

Annual Review 2005

Sustainable Forest Management

is based on environmentally, socially beneficial and economically viable management of forests for present and future generations.

PEFC Council

Programme for the Endorsement of
Forest Certification schemes



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<i>1st Vice Chairman</i>	Hannu Valtanen
<i>2nd Vice Chairman</i>	Bob Simpson
<i>Secretary General</i>	Ben Gunneberg

Board of Directors

Josef Barton	Hans Köpp
Kathy Bradley	Luis Leal
Michael Clark	William Luddy
Marian Freiherr von Gravenreuth	Ulf Österblom
Sébastien Genest	Paul Wooding



Photos Courtesy: Consorzio Forestale dell'Amiata (front cover, page 2), Jean Michel Clajot (page11)



Henri Plauche-Gillon

A letter from the Chairman, Henri Plauche-Gillon and the Secretary General, Ben Gunneberg



Ben Gunneberg

2005 has been a very successful year for PEFC forest certification globally. In March, PEFC's endorsed certified forest area topped the 100 million hectares mark and continued to increase to more than 187 million hectares by the end of the year; equivalent to two thirds of the world certified forest area. Around 6% of the world's forest area is now certified accounting for over 20% of the global industrial roundwood production.

In addition to the rapid growth of certified area and of PEFC certified raw material, PEFC's recognition in government and private procurement policies and in the market place also grew. For example France and the UK, have recognized PEFC for their Public Timber Procurement Policies, thus giving PEFC certified timber and paper products preference in public tendering processes.

Increasing numbers of paper/timber trading and processing sector companies have chosen PEFC as their efficient and reliable tool for the safe sourcing of raw materials and products as demonstrated by the steady increase of Chain of Custody certificates at a rate of nearly 2 per day.

Steady membership growth has also been demonstrated by the national forest certification systems from Belarus and Slovenia joining the PEFC. This brings to 32 the number of member schemes of which 21 had endorsed status by the end of 2005 including the seven systems which successfully completed their assessment process throughout the year. In addition international organisations like MECSEA (see later) have joined or are interested in joining the PEFC Council.

The establishment of the "building bridges" programme in the UK, the support for the international environmental organizations (ENGO) network and the initiative for the promotion of sustainable forest management amongst eastern European countries complement other communications efforts, such as the PEFC Asia promotions initiative, and demonstrate PEFC's commitment to further international growth and development.

PEFC continues to work closely with international organisations, such as FAO, IAF and others involved and interested in forest certification. In direct talks and contacts, PEFC has strengthened and will continue to focus on its dialogue and relationships with key decision makers, such as green building initiatives, governmental agencies, DIY retailer chains, ENGOs, enterprises in the processing and trading sector and social groups involved in forest certification, contributing to PEFC's mission of promoting sustainable forest management of the world's forests through independent third party forest certification.

Henri Plauche-Gillon
Chairman

Ben Gunneberg
Secretary General

List of PEFC Council Members

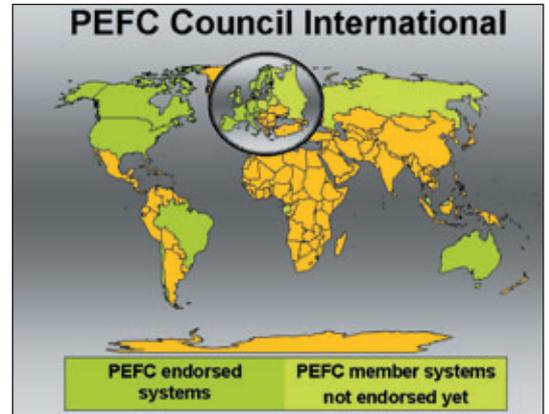
Country	Member organisation	Website
Australia	Australian Forestry Standard Ltd	www.forestrystandard.org.au
Austria	PEFC Austria	www.pefc.at
Belarus	Belarusian Association of the Forest Certification System*	
Belgium	WoodNet asbl	www.pefc.be
Brazil	INMETRO (on behalf of CERFLOR)	www.inmetro.gov.br/english
Canada	CSA International	www.csa.ca
Chile	CERTFOR Chile	www.certforchile.cl
Czech Republic	PEFC Czech Republic	www.pefc.cz
Denmark	PEFC Denmark	www.skovforeningen.dk
Estonia	Estonian Forest Certification Council*	
Finland	Finnish Forest Certification Council	www.ffcs-finland.org
France	PEFC France	www.pefc-france.org
Gabon	PAFC Gabon*	
Germany	PEFC Deutschland e.V.	www.dfzr.de
Ireland	PEFC Council of Ireland*	
Italy	PEFC Italia	www.pefc.it
Latvia	PEFC Latvia Council	
Lithuania	PEFC Lithuania Council*	www.forest.lt
Luxembourg	PEFC Luxembourg	www.pefc.lu
Malaysia	Malaysian Timber Certification Council*	www.mtcc.com.my
Norway	PEFC Norway	www.pefcnorge.org
Poland	PEFC Polska*	
Portugal	Conselho da Fileira Florestal Portuguesa	
Russia	National Voluntary Forest Certification Council, Russia*	
Slovakia	Slovak Forest Certification Association	www.pefc.sk
Slovenia	Institute for Forest Certification (Slovenia)*	www.pefc.si
Spain	PEFC España	www.pefc.es
Sweden	Svenska PEFC ek. för.	www.pefc.se
Switzerland	HWK-Zertifizierungsstelle*	www.wvs.ch
United Kingdom	PEFC UK Ltd	www.pefc.co.uk
United States of America	Sustainable Forestry Board (on behalf of SFI and ATFS*)	www.aboutsfb.org

