

What We Do

The efforts of many emerging nations to protect biodiversity are undermined by various forms of *illegal logging*—felling of trees in contravention of national and local laws. To address these challenges, the World Resources Institute (WRI) and the Environmental Investigation Agency (EIA) launched the Forest Legality Alliance in 2010 with support from the U.S. Agency for International Development (USAID) and private donors. The Alliance is an international, multi-stakeholder initiative designed to achieve better forest governance, sustainable management of forests and biodiversity conservation by reducing the demand generated by global market pressures for illegally harvested forest products, increasing transparency in forest product supply chains, and supporting supply chain efforts to deliver legal wood and paper.

The Alliance seeks to help all actors along supply chains—both large and small—understand and respond to emerging demand-side, forest-product legality policies by leveraging the professional expertise, market power, networks, and resources of Alliance members.



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Forest Legality Alliance Highlights

DEAR FLA MEMBERS,

It has been an eventful few months for our team as we continue our outreach activities and tool development. In March, the Alliance traveled to Vietnam and Indonesia to participate in a number of Lacey outreach events, working with our new members, HAWA (Handicraft and Wood Association of Ho Chi Minh City) to run panels discussing Lacey, international trade regulations, and law enforcement procedures at the annual trade convention in Ho Chi Minh City. We continued our work in Hanoi, where we had the opportunity to meet with local NGOs and media organizations and discuss their roles in improving forest governance and responsible trade in light of legislative developments in the US and the European Union.

On May 4th, we co-sponsored the 4th Potomac Forum event, organized by Forest Trends and hosted by the World Bank. The forum focused on providing an updated picture of what's happening in the world of legally sourced wood products — in terms of new policies, new private sector initiatives, and new data from illegal logging hotspots. Speakers included representatives from the US and European governments, various NGOs, companies, certification systems and independent experts. [View presentations.](#)

Immediately following the Potomac Forum, we hosted our own bi-annual FLA members meeting, which took place at the World Resources Institute and was attended by over 100 participants. Many of you were able to attend this event, and your feedback on its organization and content is greatly appreciated. Among our various panels we featured:

- » Discussion of international policy initiatives such as Voluntary Partnership Agreements and Australia's new proposed law on trade in illegal wood;
- » members from trade associations around the world sharing news on reactions to the Lacey Act;
- » breaking news on DNA, isotope analysis and barcode technologies for timber tracking; ([video link](#))
- » review of updates to the WBCSD Procurement Guide (which can be [found here](#));
- » draft results from an FLA case study of mahogany supply chains from Honduran community forests to US guitar companies.

We also launched our new website (www.forestlegality.org) and screened our new informational video: [Modern Technologies for Legal Supply Chains.](#)

Adam Grant of WRI was recently interviewed for [The Timber Trades Journal](#), the UK's leading magazine for the timber industry, concerning the Lacey Act and the new European Union Illegal Timber Regulation, which takes effect on March 3, 2013. Our friends at the TTJ have kindly allowed full online access to the interview. You can [read it here.](#)

In addition, Andrea Johnson of EIA was interviewed on ABC Ratio National in Australia, discussing the Illegal Logging Prohibition Bill and illegal timber trade in Australia. The full interview can be [downloaded here.](#)

We are thrilled to continue to welcome new members to the Alliance. Most recently, we have been joined by HAWA, Helveta, Printbuyersonline.com, SCS, Green Wood and SGS. A full list of our current members may be [found here.](#)

We would like to take this opportunity to thank you for your ongoing support and feedback as the Forest Legality Alliance continues to grow. We look forward to seeing many of you over the next few months as we continue our outreach and capacity building programs.

All the best,
THE FLA TEAM

Global Updates

THE AMERICAS

Brazil's New Forest Code

The federal code, which presently requires landowners in the Amazon to keep 80 percent of their land forest (20-35% in the cerrado), is widely flouted, but has been used in recent years as a lever by the government to go after deforesters.

ASIA

China's Sawnwood and Log Imports Climb

China imported \$6.1 billion worth of logs in 2010, a 22.4 percent increase over 2009, according to the country's customs bureau.

Losses from deforestation top \$36 billion in Indonesian Borneo

Speaking to AFP, Forestry Ministry information center director Masyhud said that more than 1,200 mining companies and 500 oil palm plantation firms are under investigation by the Ministry of Forestry for operating illegally in Central, East and West Kalimantan provinces on the island of Borneo.

