligibility criteria framework

Criteria have been developed to identify forest operations that are eligible to use the streamlined and adapted certification systems (Appendix A). The ‘eligibility criteria’ have been designed to be as simple as possible, so as not to further complicate and increase the costs of the certification process. Through a series of simple questions, the criteria can be used to determine whether a forest operation fits into one of four categories: single small forest, single low intensity forest, small group of target operations, or large group of target operations (Figure 3).

Figure 3. Categories of small and low intensity forest operations.



The four categories reflect the differences in operations based on resources, management objective, management capacity and impact on the forest landscape. Small and large groups will be composed of forest operations that meet the definitions of small and/or low intensity forests. “Small groups” will have fewer forest operation members and a smaller total forest area than “large groups”.

These categories are based on the premise that the operations qualifying for assessment using streamlined certification processes and evaluation against a modified standard are inherently *low risk*. The risk of a serious problem being missed by certification bodies during an evaluation is low, as it is relatively easy to see what is going on in these forests due to their size or the scale of operation.

The eligibility criteria are designed to be applicable globally; however, the threshold values to measure “small” and “low intensity” forests will be set nationally to reflect a country’s regional and cultural characteristics. Adapting eligibility criteria threshold values to suit country-specific situations is critical when the differences between countries are considered. For example small forests in Britain may be less than 100 hectares, while in Brazil small forests could be those under 500 hectares. Similarly, site productivity varies dramatically between different forest types, resulting in significant differences in sustainable harvesting yields and thus considerable differences in what level of harvesting might be considered as ‘low intensity’.

Until national values are defined for the eligibility criteria, FSC will establish interim threshold values that can be applied to all countries. These criteria will be used to determine eligible operations for the two outputs: streamlined certification procedures, and user-friendly standards.

Output 1: Draft streamlined certification procedures

Small and low intensity managed forests which meet the eligibility criteria will qualify to be evaluated by certification bodies using streamlined certification procedures. The intention of streamlining the certification process is to reduce the certification evaluation time, reduce paperwork and reduce costs.

These procedures are an adaptation of the eight steps FSC currently requires certification bodies to follow when certifying forest operations:

- | | |
|-----------------------------|--------------------------|
| 1. Formal application | 5. Certification Report |
| 2. Pre-assessment / Scoping | 6. Peer Review |
| 3. Stakeholder Consultation | 7. Public Summary |
| 4. Assessment | 8. Audits and Monitoring |

Three of the proposed changes are presented here; more information on the other proposed streamlined procedures can be obtained by contacting the authors.

Peer Review: FSC currently requires that the forest certification report (written by the certification body documenting the evaluation and the certification decision) must be reviewed by two disinterested and credible reviewers. This requirement adds to

the time and cost of achieving certification. The streamlined certification procedures proposes the following requirements for peer reviews:

- Small forests: a peer review of the certification report is not required.
- Low intensity operations and small groups: only one peer review is required.
- Large groups: two peer reviews are required. This is due to the higher risk posed by large groups.

Monitoring: Current procedures require certification bodies to conduct annual, on-site monitoring visits to each certified operation. In the proposed procedures, the frequency of monitoring visits can be determined based on the level and frequency of harvesting or other interventions. Paper monitoring can replace site monitoring in some cases.

Extension of certificate: Currently, in order to renew an FSC certificate at the end of the five year term, a full re-evaluation is required. The streamlined procedures propose that certificates be extended for another five years based on a monitoring visit. Full evaluation will not be required.

These, and other proposed streamlined procedures will be field tested to determine if they reduce costs without reducing the rigor of FSC procedures in guaranteeing the operation's compliance with the FSC Principles and Criteria of forest stewardship.

Output 2: Draft guidance for developing user-friendly standards

As identified in Section FSC Accessibility for Small and Low Intensity Forest Operations, FSC forest stewardship standards can create barriers for small and low intensity forest operations. In an attempt to reduce these barriers, the FSC Secretariat has developed guidance to help National Initiatives produce simple, clear and appropriate standards for small and low intensity operations. In the absence of a National Initiative, the guidance will be available for certification bodies to use in evaluating small and low intensity operations.