*The national certification system is not endorsed by the PEFC Council

PEFC Council Milestones in 2005

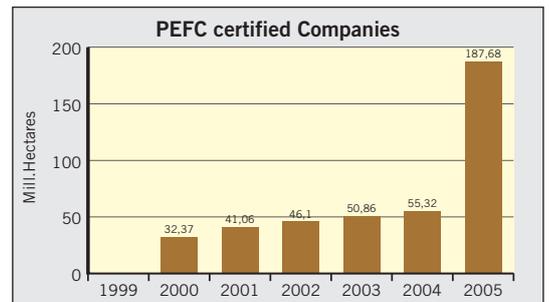
PEFC – Global platform for the mutual recognition of forest certification systems

PEFC strengthened its role as the global benchmark of independent national forest certification systems in 2005. 31 member countries from six continents have joined the PEFC Council in the last 6 years, of which 21 have gone through the rigorous PEFC assessment and endorsement process and have successfully implemented equally high standards for forest certification systems, in their countries. Only PEFC endorsed certification systems can participate in the global trade of PEFC certified products and use the PEFC logo on their products.

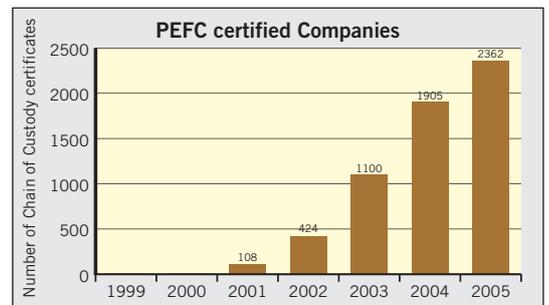


PEFC's Global Growth and Developments

The area of PEFC certified forests has more than tripled in 2005 and reached over 187 million hectares (462 million acres) globally. Among the newly endorsed forests were the two major North American certification systems, the Canadian Standards Association (CSA) Sustainable Forest Management Program and the Sustainable Forestry Initiative (SFI) Program for the US and Canada.



Every day new timber and paper trading and processing companies in 2005 chose a PEFC Chain of Custody certification for their business. More than 600 new companies had their businesses independently audited as responsibly sourcing their products from PEFC certified suppliers and forests. (156 companies certified under the Q-label scheme, whose endorsement was suspended in November 2005 pending corrective action, are not included in the 2005 figure.)



Examples of PEFC certified and labelled products available in the market. Details of all PEFC certified companies are available at the PEFC Statistics Interactive Database at www.pefc.org.