Cutting Edge

Environmental Investigation Agency's UK office and partners Telapak have launched a new initiative called Cutting Edge. Cutting Edge is a website and a forum focused on the "cutting edge" in the forests of countries across Asia and the Pacific, including Vietnam, Laos, Indonesia, Malaysia, Thailand, Papua New Guinea, and China, and how they relate to consumer countries such as the EU member states, the U.S., and Australia. Please check back for regular updates: <http://www.cuttingedge-ap.info>

Aquino issues EO 23 on indefinite log ban

Aquino issued Executive Order 23 implementing the indefinite log ban and creating an Anti-Illegal Logging Task Force to be headed by Environment and Natural Resources Secretary Ramon Paje.

AFRICA

Cedar Under Rising Threat in Morocco

A favorite of cabinetmakers, cedar is a symbol of power and opulence in Morocco's stately home and its natural oils have been known to act as an insect repellent.

Now the conifer, which covers about 134,000 hectares (330,000 acres) of the North African country, is at risk of disappearing.

EUROPEAN UNION

Palm Kernel and Palm Oil

A new study for the U.K. government found that in 2009 Britain imported at least 1.65 million metric tons of palm oil-related products for production of food, fuel, and cosmetics. Notably, the study, which was conducted by Proforest for the Department for Environment, Food and Rural Affairs (DEFRA), concluded Britain's consumption of palm kernel was actually higher than its palm oil demand and accounted for roughly 10 percent of global palm kernel output

VPA UPDATES

Indonesia signs agreement with EU to end the sale of illegally logged wood

On May 4th, The EU and Indonesia signed an agreement in Jakarta that aims to keep illegally logged wood from reaching the European market. This is the first VPA signed by an Asian nation with the EU and is seen as a considerable step forward on the fight against the illegal logging trade worldwide

Liberia signs VPA May 10th, 2011

Negotiation for the agreement spread out over two years, as Liberia worked to define legal timber and set regulations from harvesting to worker's rights. The VPA seeks to guarantee that no raw wood or wood products exported from Liberia to the EU would have been illegally cut.

For additional information regarding ongoing VPA agreements, we suggest the [FLEGT VPA](#) site as another potential source of news coverage.

Upcoming Events

Domestic

- » Association of Stringed Instruments Artisans Symposium, Pennsylvania, June 8-12
- » GAA Meeting, Washington DC June 15-17
- » NAMM, Tennessee, July 21-23,
- » High Point Furniture Market, High Point, North Carolina, Oct 22-27

International

- » West Africa Forest Governance Forum, June 7-8
- » Chatham House, London, June 20-21
- » ITTO, October, Antigua, Guatemala
- » FLA event, Republic of Congo, September with Racewood
- » DNA/Isotopes event, Kuala Lumpur, Malaysia, July
- » Congreso Forestal Centroamericano, Nicaragua, 29, 30, 1 June/July
- » Capacity building for frontline players in improving forest governance, Wolverhampton, UK June 16 and 17th

If you have any additional events you would like to add to our calendar, please contact Fiona Mulligan at fionamulligan@eia-global.org.

Are Your Wood Products Really Certified?

CAITLIN CLARKE AND ADAM GRANT, WRI

In November 2009, federal agents raided a Gibson Guitar manufacturing facility in Tennessee as part of an investigation under the [Lacey Act](#). Agents were investigating the alleged use of illegally sourced wood from Madagascar in some of Gibson's well-known musical instruments. If proven, import or use of such wood can constitute a serious felony punishable with large fines for the company and possible jail terms for any executives involved.

Before the raid, Gibson had a reputation as a progressive company and a proponent of forest certification. The company had taken steps to make its business more sustainable through the use of the Forest Stewardship Council (FSC) certification system, yet is alleged to have bought valuable wood stolen from Madagascar's national parks. How could this happen, and what does it have to do with the certification process?

Members of the [Forest Legality Alliance](#) have asked the following questions:

What is forest certification?

Forest certification emerged in the early 1990s as a way to promote and/or guarantee responsible management of forests. Certification is intended as a "seal of approval" to notify consumers that certified wood products came from well-managed forests and were tracked through documented supply chains, independently monitored by credible third parties. Certification offers a powerful means to encourage companies to improve forest management practices, harnessing the power of markets and consumers to support environmental and social standards.

Is it possible for companies holding FSC certification to potentially trade in illegal products?

