

## Foreword

The intent of this report is to document and share the information gathered and the experience developed by a group of people working towards sustainable forest certification for small woodlots in the Great Lakes St. Lawrence Forest region.

During the summer of 1999 sustainable forest certification became a topic of interest and much discussion. Several large retailers publicly stated their intent to sell wood products coming from sustainably managed forests. There was a little understanding of certification issues and the potential impacts on both the forest and those concerned with the forest. This was especially so in the settled forest landscape of southern Ontario with its numerous individual private woodlot owners. At the suggestion of many partners and members, the Eastern Ontario Model Forest (EOMF) facilitated a broad based working group reflecting the many forest values. This working group would develop a better understanding of sustainable forest certification and propose a course of action for the EOMF to pursue.

The EOMF concluded that while certification was not the end in itself, it could be an important means towards the end goal of achieving sustainable forestry on the ground. With this understanding, the working group moved quickly to establish a partnership with the Forest Stewardship Council of Canada which shares the common interest of ensuring certification is an option readily available to small woodlot owners. The Richard M. Ivey Foundation has provided important financial support together with the contributions of many partners has accelerated the progress of this pilot project.

This report includes the analysis of the Managed Forest Tax Incentive Program relative to meeting the standards for certification prepared by Westwind Forest Stewardship Inc. The majority of the document is the work of John Oatway who completed considerable background work under the direction of the working group. Scott Davis, Mark Richardson and Silvia Strobl have assisted in the final stages of preparing the report for publication.

It is hoped that you find this document useful and any comments or feedback would be appreciated. Thank you to all that have contributed their time and ideas to this project.

Brian Barkley  
General Manager  
Eastern Ontario Forest Group.

## **Special Acknowledgements**

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The analysis of the Managed Forest Tax Incentive Program was supported by the contributions from the Westwind Forest Stewardship Inc. the Ontario Woodlot Association, the Ontario Forestry Association and the Eastern Ontario Model Forest. The Ontario Ministry of Natural Resources was also a cooperating partner.

The EOMF Working Group on Sustainable Forestry Certification consists of the following members and contributors.

## **Core Committee**

Wade Knight (Ontario Woodlot Association) Co-Chair  
Martin Streit (Domtar) Co-Chair  
Lynn MacIntyre (WHC)  
Eric Boysen (OMNR)  
Cathy Nielsen (EOMF)  
Ray Fortune (EOMF)  
Brian Barkley (EOMF)

## **Additional Participants**

John Kerr-Wilson (EOMF)  
Hans Von Rosen Chair, EOMF Landowner Committee  
Andrew Boyd Integrated Tree Service  
Jacques Lormand, Boisse Est  
Lorne Johnson, World Wildlife Fund  
Kirk Easterbrook, Grenville Log Homes  
Harry Barr, Ontario Woodlot Association  
Vivian Peachey, Forest Stewardship Council of Canada  
Sandra Lawn, EOMF Equity Committee  
Rod Smith/Steve Dominy/Dan Welsh/, Canadian Forest Service  
Doug Wolthausen, NCC/WHC  
Jim Clayford, EOMF Forest Science Committee  
Ed Heideman, Heideman & Sons LTD.  
Paul Berges, Ontario Ministry of Natural Resources  
Mississippi Valley Field Naturalists  
Canadian Model Forest Network  
Phil Guillery, Community Forestry Resources Centre, (Minnesota)

## **Introduction**

Forest certification is a process designed to encourage the sustainable management of forests throughout the world. Independent auditors evaluate forest stands to determine whether their owners are complying with sound forestry standards. Owners who meet the required standards will have their woodlots certified as “well-managed.” This label will provide assurance to both the woodlot owners and consumers of wood products that their forests are being well managed.

Typically, certification includes two components: certification of the sustainability of forest management activities; and certification of forest products.

Currently three systems of forest certification have support in Ontario. They are the Canadian Standards Association’s Sustainable Forest Management System (CSA-SFM), the Forest Stewardship Council (FSC) certification program, and the International Organization for Standardization (ISO) 14001 series.

### **1. ISO 14001**

The International Standards Organization (ISO) standard is an environmental management system that can apply to any industry. The company sets the criteria and indicators for sustainable forest management, then establishes a management system to implement these goals and monitor progress. There is no chain of custody or assessment, therefore no label. The ISO system has been well-received in Canada and about 92% of Canada’s 16 440 000 ha is certified under this system.

### **2. FSC**

The Forest Stewardship Council (FSC) has formulated a list of 10 principles and 56 criteria that must be met prior to a forest becoming certified. The (FSC) does not certify forests but accredits third party organizations to do so according to the established principles and criteria. There are regional standards established for a defined forest type forest audits will be based on these standards. There is a strict tracking system or chain of custody in place and forest products carry a label of being certified. In Canada there are 212,000 ha of FSC certified forest.

### **3. CSA**

The Canadian Standards Association is sponsored by industrial organizations and is based on the principles of the International Standards Organization, but unlike (ISO) sets specific performance goals. The principles are those approved by the Canadian Council of Forest Ministers as developed through the Montreal Process. Third party certification is mandatory but does not require a chain of custody therefore no label. There are 500,000 ha of CSA certified forest in Canada.

## 1.1 The Eastern Ontario Model Forest and Forest Certification

Preliminary analysis carried out by the EOMF indicated that the FSC system was most applicable for testing the feasibility of forest certification for owners of small woodlots in the EOMF. Considerations included:

- The FSC is a current market leader in certification and has been successfully employed on private land in Ontario and in the northeastern United States.
- The FSC has developed draft regional standards, for the central and southern portion of the Great Lakes & St. Lawrence Forest Region that appear to be accepted by forestry practitioners/operators (Wildlands League 2000).
- The FSC indicated a willingness to work with the EOMF in developing an interpretation of their regional standards for use on private land and in the development of a pilot project to test this interpretation.
- Cost of forest certification by either ISO or CSA systems is likely to be prohibitive for forested areas that are less than 5000 ha (Len Munt, Region of York Forester, personal communication, 2000).