This guidance aims to help FSC National Initiatives to produce standards adapted to the needs of small and low intensity managed forests. This may be either a separate standard or an explicit incorporation of the needs of such forests in the national standard. In both cases, the expected result will be a forest stewardship standard that contains understandable, appropriate requirements and indicators for small and low intensity operations, making forest certification more achievable for these groups.

The guidelines include advice on:

- Ways in which National Initiatives can improve the participation of target operation managers in standard setting, thereby making the standards more relevant to their needs.
- Language which is user-friendly and easily understood by forest managers.
- Guidance on the acceptability of combining together or omitting criteria which are not applicable to the target operations in their area.

- Use of a ‘modular’ format for the standard which guides forest managers to the parts of the standard that apply to them, allowing them to ignore parts which are not relevant to their situation.
- Additional information the National Initiatives might provide which would facilitate the target operations’ compliance with the standard.

The guidance also contains an example forest stewardship standard with sample indicators and verifiers to provide an appropriate interpretation of the standard for small and low intensity managed forests. These can be adapted and used by FSC National Initiatives in the development of national standards.

Field testing the proposed criteria and outputs

Field trials of these criteria and outputs are currently underway. The intention of the field trials is to test the criteria and outputs on a range of forest operations in Northern and Southern countries, in different forest types and with the four types of small and low intensity operations. These trials will be implemented by FSC certification bodies, and evaluated by the participating forest operation, certification body and by FSC representatives to determine that the proposed changes meet the goal of the SLIMF initiative in addressing the certification challenges facing small and low intensity forest operations.

CONCLUSIONS: FSC CERTIFICATION AND SUSTAINABLE RURAL LIVELIHOODS

As certification becomes more commonly sought in international and national markets, and increasingly incorporated into government requirements, it is essential that certification schemes are accessible and do not unfairly exclude well-managed small and low intensity operations. It is anticipated that with the application of the changes proposed by the SLIMF initiative, the accessibility of the FSC certification system will be enhanced.

Streamlined certification systems (Output 1) will provide FSC-accredited certification bodies with a wider range of evaluation tools, allowing them to offer appropriate procedures and lower evaluation and monitoring costs to eligible operations. This should translate into certification that is less expensive, and less complicated for small and low intensity forest operations.

The involvement of more small and low intensity forest managers, or their representatives, in the process of developing national forest stewardship standards aims to improve the appropriateness and applicability of the resulting standard (Output 2). More inclusive national standards, in conjunction with streamlined certification procedures, will make FSC certification easier to understand and more accessible to a broader range of operations and specifically owners and managers of small and low intensity managed forests.

By reducing the barriers to FSC certification for small and low intensity forest operations, it is anticipated that more of these operations will be able to achieve forest certification. This in turn provides an opportunity to strengthen financial, natural and social livelihood assets for these operations.

Gaining access to markets for certified products can create opportunities for generating *financial* assets. Increased access to certification for small and low intensity forests will also provide a tool for improved management of forests, potentially conserving *natural* assets and strengthening the institutions associated with forest management. *Social* gains from certification, such as organizational capacity building, are often considered to be as important as financial gains (Nelson et al. 2002). Through FSC processes, previously-marginalized groups may be able to positively influence the forest certification policies, institutions and processes in their country. Successful certification schemes can act to strengthen local institutions and increase the emphasis on community participation in decision-making (Bass et al. 2001).

By ensuring that well-managed operations are rewarded and recognized for their efforts, certification can continue to create opportunities for improved rural livelihoods. It is hoped that the FSC initiative described here, in addition to supporting small and low intensity forest operations, will also serve as a useful model for other social and environmental certification systems and projects.

