



**DELIVERING**

**IMPACTS**

**IN THE FOREST**

**AND BEYOND**

# ABOUT PEFC



PEFC, the Programme for the Endorsement of Forest Certification, is **the world's leading forest certification system.**

More than 300 million hectares of forests are certified to PEFC's internationally recognized Sustainability Benchmarks, supplying more than 18,000 Chain of Custody certified companies with responsibly sourced timber and wood-based products.

PEFC was founded by **small- and family forest owners** to demonstrate excellence in sustainable forest management.

## MISSION STATEMENT

### **Our Vision:**

A world in which people manage forests sustainably.

### **Our Mission:**

To give society confidence that people manage forests sustainably.

### **Our Purpose:**

Through the endorsement of national certification systems, PEFC motivates and enables people to sustainably manage their forests and works to provide a market for the products of those forests.



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# IMPACTS

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# INTRODUCTION

**PEFC is the world's leading forest certification system. It promotes sustainable management practices in the forest, establishes traceability throughout supply chains and uses independent third-party auditing to ensure requirements are being met. Through offering Forest Management and Chain of Custody certification, PEFC can provide assurances that those products carrying the PEFC 'green trees' logo are made with material derived from a PEFC-certified forest.**

Given the importance of forests to the planet, sustainable management is essential to ensure society's demands don't compromise the resource. Sustainable forest management offers a holistic approach to ensure forest activities deliver social, environmental and



economic benefits, balance competing needs and maintain and enhance forest functions now and in the future. Forest certification is the tool to prove this and to connect the consumer with the sustainable origins of their products.



In addition to offering a forest certification system, an important part of PEFC's work is delivered through projects and initiatives. Working in close cooperation with partners around the world, we use projects to build capacity, improve market conditions for certified products and develop solutions to further advance sustainable forest management. In support of emerging national certification systems specifically, we offer considerable support and guidance to the organizations leading standard development processes. Working in collaboration throughout the process can help to ensure that systems are developed efficiently, in alignment with PEFC's requirements and that valuable experience gained in one country can be shared with another.

Through delivering forest certification over the last 15 years, PEFC has positively impacted significant areas of forest through requiring improved forestry practices and bringing attention to sustainable management. What's less acknowledged is the impact PEFC is also delivering outside of forests. These impacts may be less obvious and beyond the traditional scope of forest certification, but they are exciting and hold much promise for scaling up.

# EMPOWERING SMALLHOLDERS AND SUSTAINING LIVELIHOODS

**More than 30 per cent of the world's forest area is managed by family forest owners, communities and indigenous peoples. While collectively this is a significant share of the global forest, at a local level it is typically divided into millions of small forest holdings.**

Without economies of scale, investment or proximity to the market, smallholders often face persistent challenges in accessing the full value of their resource. This limits the potential of forest management to reduce poverty, support rural livelihoods and contribute to economic development. Solutions are needed to assist smallholders in overcoming these barriers while reinforcing their continued role as responsible stewards of the forest.

PEFC's response to support smallholders in gaining access to markets, economies of scale and value for their resource, is Group Certification. Group Certification enables multiple smallholders to pursue certification together, sharing costs, roles and responsibilities amongst the different participants. It makes certification affordable when individual certification would be too expensive, and it encourages and facilitates sharing of knowledge and pooling of resources among smallholders. Selling certified products can support forest owners to increase their marketability.

By 2016, nearly one million smallholders achieved certification through PEFC Group Certification, a testament that it is a practical and cost-effective mechanism.

To further increase the number of smallholders able to benefit from certification, PEFC is leading a project to expand Group Certification globally. Working with local and international partners in various locations around the world, including Malaysia, Nepal, Thailand and Vietnam, we are learning about the unique challenges facing smallholders and supporting the development of new and appropriate certification solutions.



## DID YOU KNOW?

**25%** of Nepal's forests  
are **managed by communities**  
organized into **18,000 user groups.**

Thailand is currently the world's  
**largest producer of natural rubber**,  
with these rubber trees managed by  
more than **1 million smallholders.**

After 25 to 30 years, the mature  
trees are no longer productive  
for rubber tapping and become a  
**major wood source.**

### Building PEFC Group Certification in Vietnam

In Thua Thien Hue Province,  
Vietnam, we support the  
strengthening of smallholder  
cooperatives and cooperative  
alliances. The project is increasing  
the capacity of cooperatives to  
deliver forestry-related services,  
to support smallholders in  
implementing sustainable forest  
practices, and to build stronger,  
more profitable business models  
from their growing forest resource.

