

The FSC Canada Certification Standards -- Still Superior to SFI

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When it comes to core environmental, social, and supply chain objectives, the independent Forest Stewardship Council (FSC) certification system remains superior to the Sustainable Forestry Initiative (SFI), the forest products industry's competing certification system in North America.¹ This is despite the FSC's imperfections – and updates to the SFI Standards that go into effect in January, 2022.

The following notes highlight the FSC's relative strength in Canada on topics important to the climate and biodiversity crises, and to identifying forest products associated with genuinely well-managed forests.² The FSC also remains superior in areas such as governance, auditing, and accountability.³

Forest Management Certification

Forest certification is typically associated with assessments of forest management practices in specific forests. In Canada, this is covered by the FSC Canada Forest Management (FM) Standard, along with supplemental national and international policies.⁴ The following notes are based on the bottom-line requirements of the FSC Canada FM Standard and other applicable policies.

Climate Change and Climate Smart Forestry:

While it could do more to address climate change and climate smart forestry, the FSC Standard still goes further than the SFI in important ways. To the extent the FSC Standard begins to protect and restore old growth and other more mature forests (see below), it will also serve to protect and restore high carbon forests – none of which is required by the SFI. Other elements of the FSC Standard may also serve to incrementally maintain and increase carbon stocking, depending on what could happen otherwise under regulatory minimums. For example, as noted below, the FSC requires protection of the majority of Intact Forest Landscapes (IFLs) where they overlap with certified management units. The FSC Standard also requires 10% of each management unit to be in conservation status, with efforts being made to secure permanent protection for the conservation areas in Crown Lands.

The FSC Standard also begins to address forests' reliance to climate change. For example, the Standard requires that climate resilience be promoted during tree planting and other regeneration planning, and that climate changes be considered when planning for age class distributions.

Biodiversity, Endangered Species, and Rare Ecosystems:

While the FSC Standard's requirements for biodiversity and imperiled species and ecosystems have some gaps and room for interpretation, they are still far more robust than those of the SFI, including with regard to the iconic woodland caribou.

¹ The SFI is also the PEFC endorsed certification system for North America.

² The notes highlight the FSC's strengths relative to the SFI, and do not cover all FSC requirements or shortcomings.

³ See for example: *Peeling Back the Eco-Labels*, Stand, January, 2015; *Destruction Certified*, Greenpeace International, 2021; *Do Private Regulations Ratchet Up?*, Judge-Lord, McDermott, & Cashore, Organization & Environment, vol 33(1), 2020.

⁴ *FSC National Forest Stewardship Standard of Canada*. FSC-STD-CAN-01-2018. Forest Stewardship Council US. October, 2018.

The FSC Standard's requirements for imperiled species are framed in terms of species-at-risk (SAR), which include all species and subspecies listed by federal or provincial entities as Endangered, Threatened, Vulnerable, or of Special Concern. Though not required, surveys for SAR are encouraged. Where SAR are identified, protection plans must be developed by qualified specialists to "protect and manage the habitat" of SAR, including through conservation zones, protection areas, and other measures. Implementation of the plans is also clearly required. Species and ecosystems of particular concern are also addressed in the Standard's requirements for High Conservation Values (HCV), which specify even more protective outcomes, e.g., maintaining and/or enhancing the species and habitats, halting harmful activities, and restoring any damage.

Woodland caribou are of particular ecological and cultural importance in Canada, and the FSC Standard is unique in providing very specific and detailed approaches to their boreal populations. For the most part, these approaches are quite objective, with clear thresholds and required outcomes for caribou, something that is utterly lacking in the SFI's approach to imperiled species.

Old Growth, Intact Forest Landscapes, and Primary Forests:

The FSC Standard's landscape-based approach to conserving old growth has significant gaps and is open to wide interpretation. However, the Standard's more straightforward requirements are still more protective than the SFI, which requires zero protection and restoration of old growth in certified forests. For example, the FSC Standard calls for "ancient forest patches" to be maintained where they have become regionally uncommon. The FSC Standard also calls for maintaining and increasing the number of trees whose age "noticeably exceeds" the average age of a stand, something that can help protect old growth remnants in previously logged sites, as well as help to restore older forest habitat components.

Along with primary forests, some old growth stands may also receive protection above regulatory minimums via the FSC's requirements for protecting intact forests.⁵ The FSC Standard requires "contiguous forest landscapes" to be maintained and/or enhanced as HCV where they are 50,000 ha or larger, free of permanent infrastructure and more than 5% non-permanent anthropogenic disturbance, and meet other criteria roughly comparable to Intact Forest Landscapes (IFLs). The FSC's international policies also require protection of a minimum of 80% of each IFL that might exist in certified forests, and apply until the FSC Standard is updated to more explicitly address IFLs.⁶

Indigenous Rights and Free, Prior, Informed Consent:

Unlike the SFI, the FSC Standard's approach to recognizing and protecting the rights of Indigenous Peoples is comprehensive, robust, and current with international norms, including the concept of Free, Prior and Informed Consent (FPIC).

The FSC Standard clearly requires identification of Indigenous Peoples that live within management units or may be affected by forestry activities. Unlike the SFI, the FSC Standard then requires identification, through culturally appropriate engagement, of the Indigenous Peoples' legal and customary rights of

⁵ Primary forests are forests established naturally, and which have never been significantly altered by industrial society. They include primeval old growth, as well as younger stands.