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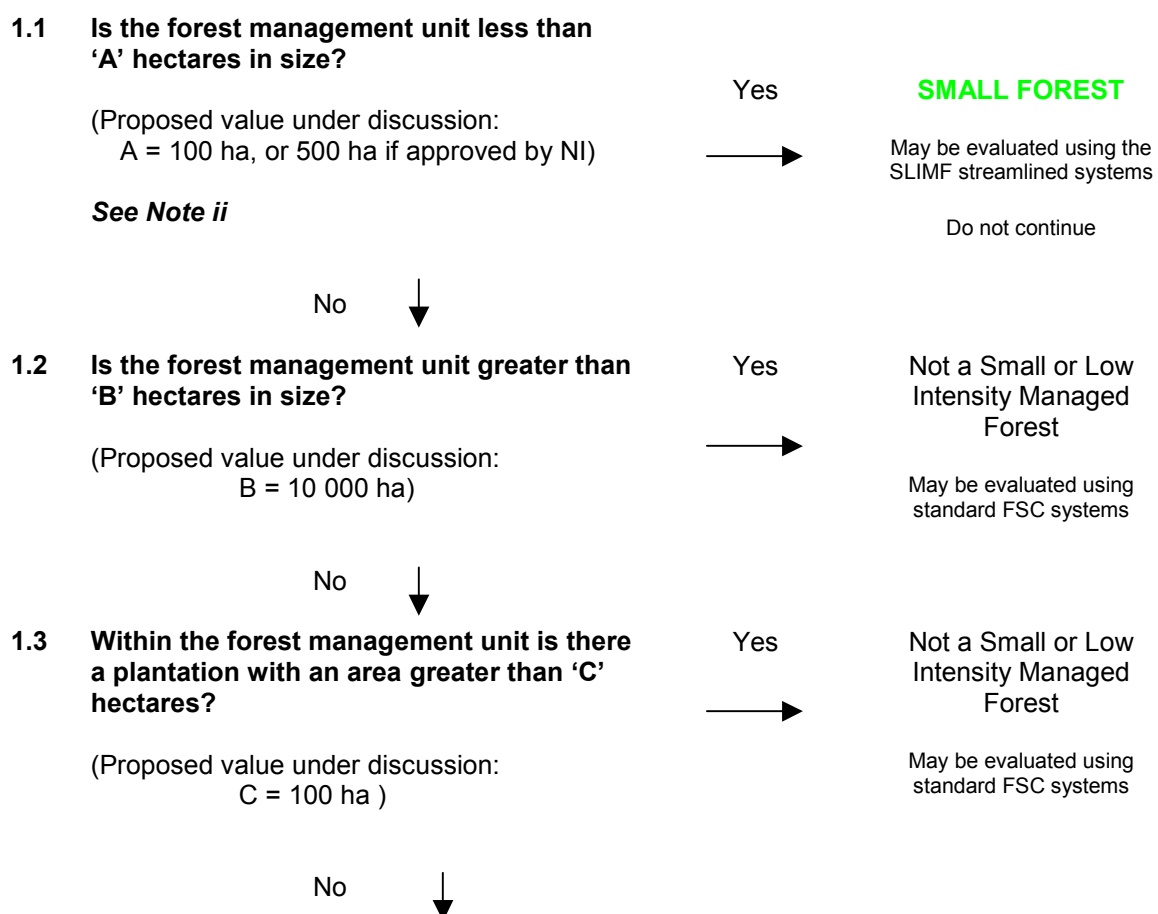
APPENDIX A: SLIMF INITIATIVE PROPOSED ELIGIBILITY CRITERIA