As one of 11 large-scale working model forests, representing the five major forest ecoregions of Canada, the Eastern Ontario Model Forest (EOMF) works with government, landowners, industry, First Nations and other stakeholders to develop new ways to sustain and manage forest resources. Landowners are stewards of more than three-quarters of the land in eastern Ontario, of which 35 % is forest (Johnson *et al.* 1999). Most of the stands are small and fragmented, since they are located in a densely populated region with many roads, waterways, farms, and residential developments. Many produce wood products and still sustain a variety of wildlife, but their owners face several challenges, most notably how to sustainably manage their woodlots and market their wood.

Woodlot owners who are trying to not only optimize their production of wood products, but also to conserve and enhance other forest values such as provision of wildlife habitat and the protection of local biodiversity, should be recognized and provided with some assistance should they desire it. Forest certification is one way this can occur. During this process, independent auditors evaluate forest management practices to determine whether woodlot owners are complying with standards established for a particular forest region. Auditors assign a label - "well managed"- to woodlots and their wood products that meet or exceed these standards to help consumers distinguish between these sustainably managed stands from those that are not. It is hoped that eventually thoughtful consumers will prefer to buy only certified wood products. By working together, several landowners can share the benefits and costs of certification and have all their woodlots certified as one unit.

The involvement of woodlot owners in forest certification can make an important difference. For example, the forests of eastern Ontario support several wildlife species that have declining populations. Two of these, the cerulean warbler and the red-shouldered hawk, require relatively large areas of forest interior, situated at least 200

meters from the influence of forest edges and open habitats. Large woodlands with round or square outlines have the greatest amount of forest interior and can better sustain species such as these birds that require these less disturbed, secluded habitats. Only 34 % of eastern Ontario forests supply this high-quality habitat (Johnson *et al.* 1999). Also several people often own the forest interior within a single large stands. Therefore only by working together, can woodlot owners ensure that their forest management activities are conducted in ways that minimize harm to these forest interior species.

Only 25 % of wood manufactured by pulp and sawmills in eastern Ontario come from local, small woodlots; the rest is imported from outside the region. At the same time, total employment in forestry related sectors declined by 18 % from 1991 to 1996 (Johnson *et al.* 1999). By working together, woodlot owners can work together with other certified landowners, manufacturers and retailers to create market and cost-sharing opportunities that can increase their revenues from the sale of certified forest products.

## **1.1 The Forest Stewardship Council**

The Forest Stewardship Council is an independent, non-profit, non-governmental organization that was founded in 1993 by a diverse group of representatives from 25 countries. The FSC has introduced an international labeling scheme for forest products, which provides a credible guarantee that the product comes from a well-managed forest. All forest products carrying the FSC logo are independently certified as coming from forests that meet the internationally recognized FSC's 10 guiding Principles and Criteria for forest stewardship. In this way, the FSC provides an incentive in the market place for good forest stewardship. These 10 principles are provided in Appendix 1.

The Forest Stewardship Council's Principles and Criteria set thresholds for defining forest stewardship for all forests worldwide. The FSC supports the development of national and local standards that implement their Principles and Criteria at the local level. National and regional working groups that work to achieve consensus amongst individuals and organizations involved in forest management and conservation in different forest regions of the world develop the standards.

The *Draft Standards for Well Managed Forests in the Central and Southern Great Lakes – St. Lawrence Forests (GLSL) of Ontario*, provide guidelines for implementing the FSC Principles and Criteria in the GLSL forest region, and would apply to the EOMF. The Wildlands League with the financial support of the Richard Ivey Foundation coordinated the GLSL Regional Standards. The GLSL Regional Standards were field tested in June 1999 on Domtar Forest Products' Gilmour properties, south of Bancroft, Ontario. The standards are now being prepared for submission to the FSC Canada Board – the next step in their approval process.

## 1.2 Pilot Project for certification feasibility of small woodlot owners

The EOMF and the FSC Canada Working Group established a partnership to test FSC certification on private woodlands in the EOMF. The Ontario Woodlot Association (OWA) Domtar Communications Papers in Cornwall. The Ontario Ministry of Natural Resources (OMNR) has also provided support.

The EOMF and the FSC Canada Working Group were successful in obtaining funding from the Richard Ivey Foundation to test the feasibility of forest certification for owners of small woodlots in the GLSL Forest Region of Ontario. The project has been funded for \$215,000 over an 18-month period (March 2000 – September 2001). The goal and objectives of the project are:

### 1.2.1 Project Goals:

To establish FSC certification as a viable option for owners of small woodlots in the GLSL Forest Region of Ontario.

### 1.2.2 Project Objectives:

- To develop information materials and provide services to small woodlot owners in the GLSL and EOMF regions
- To design and implement a pilot project demonstrating the benefits and feasibility of certification for owners of small woodlots in Ontario

## 2 Towards Forest Stewardship Council Certification in Eastern Ontario

In preparation for the implementation of the Eastern Ontario Model Forest/Forest Stewardship Council pilot project, an analysis was carried out to identify potential obstacles to certification in eastern Ontario. The following discussion highlights the findings of this analysis.

### 2.1 Size of forest

Some systems, for example ISO and CSA, require large forests that provide enough annual revenues from the harvest of forest products to compensate for the increased costs associated with maintaining forest certification. The FSC system accommodates all landowners, whether their forests are large or small, privately or publicly owned because three types of FSC certification are available:

*Individual Landowner Certification:* A larger forest land base, under one ownership, is certified.

*Resource Manager Certification:* A forestry practitioner engages in the certification process on behalf of any number of woodlots under their management.

*Group Certification:* A group of landowners agrees to share the costs of certification by certifying their lands as one unit.

## 2.2 Availability of accredited certifiers

The FSC does not certify forests. FSC accredited certifiers evaluate and certify that forestry operations meet the FSC standards for the specific Forest Region, if available, or apply the FSC Principles and Criteria to forest management operations. FSC accredited certifiers that operate in North America include.

- the Rainforest Alliance is based in New York, N.Y. and certifies under their Smartwood Program; and
- Scientific Certification Systems (SCS) is based in Oakland, California and certifies under their Forest Conservation Program.
- The Silva Forest Foundation is located in Slocan Park British Columbia

Both Smartwood and SCS have done FSC *Resource Manager* and/or *Group Certifications*.