It is possible. A company can hold FSC certificates, but that does not mean that all of its products are necessarily FSC certified. Companies can choose which product lines to certify. These may include all the products they sell, or just a small percentage. An FSC certificate for one product line guarantees nothing about other non-certified product lines manufactured and sold by the same company.

Who is in charge of forest certification programs?

Forest certification schemes are managed by NGOs, industry associations, and forest owners' federations. They are voluntary, market-based programs. The Forest Stewardship Council (FSC) is among the best-known of these standards. Others include the Europe-led Programme for Endorsement of Forest Certification (PEFC) and the U.S.-based Sustainable Forestry Initiative, among many.

How does certification work?

Under the FSC system, two steps in the forest product supply chain can be certified: forest management (FM) and chain of custody (CoC). Forest management certification means that the forest itself from which the trees were harvested has been managed in accordance with the [FSC Forest Management Standard](#). Chain of custody certification means that the manufacturing, processing, and distribution of forest products can be documented and traced through the supply chain, and that these steps conform to the [FSC Chain of Custody Standard](#).

The Forest Stewardship Council only sets standards (forest management and chain of custody) and accredits other bodies to assess and audit against these standards. These other bodies are called certification bodies and are the organizations a company needs to contact in order to attain an FSC FM or CoC certificate. A full list of the current CBs is below.

If a company says it is certified, could I still be inadvertently buying wood of suspicious origin?

It is possible. When the certification process works as it is intended to work, illegally sourced wood is screened out of the certified supply chain.¹ Buyers then tend to think that the company itself, along with everything it sells, is therefore certified. In reality, companies may only have just a small percentage or their production certified. **Certification normally only applies to a very specific set of products that probably comprise only a small percentage of the company's overall product line.**

A company holding only one CoC certificate may promote itself as a "certified" company, but such a claim is often misleading. It is entirely possible for a company to sell only one certified product, while at the same time selling hundreds of other products that are not certified.

In the Gibson case, the wood from Madagascar that was of interest to the U.S. government in its Lacey investigation was never covered by any type of certification, and so would not have been allowed to be used in any product labeled or sold as FSC-certified. Gibson only holds FSC certificates that apply to certain woods used in a specific line of guitars, none of which would apply to protected species purchased from Madagascar.

How can I tell what is actually certified?

In the case of FSC products, the Forest Stewardship Council requires that every company holding an FSC CoC certificate maintain a list of products sold as FSC certified. This list, called a product group schedule, must detail for each product the species make-up and the percent of the wood content that is FSC certified.

If you are buying from a company that holds an FSC certificate and you want to buy an FSC product, be sure to check the specific product you want to buy against the company's product group schedule. If the product is not listed, it is not FSC certified, regardless of whether the company holds a certificate for other products. Buyers must be aware that certification applies only to specific products, and so not necessarily to all the products the company sells.

As a buyer of FSC certified forest products, what do I need to do?

1. Check the certificate of the supply. What, specifically, is being claimed as certified? You can do this by checking the FSC certificate database (<http://info.fsc.org>) or by going directly to the certification body that issued the certificate – see the table below for contact details. To find out which certification body issued the certificate, refer to the certification code on the product or documents. The code will show the certification body's initials.
2. Once you have checked the validity of the certificate, check to see that the product you are buying is part of the company's FSC product group schedule, if applicable. (All such product group schedules are available as a matter of public record at <http://info.fsc.org>.)
3. Ask your supplier questions such as: What is the supply chain for this product? If the product is not certified, can you trace the products all the way back to the forest? What is the degree of illegal activity in that forest or region? What processes do you have in place to prevent illegally harvested material from entering your supply? It is always helpful to document this process in writing.

Are Your Wood Products Really Certified? Continued.

- Determine the relative risks associated with the forest of origin. Is the region suspected by credible sources of having high levels of illegal logging? Are you aware of serious concerns about governance in the country or region? Are civil society campaigns currently underway that indicate that this is a forest of concern? If so, compare the risk of inadvertently sourcing illegal wood products to your degree of risk aversion. If responses from your supplier to the questions you ask do not meet your risk tolerance levels, consider sourcing from a different supplier or region. Remember that simply knowing that you are taking a risk could impact your level of responsibility under the Lacey Act when determining whether you exercised due care. The UK think tank [Chatham House maintains a good aggregation of recent illegal logging news](#), which can be a good place to begin your search. You can also visit www.forestlegality.org.
- Establish a forest products purchasing policy that reflects company values and risk thresholds and incorporates environmental and social safeguards. Such policies can be a good foundation for practicing due care. Training employees on the policy and putting in place systems and performance incentives for policy implementation can be a way to reduce risk effectively.