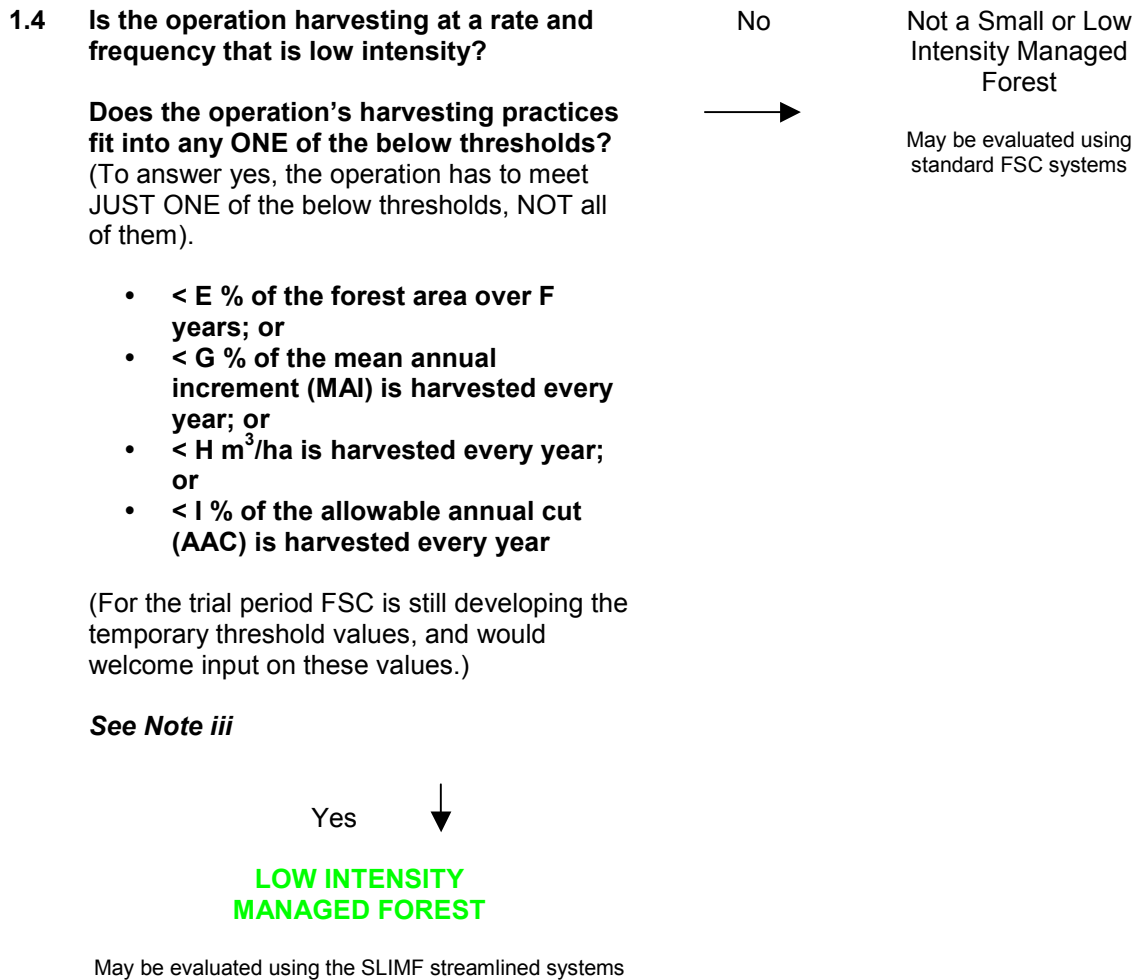
EC1. Eligibility Criteria for Single Small or Low Intensity Managed Forests

For forest management units that are being evaluated for certification and that operate as a SINGLE unit and are not part of a group or co-operative of managed forests. For such forests, the FSC certificate would cover only one forest such as a single property or a community forest.

This eligibility criteria framework will identify if a forest is: 1) a small forest, 2) a low intensity managed forest, 3) neither a small nor a low intensity managed forest.

Note i: The **proposed** values for the field trials are listed below. They have been circulated to the SLIMF Technical Committee and FSC certification bodies for comment, and may be modified. These values were derived to be applied internationally and therefore do not attempt to capture the national and regional variations of SLIMF operations. They have been defined in order to test the effectiveness of the SLIMF certification procedures for the period of the SLIMF field trials.