## 2.3 Ability to learn from others who have achieved FSC certification in the GLSL Forest Region

Being the first organization to achieve forest certification would present numerous obstacles. Fortunately, in Ontario, three forests have achieved FSC certification through the application of the international Principles and Criteria<sup>1</sup>:

- The 22 015 ha Haliburton Forest Reserve obtained *Individual Landowner Certification* through Smartwood in March 1998.
- The 2000 ha comprising Tembec Forest Products' private land program in Huntsville obtained *Resource Manager Certification* through Scientific Certification Systems in July 1998.
- The 5017 ha York Region Agreement Forest obtained *Individual Landowner Certification* through Westwind – a Smartwood affiliated company based in Huntsville, Ontario in February 2000.

## 2.4 The Westwind Review

Management planning is the cornerstone of FSC certification. The most common format for management planning on private land in Ontario is the Managed Forest Tax Incentive Program (MFTIP) planning document. Westwind Forest Stewardship Inc<sup>2</sup> was contracted to provide an assessment of whether the use of the MFTIP plan could qualify owners of small woodlots for FSC forest certification. The review was to determine:

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<sup>1</sup> In the absence of approved regional standards, the FSC's International Principles and Criteria are used to assess forests.

<sup>2</sup> Westwind is a non-profit organization whose mission is to manage the publicly owned French/Severn Forest in a way that is ecologically and socially sustainable. Westwind is affiliated with Smartwood, a not-for-profit program of the Rainforest Alliance that is committed to promoting and delivering FSC certification.

- If the MFTIP contains policies or practices that negate FSC certification on a plan or property basis.
- If plans prepared under MFTIP guidelines require modification to achieve FSC certification on a plan or property basis.
- Whether several MFTIP plans prepared by a Managed Forest Plan Approver (MFPA) could qualify for FSC *Resource Manager Certification*.

Westwind was also asked to identify the components of the GLSL Regional Standards that would be difficult to apply on privately owned forests in the EOMF.

The Westwind Review concluded that use of the MFTIP forest management plan and guide provides an excellent planning framework for owners of small woodlots, and can ensure that their forests are well managed. They also noted that some components of the GLSL Regional Standards would be difficult to apply or achieve at the site level. Recommendations are made and a model is presented that would address these components. Sections of this review are presented or referenced throughout this discussion paper. Further information may be obtained by consulting the review.

In addition to the findings of the Westwind Review of the MFTIP, additional operational and economic challenges are identified in the following. These must be overcome if FSC certification is to be established as a viable option for owners of small woodlots in the EOMF area.

## **2.5 Operational and Economic Challenges of FSC Certification**

In general, the GLSL Regional Standards require meeting, and sometimes exceeding the silvicultural and operational standards that are presently applied on Crown land in central Ontario. The following sections document the operational and economic challenges for achieving forest certification on private land and provide some recommendations for overcoming them.

### **2.5.1 Operational Challenges**

Operational challenges refer to the application of forest management planning, silviculture and operations, and are discussed under the headings: forest management planning; data collection; silvicultural prescription writing; tree marking; harvesting and monitoring.

#### **2.5.1.1 Forest Management Planning**

Principle #7 of the GLSL Regional Standards provides information on forest management planning. The principle states: a forest management plan, appropriate to the scale and intensity of the operations, shall be written, implemented, and kept up to date. The long-term objectives of forest management, and the means of achieving them, shall be clearly stated. More specific information regarding the requirements for forest management plans is found in the criteria of Principle #7.

The results of the Westwind Review indicated that MFTIP provides an excellent planning framework for owners of small woodlots, but also that a number of FSC criteria are not



addressed. Sections that may require additional information are noted in the Westwind Review.

Although the MFTIP may provide a framework for achieving FSC certification, the vast majority of rural landowners are managing their forestland without a management plan. Many landowners have MFTIPs because of the associated 75% property tax reduction. In some situations and in some parts of Ontario, landowners are not participating in the program because the tax savings do not sufficiently compensate them for the effort and obligations required. In addition, agriculture producers that qualify for the Farm Tax Rebate already receive a 100 % tax reduction for the wooded portions of their properties.

**Recommendations:**

- The MFTIP planning document should form the basis for forest management planning in the EOMF/FSC Forest Certification for Small Woodlot Owners Pilot Project.
- A package should be prepared to provide information regarding sections of the MFTIP that must be enhanced for certification.
- A harvest plan should be prepared. This plan would contain much of the information found in the MFTIP plan, but none of the administrative information required for reclassification. This plan would facilitate marketing the certified wood (for a higher return).

**2.5.2 Data Collection and Inventory Standards**

Principle #6 of the GLSL Regional Standards provides information regarding data collection requirements for FSC certification. The principle states: “forest management shall conserve biological diversity and its associated values, water resources, soils and unique and fragile ecosystems and landscapes, and by doing so, maintain the ecological functions and integrity of the forest”. The criteria reference assessment of environmental values, pre-harvest site inspections and comment on the protection of rare, threatened, and endangered flora and fauna. They also reference OMNR’s guidelines for the management of wildlife. This detailed information is required to prepare prescriptions, harvest plans, and maps.

There are currently no data collection standards in place for private land forests in Ontario, but guidelines presented in OMNR’s Forest Information Manuals could be used. Some publications are available for the private woodland owner however, the context and intensity of data collection requirements varies. The minimum standards for data collection in the MFTIP do not provide sufficient information to develop a prescription to the level required in the GLSL Regional Standards. Most MFTIP plans have a more detailed inventory than the minimum requirements, but usually do not achieve requirements of the GLSL Regional Standards.

To ensure that data collection/inventory standards meet the criteria for FSC certification, a level above the minimum specified in the MFTIP is required. This could be achieved by ensuring that the inventory forms found in the MFTIP are fully and accurately completed.

**Recommendation:**

- Obtain a data collection/inventory system and standards from a central Ontario Sustainable Forest License (SFL). Test their applicability on private land through the EOMF/FSC pilot project.

### 2.5.2.1 Silvicultural Prescriptions

Silvicultural prescriptions are developed and written specifically for a forest stand. Criteria 6.2.a of the GLSL Regional Standards states that: “*forest management and silvicultural prescriptions are based upon an understanding of vegetation and soil types and use of a Forest Ecosystem Classification (FEC) type system if available*”. Criteria 6.2.b states that: “*forest management and silvicultural prescriptions emulate natural disturbance patterns and processes of the ecosites and follow “accepted silvicultural guidelines”*”.