There are legal and responsible ways to harvest nearly all species, even from typically "high-risk" areas of the world. Just ensure that you've taken the steps necessary to ascertain the legality of your product, whether the company you are dealing with is certified or not.

Legal vs. certified timber: Preliminary impacts of forest certification in Cameroon

Paolo Omar Cerutti, Luca Tacconi, Robert Nasi & Guillaume Lescuyer. Forest Policy & Economics (Vol 13, Issue 3, March 2011).

The concept of Sustainable Forest Management (SFM) has a pivotal role for both the Cameroonian legal framework and market-based instruments such as forest certification. We assess the different impacts on timber harvesting of the forest legal framework as compared to the adoption of forest certification, on the ten Forest Management Unit (FMUs) that had received a Forest Stewardship Council (FSC) certification by mid-2009, and discuss some differences between legal and certified timber. Results show that the average reduction in the annual allowable cut (AAC) of concerned FMUs is about 11% when legal harvesting rules are adopted, about 18% when the FSC rules as requested by the certifying bodies (CBs) are applied, and about 34% when the 'FSC logic of sustainable harvesting', as agreed upon on paper by logging companies and CBs, is used. Our findings confirm that forest certification has the potential to improve weak normative frameworks that allow the unsustainable use of forests. However, they also suggest that certifying bodies tend to reduce the stringency of the FSC rules in certified FMUs if not backed by a uniform FSC standard and by a stronger legal framework.

[For the full article, go here](#)

Green as the Default

By Elizabeth Baldwin

I attended the NWFA Convention in San Diego last month and I was struck by the lack of either green discussion or general green-themed advertising.

Everywhere you turned a few years ago, you'd find something "themed green," stating something positive in terms of a product's relationship to **CARB, Lacey, FSC, LEED**, as well as sustainability, renewability, and general hugability. Now, while some booths, products and catalogs noted green attributes, it was much more understated and matter of fact. FSC was no longer rare, CARB was the norm, and Lacey was accepted as the law of the land under which we all operate.

I could be cynical and suggest that indicates the green movement has come and gone. I could despair that nobody cares any more. But I don't.

Instead, I think that this is a demonstration that the industry now recognizes that green is the default condition for our products. I think it shows that no one needs to state the obvious—that by far and away, the great majority of all of our products represent the finest, safest, healthiest and most sustainable of all building materials. From their long lives of services to us, to their ever better conditions of manufacture that use less power, less water, less wood, and safer chemicals, hardwood floors are fundamentally green.

I attended the Manufacturer Forum on the last day, where there was a presentation on the UHP's (United Hardwood Promotion) PR campaign. The speaker said something which struck me as rather significant. He spoke of how steel companies and car companies use trees in their logos, how chemical companies use leaves to show they are environmentally conscious, how **every industry "wants to be us except us."** Everyone wanted to be like the wood industry—green and with good management, working with a resource that is potentially sustainable forever. They all used our raw material to advertise their good—but non-wood—related attributes. Somehow slapping a tree logo on a steel and rubber car that pushes carbon into the atmosphere every day it runs on the limited quantity of dead dinosaurs we have left makes it seem more environmentally friendly, while the carbon-sequestering wood industry remains regularly on the defensive about the selective harvesting of a renewable resource. No one seems to accept that we are green by the very (pardon the pun) nature of our business.

We can always make ourselves greener in some ways and we can follow programs and regulations that provide demonstration of our green nature, but I think we should take the lack of screaming green at the NWFA as a good sign. I hope it shows the industry's finally proud acceptance that we don't have to scream out defensively, waving flags everywhere. State it calmly and move on. We ARE green. It's our default condition.

[To follow the Hardwood Floors blog, go here](#)

The FLA newsletter will host one guest writer every quarter. If you are interested in contributing to our next newsletter with information and stories concerning illegal logging, the Lacey Act, International forestry policies, or any other related issues, please contact fionamulligan@eia-global.org.

If you are interested in learning more about our organization, becoming a FLA member and continuing to receive this newsletter, please contact us at CClarke@wri.org or visit http://www.wri.org/fla/about_membership.php.