

**Workshop on
Public Procurement and Forest Certification**
Berlin 7-8 June 2005

Public Procurement of Tropical Timber

State of Play in Denmark

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Milestones

- Green procurement
 - 50 product specific guidelines (since 1995)
 - Thematic guidelines on env. & soc. requirem. (2002/04)
 - Panel for Prof., Environmentally Concerned Byers (2003)
- Tropical timber
 - Parliament decision (2001)
 - Review on certified tropical wood for harbour work (2002)
 - **Guidelines on Public Purchase of Tropical Timber (2003)**
 - Information campaign and workshops (2004)
 - Proposal B56: binding rules, all timber, yearly evaluations (2005)
 - Evaluation of guidelines for tropical timber (2005)



Task

- To assist public purchasers in ensuring that the tropical timber they buy is legally and sustainably produced
- To acknowledge the FSC as *an example* of a credible guarantee that tropical timber carrying this label is legally and sustainably produced
- To implement through voluntary guidelines



Guidelines

- Process
 - Project group for background reports etc.
 - Workshops, Contact group, Steering Committee
 - Final decision (Minister/Gov.)
- Results
 - Short guideline (10 min) & background document
 - Web-info, The buyer Panel, Other green guidelines
 - A good and positive dialogue (consensus)
- Structure
 - Purchasing tips (time, properties, "easiest way"...)
 - **Definitions & requirements**
 - **Procurement model (phased approach)**
 - **Assessments & recommendations**



Definitions and requirements

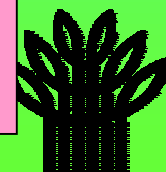
Tropical
Public

International
standards?

Legal
Sustainable
Phased approach...

Documentation

PROBLEM:
NO Consensus
on key
definitions



Legal - the producer has...

- had the **necessary rights and permits** for the given tree species, grades and dimensions in the given time and region
- fulfilled all **relevant national legislation** regarding Forest Management Plans and its effects on people and the environment
- paid any **taxes and duties**
- obtained **statutory declarations and permits** from the authorities, incl. CITES permits

"The best solution would be if this could be worked out by agreement with each producing country"



Sustainable Forest Management

- Principles
 - Rio 1992 (Forest Principles) & ITTO 1998 (C&I for SFM, PDS 7)
- Criteria
 - Legislative and inst. framework (legality in place..)
 - Size of Forest resource
 - Health and vitality of forest
 - Production function of forest
 - Protection function
 - Biodiversity
 - **Socio-economic, cultural and spiritual commodities**
- Standards
 - “.. should be developed in a consultative process, **open to participation** by all affected parties, including financial, environmental and social stakeholders”



SFM - Rio principles (1992)

“...(forests) should be managed to meet the social, economic, ecological, cultural, and spiritual needs of present and future generations”



SFM - ITTO-principles

*”SFM is the process of managing forests to achieve one or more clearly specified objectives of management with regard to the production of a **continuous** flow of desired forest products and services without undue restriction of its inherent values and future productivity and without undue undesirable effects on the physical and social environment.”*



Procurement model - a phased approach

1. Legal and sustainable (best option)
2. Legal and progressing towards sustainable
3. Legal (minimum requirement)



Documentation

- **Certificates** (Forest Management & CoC)
 - **Advantage:** By far the easiest means for buyers
 - **Problem:** No consensus on quality and adequacy
 - **Solution:** We had to and did come up with an assessment, based as far as possible on international consensus (ISO guides etc.)
- **Alternative Documentation**
 - **Advantage:** Flexible, necessary (EU-directives), fair (0,5 % certified)
 - **Problem:** Not at all easy to define and describe
 - **Solution:** Wait and see ...



Certification - important elements

- **Standards** *precise and measurable, developed in a consultative and open process ensuring Legal and Sustainable production*
- **Certification** *monitoring, assessment AND final approval/rejection by competent and independent third party*
- **Accreditation** *to be done by acknowledged company*
- **Traceability** *monitoring and documentation of the wood products path from certified forest to the end user*
- **Labelling** *precise rules for credible labelling of wood products*
- **Trademark protection...!**

Details: se technical background document



Recommended certificates

1. Legal and sustainable

- **FSC** or alternative documentation

2. Legal and progressing towards sustainable

- **MTCC** or alternative documentation

- 3. Legal - minimum

- alternative documentation

Other certificates: either considered *insufficient to stand alone*
(but may provide valuable contribution as alternative documentation)
or not in use in the tropics (mid 2003)



Alt. documentation

- Certificates or verification schemes other than FSC
- Export permits
- Certificates of origin
- Declarations from authorities
- Declarations from suppliers and processors
- Concession agreements
- Documented eco-managements (e.g. ISO 14001 or EMAS II)
- Specification of standards and processes undertaken (has it been open and inclusive?)
- Overriding FSC requirements
- Specific activities - independent?
- Any other documentation?