There are varying degrees of emphasis put on prescriptions for silvicultural activities carried out on private forests in the EOMF area. On crown land being managed under Sustainable Forestry Licenses (SFL’s) the licensee is responsible for preparing prescriptions and the prescription must be signed by a Registered Professional Forester (RPF). Guidelines for prescriptions typically are developed from OMNR’s silvicultural guidelines (e.g., *A Silvicultural Guide for the Tolerant Hardwood Forest in Ontario* (OMNR 1998a), *A Silvicultural Guide for the Great Lakes-St. Lawrence Conifer Forest in Ontario* (OMNR 1998b), *A silvicultural guide for southern Ontario’s forests* (Site Regions 7e and 6e) is in preparation (OMNR 2000).

**Recommendations:**

- Recommend applicable silvicultural guidelines for various forest cover types or working groups that occur in the EOMF area.
- Obtain a prescription system and standards from a central Ontario SFL and test their applicability on private land in the EOMF area.
- Have a Professional Forester sign off on the prescriptions until the Level 3 Silvicultural Prescription writing course of the provincial tree-marking series is prepared by OMNR.
- Provide forestry practitioners participating in the EOMF/FSC pilot project training opportunities to become familiar with the various OMNR guidelines for forest management.

### 2.5.2.2 Tree Marking

Approximately 50 forestry practitioners from the EOMF area have taken the provincial tree-marking course. Of these, about 10 have passed the field check and are OMNR certified provincial tree-markers. The majority of these individuals are affiliated with either the OMNR or Domtar in Cornwall.

The Southern Ontario Tree Marking Course – based on the Silvicultural Guides for Southern Ontario - is available October 24-26 at Turkey Point and may stimulate interest with accredited tree markers. Candidates for the Southern Ontario Tree Marking Course must have successfully completed the provincial course. As earlier noted, the GLSL

Regional Standards, in Criteria 6.2.b, states that: forest management and silvicultural prescriptions emulate natural disturbance patterns and processes of the ecosites and follow accepted silvicultural guidelines. The standards (Mandatory Performance Indicators for Silvicultural Systems) provides specific basal area targets for performance indicators and states that:

- Trees to be removed are marked such that the post-cutting stump mark is evident.
- Diameter-limit-cuts and other forms of high grading are not used on the property.
- Licensed/certified tree markers (or equivalent) conducts tree marking.

**Recommendations:**

- Ensure that forestry practitioners participating in the EOMF/FSC pilot project are OMNR certified tree markers and have taken the recently developed Southern Ontario Tree Marking Course.
- A few forestry practitioners participating in the EOMF/FSC pilot project should be encouraged to attend the Southern Ontario Tree Marking Course.
- The EOMF should facilitate offering the Southern Ontario Tree Marking Course in the Lanark County area for spring 2001.

2.5.2.3 Harvest Practices

The GLSL Standards are specific regarding harvesting practices. A considerable portion of Principle #6 deals with harvest planning and monitoring. OMNR forest management guides and standards are referenced in some criteria while in other criteria – standards are above those applied on Crown land.

There is presently no official training program for loggers in Ontario. Tembec Forest Products in Huntsville, has a training program for operators working on their certified private land program. There are a number of other initiatives to certify loggers but none are readily accessible. The Professional Forest Worker Training Initiative may provide an opportunity to bring standards and/or accreditation to the logging industry but won't be available in the time. In addition to the harvest practices, harvest monitoring is also a GLSL standards requirement, but is carried out to varying degrees on private land and in most cases damage standards are not quantified.

**Recommendations:**

- In the short term – select the best loggers to participate in the EOMF/FSC pilot project and work closely with them to achieve the requirements of the GLSL Regional Standards.
- Develop a logging damage assessment monitoring system to use in the EOMF/FSC pilot project.
- In the long term – investigate and support the development of training opportunities for woods operators both in the EOMF area and across the broader landscape.

2.5.2.4 Summary of Operational Challenges

The general consensus of those participating in the EOMF Sustainable Forestry Certification Working Group is that on an operational basis, the GLSL Regional Standards involves elevating the quality of forestry presently occurring on private land to the standards being carried out on Crown land – and in some situations – above Crown

levels. Some forestry practitioners/operators are presently trained and operating at this level, others are not.

### 2.5.3 Economic Challenges

Economic challenges refer to the potential added costs that are incurred to achieve FSC certification. The following economic challenges are discussed: training costs; forest operational costs and documentation costs.

#### 2.5.3.1 Training Costs

In most cases, forestry practitioners interested in applying forestry to the level of the GLSL Regional Standards will be required to take training to increase their familiarity with one or more of the following:

GLSL Regional Standards  
MFTIP planning process and documentation  
OMNR forest management guides  
Data collection/inventory standards and prescription writing that is recommended for the pilot project  
Southern Ontario and Provincial Tree Marking Course  
Operational monitoring and assessment

Forest operators will also likely be required to take training with one or more of the following:

GLSL Regional Standards  
OMNR forest management guides  
Careful logging practices

Forestry practitioners/operators could be directly impacted by the cost of participating in the pilot project – the cost of training; and indirectly impacted – lost wages as a result of “down-time” for training.

#### **Recommendations:**

- Select forestry practitioners/operators to work with the pilot project who have a strong technical background in forestry and who are familiar with the systems and standards applied to Crown land.
- Provide partial compensation for their direct and indirect costs.

#### 2.5.3.2 Documenting Costs

The increased documentation costs refers to the additional planning that is required in the GLSL Regional Standards and operational monitoring.

Forestry practitioners will charge the landowner for their time and expertise in preparing documentation. Many are presently minimizing cost to the landowner by applying their expertise quickly and efficiently with minimal documentation.

Landowners may find the increased documentation - in addition to that already required in the MFTIP program redundant or excessive.

**Recommendations:**

- Develop information products and forms and ensure that adequate training is provided for forestry practitioners/operators and landowners participating in the pilot project to attempt to minimize documentation costs.