The role of PEFC Group  
Certification is well-recognized and  
preparations are underway to offer  
an affordable certification system  
that links small landowners to the  
market. The project is a cooperation  
between AgriCord, the Finnish  
Agri-agency for Food and Forest  
Development (FFD), PEFC and  
the Thua Thien Hue Cooperative  
Alliance since 2011.



# ADDRESSING DEFORESTATION & MITIGATING CLIMATE CHANGE

**Our planet is losing its natural forest cover at an unprecedented pace. In light of climate change, bio- and cultural diversity loss and rural poverty, we collectively need to upscale our response to conserving and promoting forests and optimizing their potential to solve our global challenges.**

Over the last decade, governments, multinational companies, industry associations and non-governmental organizations have been working together to understand and tackle the complex interactions that seemingly lead to deforestation in so many forest rich countries. REDD+, FLEGT, Zero Net Deforestation: these initiatives all take different forms but look to identify, influence or eliminate the key drivers of deforestation.

Agriculture is generally acknowledged as the main driver of deforestation. In comparison, only a small proportion of global deforestation is caused directly from the forest sector through the establishment of plantations and overexploitation of timber. Nevertheless, PEFC works within this space to reduce forestry's direct and indirect links to deforestation and to offer tools to protect companies and land managers from exposure to deforestation risks.

From our unique position, PEFC works to address deforestation through:

- **Preventing forest degradation**  
PEFC-certified forests are managed in compliance with internationally recognized sustainability requirements and regularly monitored by third-party, independent auditors. This ensures that forest management activities are not leading to forest degradation, a common pre-condition of forests then converted for alternative land use.
- **Prohibiting forest conversion**  
Within PEFC-certified forests there are strict requirements which control conversion. In addition, plantations established on land converted after 2010 are not eligible for PEFC certification.
- **Establishing supply chain transparency**  
Products carrying a PEFC logo or certified claim have been delivered through a controlled supply chain whereby each operator has Chain of Custody certification in place and must exercise due diligence to ensure that unwanted, controversial sources, including conversion timber, do not enter the product.







- **Strengthening consumer trust**

Forest products that come from responsibly managed, renewable forests are part of the solution, not the problem. Certification and the PEFC label on a product help to build consumer trust in forest products,

which in turn creates additional demand and ultimately increases the value of forests. Creating additional value and demand for forest products is one of the best ways to keep forests standing, as it prevents them from being cleared for alternative land uses.





# PROMOTING SUSTAINABLE LANDSCAPES

**With 7 billion people living on the planet, demands for food, fuel and fiber continue to mount. Agriculture, conservation, development and other land uses all compete for space.**

Recognizing that there is an increasing complexity in finding optimal balance for our land use needs, there are movements towards a landscape approach to overcome traditional land management boundaries and consider land use decisions and interventions in a more holistic way.

In line with aspirations for more sustainable landscapes and urban spaces, PEFC recognizes that trees are also grown and cultivated far beyond forest boundaries. Creating shade in home gardens, hedgerows throughout agricultural fields, refuge in urban spaces, or plantations for productive purposes, the integration of trees throughout landscapes undoubtedly generates substantial social, economic and environmental benefits. Tree farming can also alleviate pressure on forests in places where natural forests are threatened. The non-wood forest products that the trees both inside and out of forests produce also have the potential to contribute significantly to increased food security and rural livelihoods.

Clearly there is a role for forest certification to play in further promoting the planting of trees outside forests, increasing wood production and bringing recognition to the roles that trees play

in sustainable landscapes. By extending the scope of certification throughout the landscape we can further encourage sustainable practices and support tree planting or forest restoration to deliver optimal impacts.

## Exploring the certification of trees outside forests

Trees outside forests provide a significant source of material to the forest products industry in countries such as Thailand, where the paper companies are working closely with farmers to facilitate the growing of trees around land under rice cultivation. Within this context, PEFC has been supporting local stakeholders in Thailand to identify the requirements that exemplify best practice in tree farming. Our work now continues, supporting the development of a full national certification system, within which these requirements for trees outside forests can be included.

At international level, PEFC is also working to develop a certification solution for trees outside forests. The multi-stakeholder process will build consensus around best practice and seek to offer a practical approach to enable farmers to access certification and meet the market's demands.