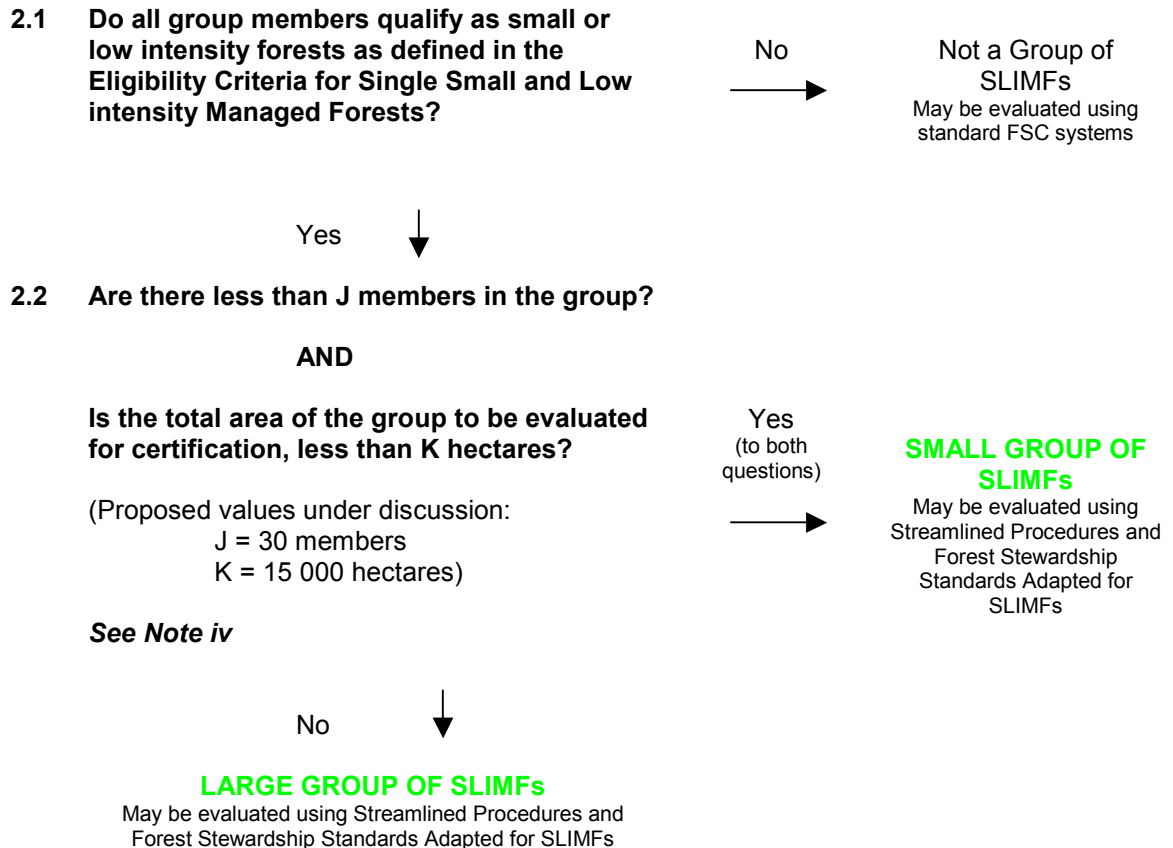
Note ii: FSC acknowledges that in some countries a “small forest” may be defined as larger than 100 ha. For the field trial period, if certification bodies believe that a forest should be considered a “small forest”, and its area is greater than 100 ha, they must state this in the application form for SLIMF field trials. In such cases FSC will liaise with the FSC National Initiative or local experts in the identified country to determine if the certification body’s idea of a “small forest” is representative. During the field trial phase, the default maximum size for “small forests” will be 100 ha, and the absolute maximum size will be 500 ha, with approval from the National Initiative.

Note iii: Ideally FSC would like to develop specific threshold values for the rate and frequency of harvesting in tropical, temperate, and boreal forests. For the field trial period when certification bodies believe that a forest should be considered “low intensity managed” they must state this in the application form for SLIMF field trials. In such cases FSC will liaise with the FSC National Initiative or local experts in the identified country, to determine if the certification body’s idea of rate and frequency of harvesting is representative of “low intensity management” in that country or region.

EC2. Eligibility Criteria for Small or Large Groups of SLIMFs

For forest management units that are being evaluated for certification as part of a group or resource manager certificate. For small and large groups of SLIMFs, the FSC certificate would cover all of the forests in the group.

This eligibility criteria will identify if a forest is either 1) a small group of SLIMFs, 2) a large group of SLIMFs, or 3) not a group of SLIMFs.



Note iv: In order to qualify as a small group, the group must be under BOTH “J” number of members and “K” hectares. If the group has more than J members, or more than K hectares, or both, it qualifies as a large group of SLIMFs.