**2.5.3.3 Operational Costs**

All of the operational challenges that were previously noted will result in an increase in costs. Many forests in the EOMF area are presently being well managed without the benefit of a plan or the “intensity of scrutiny” required by FSC certification. It is also recognized that many forests in the EOMF area are not being well managed and harvests are conducted without a prescription, marking or any monitoring. Operational costs will be increased when bringing both well-managed and poorly managed forests into a certified system.

**2.5.3.4 Summary of Economic Challenges**

The combination of the three costs (training, documentation, operational) must be borne in the system. The system is comprised of:

The landowner

The forestry practitioner/operator

The primary/secondary wood using industry.

In the short term, it is unlikely that there will be any economic advantage to certification at the level of the primary/secondary wood using industry. In other words, the money flowing into the system will probably not increase. This means that the landowner and the forestry practitioner/operator will be required to bear the costs of certification. However, the forestry practitioner/operator have fixed costs that they must cover.

Without careful thought and planning in the development of the EOMF/FSC Small Woodlot Owner Forest Certification Pilot Project – landowners of well-managed forests may receive less for carrying out certified operations on their property. If this is a reality of certification, then it is important that the implementation of the certification be carried out in such a way to minimize the loss in revenue to the landowner.

### **3 A proposed model for achieving forest certification in the EOMF**

The goal of the EOMF/FSC Small Woodlot Owner Forest Certification Pilot Project, as supported by the Richard Ivey Foundation, is to determine if FSC certification is a viable option for small private woodlot managers. This goal was assessed taking into account the Westwind Review and the operational and economic challenges found in eastern Ontario. It was recognized that in order to provide certification as a viable option, any model developed should meet the following principles:

- Be accessible to all landowners
  - Be capable of achieving financial self sufficiency
  - Be able to accommodate other landowner groups
  - Build on use existing capacity
  - Maintain equitable membership on its board
  - Respects First Nations considerations
  - Takes an innovative approach
- 
- Obtain sustainable forest management
  - Test the certification concept on small woodlots
  - Enhance and support communities long term values
  - Recognition of accepted standards for forest management efforts
  - Landowner preparation towards direction of sustainability
  - Access to a broad range of markets

#### **3.1 Minimizing Costs to the Landowner**

The key to developing an inclusive system where cost is not a barrier to participation. Elements in minimizing costs are:

Distributing the cost of certification over a large enough group to develop economies of scale;

Developing a “beneficiary pays system” that allows individuals benefiting from certification – or interested in participating in certification - to contribute time, ideas or finances; and

Utilizing existing infrastructure and initiatives to avoid duplication.

**It is also recognized that for any system to be developed and prosper in the longer term, its reliance on external funding sources must be minimized.**

The previously discussed Westwind Review identified components of the GLSL Regional Standards that would be difficult to apply or achieve at the site level. In their report, Westwind noted that as their review progressed a model began to emerge that saw the need for a landscape level group that would provide structure for certified management activities.

In their model they referenced a landscape level group: the Forest Management Group (FMG) that would provide a framework for Forest Managers who would provide services to landowners using the Standard Operating Procedures. The Standard Operating Procedure would include the requirements of GLSL Regional Standards and the OMNR forest management guides. Westwind also included a summary of information products that would be required to implement the model referencing the Standard Operating Procedures, a landowner/Forest Manager Contract, a planning document (the MFTIP guide) a prescription and map.

### **3.2 Taking a Landscape Approach**

The Forest Management Group concept, proposed in the Westwind Review was explored with respect to potential structure. Options ranged from developing a new corporate structure to building on an existing one. It was decided that the most direct and efficient means of pursuing certification was through the EOMF Certification Working Group using the FMG concept.

The EOMF Certification Working Group will act as an “umbrella organization” that develops and manages the Standard Operating Procedures document. The Standard Operating Procedures will provide systems and procedural guidelines for implementing certification in the EOMF area. Forestry practitioners, who have a proven track record at delivering quality work will be selected to work with clusters of landowners interested in certification as Forest Managers. The EOMF Certification Working Group will apply for FSC Group Certification through an audit of operations carried out under the Standard Operating Practices.

The EOMF is well positioned to address certification at a landscape level and already provides higher level analysis through the annual State of the Forest Reports. In addition, the 2000/2001 EOMF work plan references preparing a strategic document that describes the goals and objectives of the EOMF area with respect to: percent forest cover targets; representation of forest types and age classes; sensitive protected areas and priority areas for reforestation. These measures of sustainability are important components of FSC certification.

### 3.2.1 The EOMF Certification Working Group

The EOMF Certification Working Group will be “incubated” by the EOMF and will utilize the EOMF’s legal and administrative structure for certification. The concept of incubating organizations within the EOMF has been applied successfully in the development of the Ferguson Forestry Center, the EOMF Mapping & Information Services Information and the ice storm relief program (FRAP). The benefits of having the EOMF Certification Working Group obtain FSC certification include:

- EOMF- is already a multi-stakeholder group that includes landowners, forest industry and First Nation’s representation;
- EOMF- has an existing corporate and legal structure that allows for the administration of the certificate;
- EOMF- is viewed in the community as an honest broker of forest stewardship; and
- the energy involved in the creation of an organization to hold the certificate is minimized.

The membership of the EOMF Working Group is comprised of representation from landowners, Domtar Communications Paper- Cornwall, the Eastern Ontario Model Forest, the Forest Stewardship Council, the Ontario Woodlot Owner’s Association, the Ontario Ministry of Natural Resources and Boisse Est. Other groups may express an interest in participating in the EOMF Certification Working Group. The criteria for participation would include a contribution of time, expertise or funding to aid in the development of the certification initiative.

The purpose of the EOMF Certification Working Group is to:

- Obtain FSC certification;
- Oversee the certificate;
- Develop the business plan to manage the certificate; and
- Promote certification in the EOMF area.

The working group will continue to investigate and promote different types of certification and may eventually maintain more than one certificate. Pursuing FSC certification will be the focus of the working group over the next 18 months

The EOMF, through the certification working group, will have the ultimate responsibility for managing the certificate and ensuring that operations meet those specified in the GLSL Regional Standards. Principles that govern the EOMF Certification Working Group include:

- It operates with a degree of autonomy as a project, under the EOMF with a separate budget

- There will be low start up and maintenance costs;

- It is run as a not for profit business and a business plan will be prepared; and

- It will assist in developing/promoting training for forestry practitioners/operators with an interest in working towards certification.