# ENGAGING STAKEHOLDERS

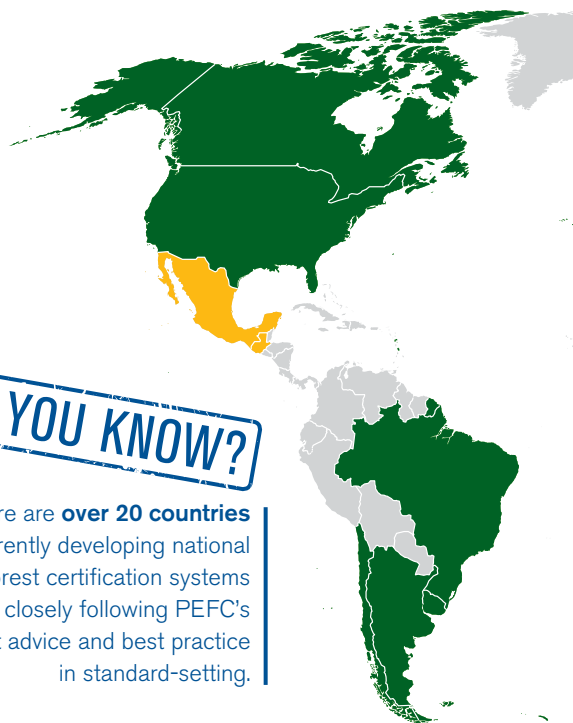
**Stakeholder dialogue and engagement are crucial if we are to address any sustainability challenge effectively. For complex issues there will always be a range of perspectives, needs and expectations and only through dialogue can consensus and lasting solutions emerge.**

PEFC provides ongoing mechanisms to facilitate stakeholder dialogue on forestry issues at national and international levels. Our projects would not be possible without close alignment to the expectations of local stakeholders, their knowledge and support. Therefore, dialogue and engagement with stakeholders is fundamental to the success of the projects we are undertaking.

The same is true for our standards developed at national and international levels. With new forestry-related knowledge, best practice, expectations and needs constantly emerging,

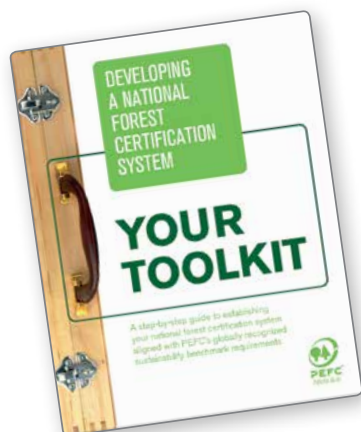
it is essential that our standards benefit from in-depth discussions and a consensus-driven process. To ensure this dialogue occurs, PEFC requires that interested stakeholders are identified, informed and invited to engage in standard-setting processes. Moreover, revisions of all forest management standards are required every five years thereby encouraging an ongoing dialogue among stakeholders.

PEFC has national members in 43 countries around the world. Each member is actively focused on enabling stakeholder dialogue within their certification system processes.



**DID YOU KNOW?**

There are **over 20 countries** currently developing national forest certification systems and closely following PEFC's expert advice and best practice in standard-setting.