Recommendation:
ASSESSMENT BY IMPARTIAL THIRD PARTY
WITH MARKET INSIGHT AND KNOWLEDGE OF
FORESTRY CONDITIONS IN THE TROPICS



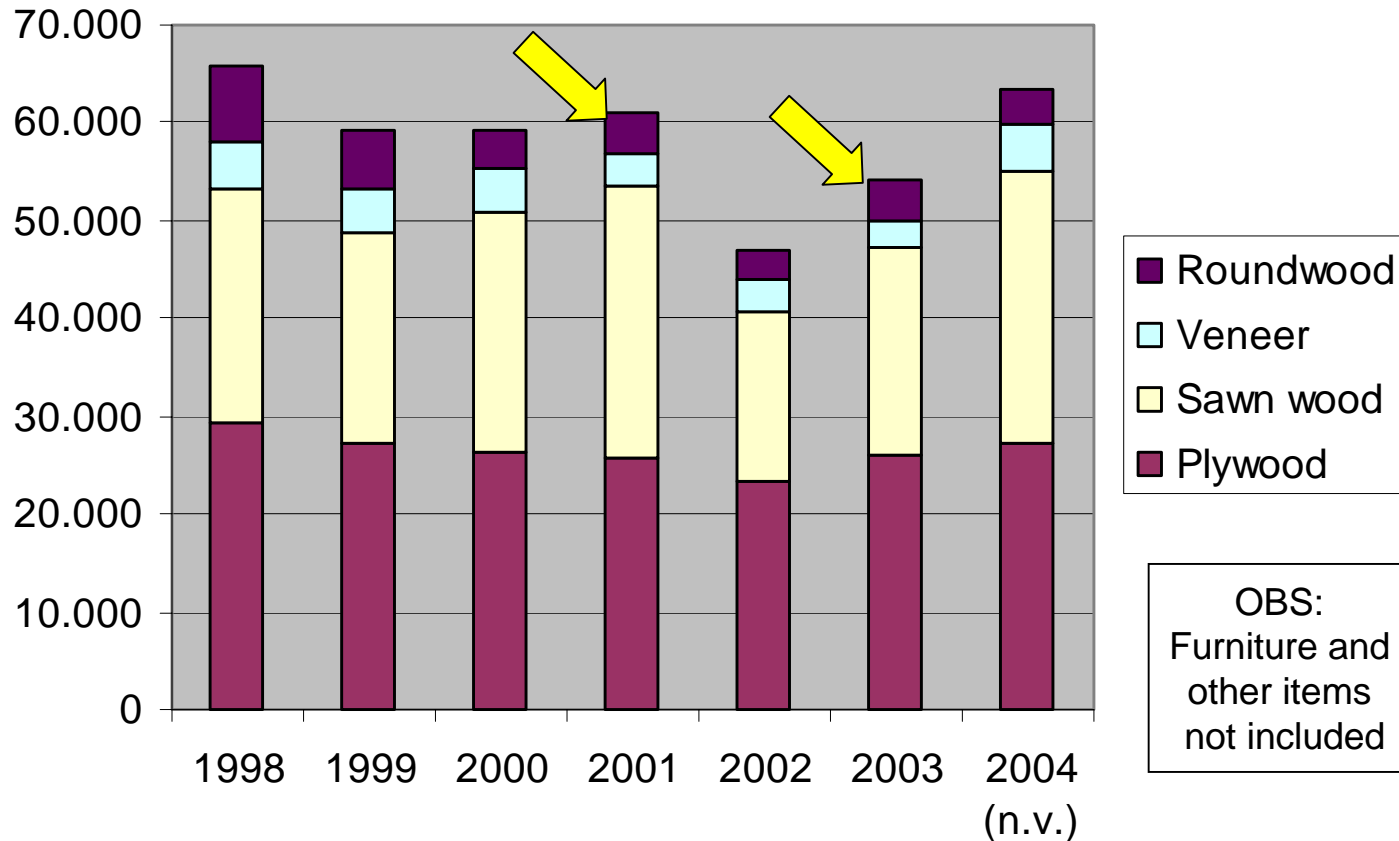
Impacts

- Are the guidelines known, understood and used?
 - Surveys by WWF & Nepenthes suggest: almost not at all
 - Harbour wood still seems to be a major problem
 - Independent assessment of alternative documentation seems rarely used
 - A more in-depth evaluation are still to take place.. (2005)
- Does it make any difference in the forest?
 - Hopefully (FSC up approximately 50 % (?) in tropical countries and MTCC up 100 % since mid 2003 - but hard to tell, of course)
- Does it affect trade patterns?
 - Probably - see graph..



Trade patterns

Danish Imports of Tropical Timber (ton)



Questions for discussion

- “Precise and measurable” vs. flexible and adaptive?
- How not to let the best be an enemy of the good?
- How ensure progress in a phased approach (rather than just lowering ultimate standards)?
- Listing “alternative documentation”... - does it help or confuse?
- Social criteria - what is the long term impact if they are not included?
- Is it wise to claim (a demand for) “sustainable” timber, if social criteria is **not** included (what about i.e. “environmentally sustainable” instead)?



Thank you

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