### 3.2.2 Standard Operating Procedures (SOP)

**Target Audience:** Forest Managers working with the EOMF Certification Working Group.

The GLSL Regional Standards provides the criteria by which forestry operations under the EOMF/FSC Small Woodlot Owner Forest Certification Pilot Project will be measured. The Westwind Review indicated that the primary basis for the Standard Operating Procedures should be the OMNR guides for forest management. This will ensure that the Forest Management Group meets the GLSL Regional Standards generally the standards are based on the guides. Westwind also noted that there may be some areas that are not covered by OMNR guides or other documentation and in these situation the Forest Management Group must provide direction.

The purpose of Standard Operating Procedures is to provide:

Standards to ensure consistency of silviculture operations between Forest Managers working with landowner cluster participating in the EOMF Certification Working Group;  
Recommendations on appropriate silvicultural guidelines for the forests of the EOMF area;

An interpretation of the GLSL Regional Standards for owners of small woodlots in the EOMF area.

Criteria for designating “Forest Managers” under the EOMF Certification Working Group;

Directions and criteria for groups with an interest in forming certified clusters.

Methodologies and formats for data collection: prescriptions, harvest planning and monitoring under the EOMF Certification Working Group.

The intent of the Standard Operating Procedures is to utilize existing documents and fill any gaps where needed:

The Guide to the Managed Forest Tax Incentive Program (MFTIP) 2000;

OMNR Certified Tree Marker Program and associated documentation;

OMNR Silvicultural guides for forest management

SFL’s forms and methodologies that are being used

Modified membership information packages developed for other certification. (Vermont Family Forest)

The Standard Operating Procedures should provide forestry practitioners interested in entering into the certified system all of the information that they require to obtain Forest Manager designation under the Forest Management Group and to develop a landowner cluster. The Standard Operating Procedure will be reviewed towards project completion

The SOP is a technical document that is designed for use by Forest Managers operating under the umbrella of the EOMF Certification Working Group. Some landowner participants may be interested in reviewing this document but it will be technical. Information targeted at participants is required.

### 3.2.3 The Landowner Information Package

**Target audience:** Landowners participating in the EOMF/FSC Small Woodlot Owner Forest Certification Pilot Project

The purpose of the landowner information package is to provide:

Background information on certification.

Information regarding obligations under the EOMF/FSC certification pilot project;

Information on record keeping that is required ensuring compliance

Eastern Ontario Model Forest Code of Practice

User Friendly Guide to FSC Certification.

The Silvicultural Guide to managing forests of southern Ontario

#### 3.2.3.1 Brochures and Newsletters

**Target audience:** Individuals interested in good land stewardship.

One of the mandates of the Sustainable Forestry Certification Working Group of the EOMF is to develop and share an understanding of how the trend towards sustainable forestry certification may impact upon eastern Ontario. Brochures and newsletters are typically the best way to address this task.

Brochure: develop a brochure communicating the EOMF/FSC Small Woodlot Owner Forest Certification Pilot Project.

Newsletter: utilize the existing Eastern Ontario Model Forest newsletter (Forestry Forum) to communicate developments in the pilot project and certification in general.

## 4 Implementing Certification in the EOMF Area

The EOMF/FSC Small Woodlot Owner Forest Certification Pilot Project, as supported by the Richard Ivey Foundation, commits to designing and implementing a pilot project demonstrating the benefits and feasibility of certification for small woodlot owners in Ontario. The Westwind Review coupled with the review of the operational and economic challenges indicated that the development of the EOMF Certification Working Group was a good approach for certification in eastern Ontario.

As the one of criteria of the EOMF Certification Working Group is to spread the cost of certification over a large enough group to develop economies of scale – certification based on the Standards Operating Procedures will be initiated with two landowner clusters. The first being a cluster centered on Domtar Forest Products' Private Woodland Management Program based out of Cornwall, Ontario. The second is a cluster of landowners interested in certification in Lanark County.

Figure 1 presents the model for implementing certification, and is based on the following sequence of events:

Develop the EOMF Certification Working Group.

Obtain FSC certification based on an audit of the Standard Operating Procedures and the application of these standards by Domtar on their Private Woodland Management Program.

Develop a landowner cluster in Lanark and carry out operations according to the Standard Operating Procedures; and

At the time of the first year audit have the operations on the Lanark Cluster audited.

The EOMF Certification Working Group will pursue FSC certification based on the Standard Operating Procedures and an audit of operations being carried out by Domtar on their Private Woodland Management Program. The working group will then demonstrate at the time of the first year audit that an Independent Forest Manager working with a group of landowners can achieve the same quality of operations.

Figure 1: The Eastern Ontario Certification Initiative.

Eastern Ontario Certification Working Group			
Board Members:	Domtar Cornwall EOMF Landowner(s) – certified OWA MNR Sawmill		
Organizational objectives:	Obtain FSC certification Oversee the certificate Develop the business plan to manage the certificate		
Standards Operating Procedures			
FSC Principles and Criteria.	Management structure.		
<ol style="list-style-type: none"> <li>1. Compliance with laws and FSC principles.</li> <li>2. Tenure and use rights and responsibilities.</li> <li>3. Indigenous people’s rights.</li> <li>4. Community relations, worker’s rights and human resources.</li> <li>5. Benefits from the forest.</li> <li>6. Environment impact.</li> <li>7. Management plan.</li> <li>8. Monitoring/assessment.</li> <li>9. Maintenance of high conservation value forests.</li> <li>10. Plantations.</li> </ol>	<p>Forest Manager responsibilities</p> <p>Landowner responsibilities.</p> <p>Management planning and operational standards:</p> <p>Management planning;</p> <p>Data collection;</p> <p>Silvicultural ground-rules;</p> <p>Prescription writing;</p> <p>Marking;</p> <p>Harvesting/monitoring.</p>		
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### **Domtar Cornwall**

Domtar to proceed with certification ASAP – based on an audit of forest practices carried out on their Private Woodland Program. The certificate will be held by the “umbrella organization” the Eastern Ontario Management Inc.

A consultant with an interest in certification will be contracted to work alongside Domtar through the certification process.

### **4.1 The Lanark Cluster**

The individual leading the EOMF Certification Initiative will work to develop the “Lanark Cluster” – a group certification model.