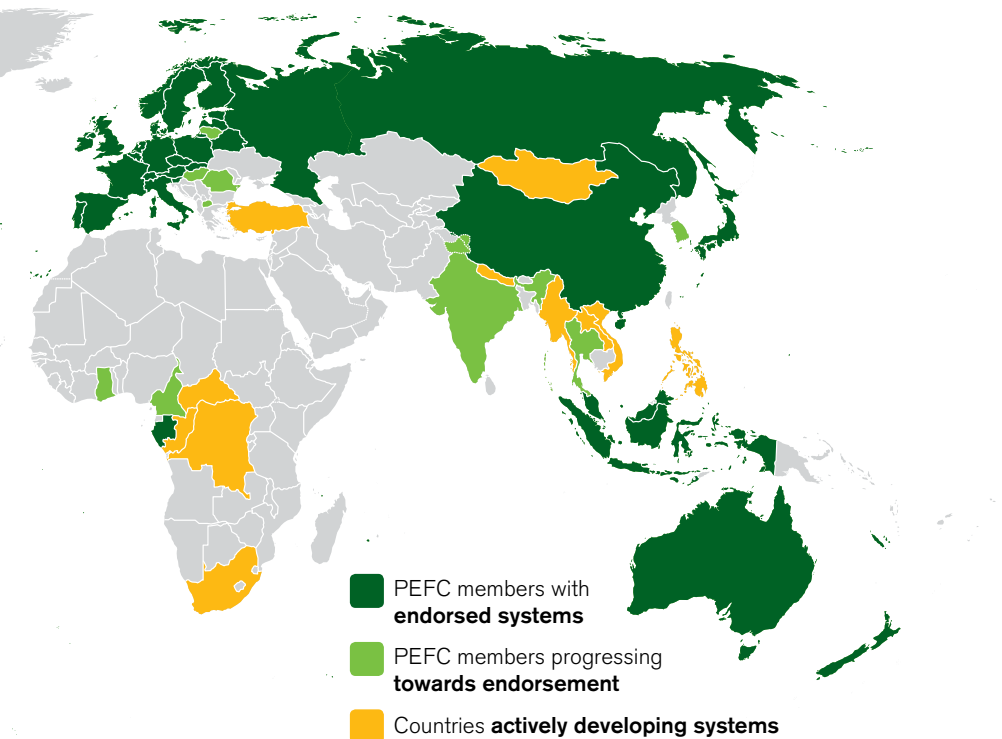
## Supporting national system development

PEFC is invested in continually expanding forest certification to additional countries as a means to involve more people and bring more forest area under sustainable management. To expand PEFC's global alliance, we provide support and guidance to organizations working to establish a national forest certification system and eventually achieve PEFC endorsement.

One of the main resources that PEFC utilizes in this regard is a publication titled 'PEFC Toolkit: Developing a National Forest Certification System.'

The step-by-step guide gives hands-on advice for organizations leading certification initiatives and shares many valuable lessons from PEFC members on effective stakeholder engagement. The toolkit is distributed at national, regional and international workshops where PEFC delivers capacity building and technical support on this important subject.

Countries as wide-ranging as India, Macedonia, Mexico and Cameroon are all currently receiving support from PEFC to establish their national certification system.



# ENCOURAGING COLLABORATION

**Advancing sustainability and building solutions requires collaboration amongst likely and unlikely partners. Forest certification helps to establish this collaboration across many levels.**

Between businesses and their supply chain transactions, for example, certification encourages the sharing of information, establishment of longer-term business relationships and a common pursuit of sustainable forest products. It also unites diverse stakeholders in research, dialogue and projects.

To mobilize partners in active collaboration around forest sustainability PEFC invests annually in the Collaboration Fund. Each year, the Fund awards small grants to members and non-profit organizations to support innovative, collaborative projects well-designed to deliver impact.

## HOW IT WORKS

### **PEFC Collaboration Fund aims to:**

- Promote innovation;
- Stimulate local projects;
- Encourage partnerships;
- Share financial burdens.

### **Activities include:**

- Promoting certification or certified products;
- Capacity building to expand forest certification;
- Researching issues related to PEFC Sustainability Benchmarks or national standards;
- Researching new products, services and approaches.

### **Eligible applicants**

Our members, other non-profit organizations, and private and public

sector organizations may apply. If the lead applicant is not our member, it is desirable for one of our members to be a project partner.

### **Grant amounts**

We consider applications of up to CHF 40,000 with a project time frame of up to two years for new activities rather than for ongoing work. Proposed project budgets must include at least 35% co-funding from other sources.

### **How to apply**

Please visit [treee.es/collab-fund](https://treee.es/collab-fund) for more information.

### **Co-fund projects**

To invest in or to co-finance future projects, please contact [development@pefc.org](mailto:development@pefc.org).



**PEFC COLLABORATION FUND**

## Featured projects:

### Research:

Learning how to optimize tradeoffs between timber extraction and managing carbon stock within tropical forests

*Partners: CIRAD, ONF, EMBRAPA, CIFOR*

### Innovation:

Testing the use of remote sensing data and online technologies to monitor compliance with forest certification requirements in Finland

*Partners: Forgis Oy, PEFC Finland*

### Expansion:

Expanding forest certification in Ghana through establishing a PEFC-recognized national certification system

*Partners: Ghana Working Group, PAFC Cameroon*

### Markets:

Promoting consumption, demand and appreciation for the wild foods originating in Spanish certified forests

*Partners: PEFC Spain, USSE, FIAB*



### Smallholders:

Supporting community forest owners in Indonesia to access certification and markets