⁶ *FSC Directive on FSC Forest Management Evaluations*. FSC-DIR-20-007. Forest Stewardship Council. August, 2021. This FSC policy also prohibits reducing IFLs below the threshold size of 50,000 ha.

tenure, legal and customary access, use rights for resources and ecosystem services, and other legal or customary rights.⁷ Equally important, the FSC Standard expressly requires the Indigenous Peoples' rights to be recognized and upheld, including via mutually agreed processes for the Indigenous Peoples to participate in management planning, including at strategic and operational levels.⁸ The Standard also clearly requires any violations of the Indigenous Peoples' rights to be corrected.

Unlike the SFI, the concept of FPIC is expressly supported in the FSC Standard, which requires FPIC from Indigenous Peoples prior to the commencement of management activities affecting their rights, or least that a good faith process to achieve FPIC be underway. Binding agreements and monitoring are also required, to honor FPIC outcomes.⁹ Compliance with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) is also required, along with redress of any violations.

Forest Conversion:

The FSC Standard clearly prohibits conversion of natural forests to plantations and non-forest land uses, except where the conversion involves a "very limited portion" of a management unit, does not involve HCVs, and produces "substantial, additional, secure, long-term conservation benefits in the management unit."¹⁰ Conversion of plantations to non-forest land uses is also prohibited in existing plantations. In contrast, the SFI does not prohibit land use conversion whatsoever, and its restrictions on plantation conversion are only likely to be triggered in limited circumstances.

Unlike the SFI, the FSC Standard may also partially restrict conversions involving forest degradation, rather than just forest cover type change. The Standard's definition of "plantation" recognizes they can be comprised of native species, and that absence of "most of the... key elements of natural forests" is a defining attribute of plantations. If properly applied, this should make more intensive degradation subject to the Standard's limits on conversion, regardless of changes in the primary tree species.

The FSC also has partial safeguards against companies avoiding its conversion restrictions by excluding converted areas from their certificates. Here an FSC international policy provides recourse where companies cause "significant" conversion of forests to plantations or non-forest uses anywhere.¹¹

Fire Risk and Resilience:

The FSC Standard's approach to catastrophic fire and maintaining and restoring forests' natural resilience is simple and has gaps, but if properly interpreted, will go beyond the SFI in crucial ways.

In particular, the FSC Standard requires forest management changes or other measures to reduce the risk and impacts of fire, while also recognizing that fire can be an important ecosystem function. This approach expressly includes the risk of forestry activities increasing the frequency or severity of fires.

⁷ This includes rights embodied in customary law, traditional law, and Natural Law, and rights codified through traditional practices, such as wampum belts, sacred scrolls, song and dance.

⁸ The expectation for participation in planning is less likely to apply in privately owned forests, which comprise a small percentage of Canada's forest land base.

⁹ FSC Canada has also developed guidance to assist companies in achieving FPIC. *Free, Prior, and Informed Consent Guidance*. V1. Forest Stewardship Council Canada. August, 2019.

¹⁰ "Very limited portion" is defined as less than 0.5% of a management unit annually, and less than 5% cumulatively.

¹¹ The FSC *Policy for Association* defines "significant conversion" as conversion of more than 10% or 10,000 ha of all forests under the company's control, within five year periods, or any conversion of HCVs, regardless of the scale or timing.

Moreover, non-normative guidance recognizes that “mitigating risk means also managing for resilience as opposed to attempting to control or prevent natural hazards.” The FSC Standard also encourages consideration of zones near communities as fire buffers.

Worker Training and Rights:

Like the SFI, the FSC Standard requires training for loggers and other workers and employees. This includes requirements for workers to be trained in identifying and reporting occurrences of species-at-risk (SAR). Unlike the SFI, the FSC Standard’s training requirements include topics such as discrimination and harassment, and recognizing Indigenous Peoples’ rights.

Unlike the SFI, the FSC Standard also clearly protects all workers – including seasonal employees, contractors and subcontractors -- against discrimination and other concerns, including where applicable laws do not provide sufficient protection. The FSC Standard also requires wages and benefits that meet or exceed prevailing regional industry norms, and that compensation be comparable among genders. And the FSC Standard expressly protects workers’ rights to organize and reach collective bargaining agreements, including per the International Labor Organization (ILO) Core Conventions.

Product Sourcing and Market Claims

As with other certification systems, the FSC’s most widely used on-product label (FSC “Mix”) allows inputs from forests not certified to the FSC Canada FM Standard or other FSC National Standards. But unlike the SFI’s Certified Sourcing Label, whose use does not require any minimum content from SFI certified forests, use of the FSC Mix label is limited to: a) the volume of products that is proportionate to the volume of FSC certified and/or recycled inputs used in their manufacture; or b) to products whose inputs are at least 70% from FSC certified forests or recycled. And unlike the SFI, the FSC also does not count wood or fiber from forests certified to other, weaker standards as certified inputs.

While there is room for improvement, the FSC’s safeguards for non-certified virgin wood and fiber in “Mix” label products are also more robust than the SFI’s comparable safeguards. Here the FSC’s international Controlled Wood (CW) Standard requires procedures to reduce the risk of non-certified inputs coming from five categories of unacceptable sources: illegal forest management; violations of traditional and human rights; management that harms high conservation values; forests being converted to plantations or non-forest use; and forests in which genetically modified trees are planted.

The SFI allows companies to conduct their own risk assessments for non-certified inputs, and to specify their own mitigation measures where risk is found. This creates a conflict of interest, since companies have an interest in claiming zero risk of using unacceptable sources. By contrast, companies using non-certified virgin wood and fiber for FSC Mix label products must refer to FSC National Risk Assessments, and implement those Assessments’ control measures where risk is identified. The FSC Controlled Wood National Risk Assessment for the Canada identified risk in some specific locations for three of the five categories – traditional and human rights, high conservation values, and conversion – and outlined options for control measures.