The interest(s) of the group will dictate the structure (e.g., a group interested in certification - a “co-operative” model).

The consultant who worked with Domtar through the certification process will be brought on as the resource manager to assist the cluster.

The cluster and resource manager will go through the first year audit.

### **4.2 Developing the EOMF Certification Working Group**

The concept behind the development of the EOMF Certification Working Group is that an overseeing group can influence forestry practitioners/operators to work to a standard. This concept relies heavily on the assumption that there is a market for the standard of forestry being proposed.

Recognizing the number of variables that are involved in the development of the “umbrella organization” there will be a heavy reliance on an adaptive approach to management structure. A review of the working group is planned at the end of the pilot project to assess its effectiveness. Specific items to review include:

The cost of obtaining and maintaining certification through the EOMF Certification Working Group;

Methods of ensuring accountability of Forest Manager(s) in the system

The long term viability of the system.

The implementation of the EOMF Certification Working Group will allow for certification to be achieved in the EOMF area. This is projected to be an accountable, cost-effective system that has growth potential.

### **4.3 The Domtar Private Woodland Management Program and Certification**

The strategies of having an “umbrella organization” obtain certification and promoting the development of clusters of landowners has been tested with Westwind – Smartwood Program and Scientific Certification Systems. Both expressed an interest in being involved in the certification.

Domtar Forest Products has an interest in proceeding with the certification under the EOMF Certification Working Group because it shows an openness to third party auditing and is seen as a way of promoting good forest practices through eastern Ontario. In addition, they have a history of good forest practices on private land and look forward to confirming this with their participating landowners. Domtar will play an important role in the development of the Standards Operating Procedures as they are using many of the OMNR forest management guides and believe they are currently operating to the level of the GLSL Regional Standards. Many of the detail are not included, as Domtar will be leading this component of the initiative with minimal assistance from the EOMF Certification Working Group.

#### **Step 1: General preparation**

The initial preparatory work will involve documenting procedures in order to assist with the development of the Standard Operating Procedures document. The EOMF Certification Working Group will take a lead with the development of a Request for Proposal for FSC certification with the hope that various certifiers will express an interest and submit proposals. This process will involve exploring the benefits of the different certifiers and finding the system that best fits the EOMF area.

#### **Step 2: Initial scoping exercise**

The certifier will be contacted to provide a pre-assessment to assist in the development of the umbrella organization, the Standard Operating Procedures and the Domtar field audit.

#### **Step 3: Certification process**

The general FSC certification process is as follows (Note: this is based on the Smartwood Program):

The client submits an application

The certifier develops a proposal for conducting an assessment

The certifier convenes a multi-disciplinary assessment team, typically consisting of a forester, ecologist, and a forest economist with strong region-specific experience

The team visits office and field operations, meets with the client’s staff, and evaluates the client’s forest management plan and the on-the-ground forest management history against guidelines

The assessment team develops a draft report

The certifier, the client, and two independent peer reviewers evaluate the report to verify that the team has assembled accurate information

The certifier makes a recommendation based on the team’s findings and the comments of the peer reviewers. Recommendations often include conditions to improve the client’s forest management operations and to satisfy certification standards

#### Step 4: First year audit

FSC Certification remains in effect for five years and certifiers are required to audit certified operations annually. To remain certified the operations must continue to meet the FSC standards. Auditors meet with managers to review the past year's activities, new forest management planning documents, and conduct a field audit.

#### 4.4 The Development of the Lanark Cluster

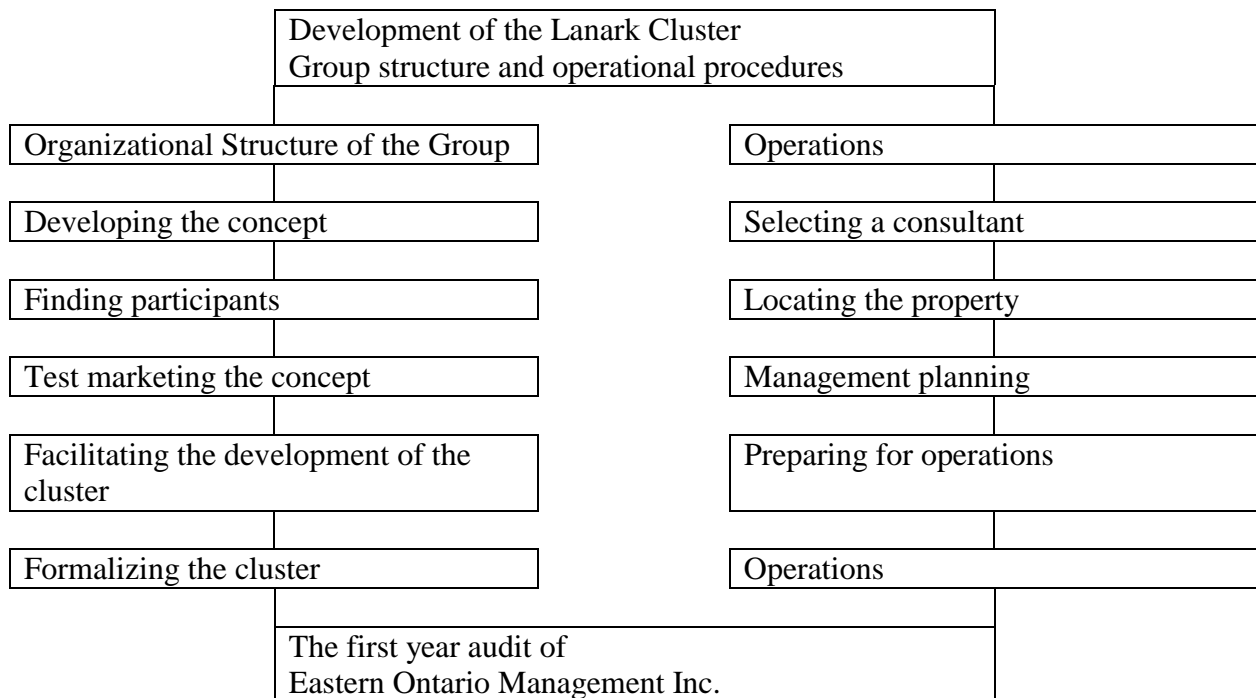
The Lanark Cluster is the name given to the group certification component of the overall EOMF certification initiative. Figure 2 presents the two components essential to the development of the Lanark Cluster:

Develop in the group's organizational structure, and

Building the capacity of a forest manager whom will work with the cluster and assist with implementation of forest management activities.