*Partners: IFCC, CIFOR*

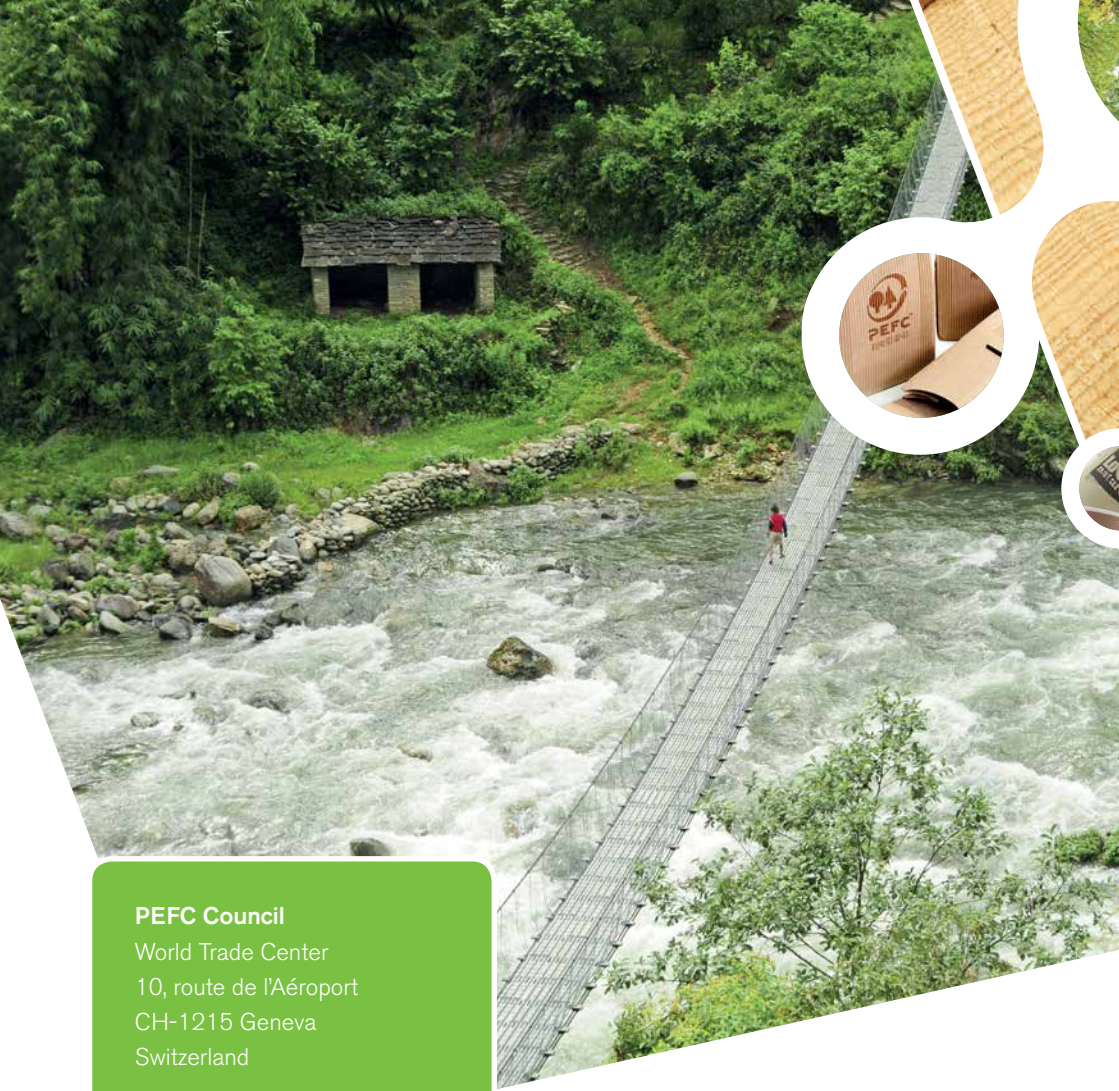
### Capacity Building:

Working with the Italian Institute of Design to bring the sustainable ethos of PEFC into the world of fashion

*Partners: PEFC Italy, Italian Institute of Design*

**DID YOU KNOW?**

PEFC has so far awarded **over CHF 640,000** leveraged co-funding of **CHF 840,000** mobilized efforts of **30 organizations** and **50 project partners**



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