Both components are discussed in the following.

**Figure 2: Development of the Lanark Cluster in preparation for the first year audit.**



#### 4.4.1 Developing the group's organizational structure

##### **Step 1: Developing the concept**

In order to test group certification, a group of landowners must be found who are willing to contribute their time to pursue group certification of their property. Fifteen to 20 landowners is a reasonable number, and provides opportunity for individuals with diverse backgrounds and objectives to participate. The criteria for participation are to include bullet list of criteria developed by Scott

The costs associated with the development of the Cluster will be paid from the Richard Ivy Foundation funding for the EOMF/FSC pilot project. They should be closely tracked to ensure accurate reporting.

##### **Step 2: Finding participants**

Potential members on the Lanark Cluster will be drawn from the following sources:

Referrals from the OWA

Referrals from the Lanark Stewardship Council

Referrals from the EOMF

Forest Manager contacts

Individuals who have expressed an interest in certification.

As participants are found, the concepts behind the EOMF Certification Working Group and the Lanark Cluster portion of the initiative will be further developed. The development of the program requires “buy-in” from landowners and therefore must be fluid to ensure the interests of the various parties are being considered.

##### **Step 3: Facilitating the development of the cluster**

When the 15 to 20 initial participants of the Lanark Cluster have been found and have expressed an interest in participating they will be brought together to further develop the idea. The primary question is: “How would you like to see this develop?”

The EOMF/FSC Small Woodlot Owner Pilot Project requires a group of landowners with an interest in testing certification to be formed. The group may have an interest in going beyond this point and testing some other concepts such as co-operative models as are found in Wisconsin and Vermont. Some participants in the cluster may be interested in visiting other working models to see what makes them work. Potential models should be assessed with a business case to determine their long-term viability.

##### **Step 4: Formalizing the cluster**

As the group is developed and begins to mature they will require the development of a structure – including a name, constitution and a leadership structure. Depending on the nature of the group this may be a pressing issue or it may be less important. As the certificate will be held by the umbrella group the legal aspects in the development of this group are not as pressing. It is important that the group report back at the end of the 18-month pilot project to provide insight on the potential obstacles or strengths of the group format.



#### 4.4.2 Building the capacity of the forest manager

##### **Step 1: Selecting a forest manager**

A Forest Manager is required to work with the Lanark Cluster to assist them with planning and to ensure that the quality of the forestry operations meets the requirements in the Standard Operating Procedures. There are likely numerous consultants who would be interested in participating in the pilot project and a competitive process should be used to select the candidate.

The initial certification audit will be carried out on the Domtar Woodlot Management Program properties and will provide the certificate to be held by the Eastern Ontario Model Forest Certification Working Group. The forestry practitioner who becomes the Forest Manager for the Lanark Cluster will benefit from working with Domtar through the initial certification process EOMF. It is hoped that through a “shadowing exercise” the Forest Manager will be able to familiarize them with the audit process and to ready them for the first year audit of the Lanark Cluster.

The Forest Manager for the Lanark Cluster may benefit over the long term but over the short term, will incur costs with no guarantee of compensation. For example, some of the costs that will be incurred by the Forest Manager include:

Time involved in working with Domtar familiarizing themselves with the quality of operations required.

Time and expenses incurred in traveling between Cornwall and the Lanark Cluster.

Time involved in helping with the development of the Lanark Cluster; and

Additional training time required for the consultant and their staff to ensure that they are capable of operating to the standards of practice.

The EOMF pilot project will compensate the Forest Manager for his/her time and expenses. The specifics of the Request for Proposal (RFP) and payment schedule for the Forest Manager will need to be developed, and also presented to the landowners for their input. Requirements of the forest management plan RFP for the FSC certified York Region Forest specified a team approach and required expertise with wildlife habitat planning, natural heritage conservation, and identification of rare, threatened and endangered species (Len Munt, Region of York Forester, personal communication, 2000)

##### **Step 2: Locating a property**

Certification involves the audit of on-the-ground management activities. The initial audit for the EOMF Certification Working Group will be carried out on the Domtar Woodland Management Program and be based on the Standards Operating Procedures document.

The Forest Manager will employ these same standards on the Lanark Cluster forests.

The Lanark Cluster would not necessarily be required to carry out operations to be certified. A review of the past work of the Forest Manager could be sufficient. However, the goal of the EOMF/FSC pilot project is to establish FSC certification as a viable option. This requires testing the applicability of the GLSL Regional Standards to numerous parcels of private land.

Testing the GLSL Regional Standards means attracting one or more landowners to the Lanark Cluster whom are ready and willing to carry out harvesting activities. The Forest Manager may have contacts who have properties suitable for a partial harvest and who would be interested in proceeding with a harvest at this time. A parcel of land owned by a public organization such as an agreement forest may be a suitable candidate for a. In order to be ready for the first year audit, the operations should happen according to the following schedule:

Summer	- locate the property
Fall	- management planning
Late fall	- prepare for operations
Winter	- carry out operations.

### **Step 3: Management planning**

Some management planning will be required since not all landowners will have plans, and those that have plans will likely require updating to GLSL standards. The management plan and related documentation must meet the criteria outlined in the Standard Operating Procedures. The cost of the planning, above the cost of a standard MFTIP plan, should be covered by the EOMF/FSC pilot project.

### **Step 4: Preparing for operations**

Preparing for operations includes marking and harvest planning. The Forest Manager will have responsibility for these tasks. It is important that the Forest Manager track the time involved in the preparation for activities. This will provide an estimate of additional costs of carrying out operations to the requirements of the Standard Operating Procedures document.

### **Step 5: Operations**

Operations should be carried out in the winter months to attempt to minimize logging damage. Careful monitoring will be required. The Forest Manager will carry out monitoring.

## 5 Literature Cited

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**Appendix A:**

**Scoping of the Managed Forest Tax Incentive Program**

**Appendix B:**

**Principles of the FSC**