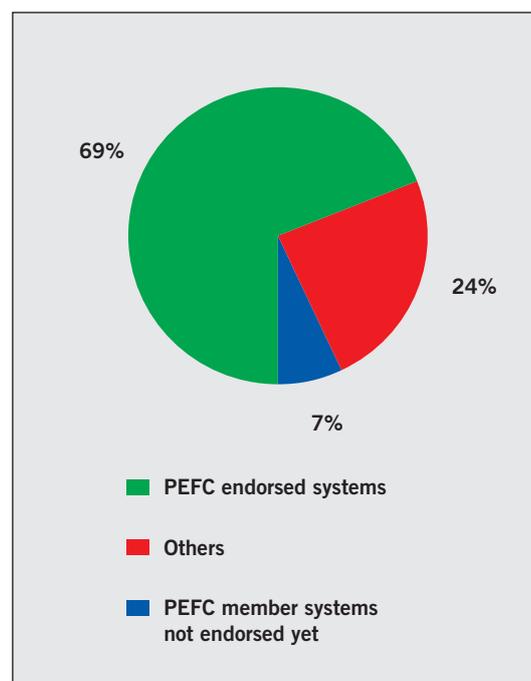


PEFC – World's largest resource of certified wood

More than 260 million hectares of forests were certified to various certification systems in 2005, the vast majority to national systems within the PEFC certification umbrella. Two thirds of all certified forests globally have been endorsed by PEFC, making PEFC the world's largest resource of certified wood. The Forest Products Annual Market Review 2004-2005 of the United Nations Economic Commission for Europe UNECE estimates the potential supply of certified timber from forests in the UNECE region at about 20% of the timber consumption.

PEFC / Countries	Endorsed certified forest area (ha)	Chain of Custody certificates
Australia	5 166 190	1
Austria	3 924 000	290
Brazil	882 049	0
Belgium	244 270	55
Canada (CSA)	69 209 277	48
Chile	1 552 420	8
Czech Republic	1 944 560	206
Denmark	13 617	6
Finland	22 367 196	92
France	3 980 989	814
Germany	7 024 371	556
Hungary*	0	1
Italy	607 345	26
Japan*	0	10
Latvia	37 860	14
Luxembourg	16 627	2
Netherlands*	0	7
Norway	9 231 700	6
Portugal	50 012	1
Slovak Republic	0	0
Spain	393 498	38
Sweden	6 648 752	61
Switzerland**	(329 870)	(156)
United Kingdom	9 125	120
United States (SFI)	54 376 769	0
Total**	187 680 627	2 362

(31 December 2005)



Note:

* A number of timber and paper processing or trading companies in the country hold the international PEFC Chain of Custody certification where there is currently no national PEFC endorsed forest certification system. For details of PEFC certificates see the PEFC Council Interactive database at the PEFC website www.pefc.org.

** The Swiss Q-Label Certification system was suspended by the PEFC Council on 18 November 2005 until compliance with all international PEFC requirements has been achieved.

The Q-Label's certified hectares and number of Chain of Custody certificates therefore are not considered PEFC certified for the time being and not counted in the annual total.

PEFC Council Membership and Endorsements

PEFC Council Members

Two new member countries joined the PEFC Council in 2005: Belarus and Slovenia  

Extraordinary Members

The Manufacturers of Educational and Commercial Stationery European Association (MECSEA), whose member companies represent 80-85% of the stationery and office production in the EU, joined the PEFC Council as an Extraordinary Member. The following international associations already hold Extraordinary Membership:



- Confederation of European Forest Owners (CEPF)



- European Network of Forest Entrepreneurs (ENFE)



- Confederation of European Paper Industries (CEPI)



- European Timber Trade Association (FEBO)



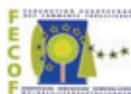
- European Confederation of Woodworking Industries (CEI-Bois)



- Union of European Foresters (UEF)



- European Federation of Community Forests (FECOF)



- Union of Silviculturalists of Southern Europe (USSE)



- European Landowners' Organisation (ELO)



PEFC Endorsement

Five national forest certification systems successfully underwent the PEFC assessment process through independent external consultants and subsequently were endorsed by the PEFC Council:

 Brazilian Program of Forest Certification CERFLOR

 Canadian Standards Association CSA Sustainable Forest Management Program

 Luxembourg Forest Certification Scheme

 Slovak Forest Certification Scheme

  Sustainable Forestry Initiative® SFI Program

PEFC Re-endorsement

Two certification systems underwent their first periodic review and revision process (all PEFC endorsed systems have to undergo every 5 years) and were re-endorsed by the PEFC Council after a lengthy assessment process undertaken by external consultants:

 Finnish Forest Certification System FFCS

 PEFC Germany

Details on all PEFC endorsed certification systems and the consultants' full reports, on which the PEFC Council members based their decisions for endorsement and re-endorsement, are available at www.pefc.org > Members & Schemes.

Continuous development of PEFC certification

PEFC Position Paper on Indigenous People

A PEFC Position Paper on Tribal and Indigenous people, local people, local communities and forest dependent communities was published in December 2005. All PEFC Position Papers are available at www.pefc.org > Documentation > PEFC Position Papers.



International ENGO platform for PEFC certification

The PEFC Council helped facilitate the establishment of an international platform of environmental non-governmental organizations (ENGOS), supporting, participating or interested in PEFC certification and forest certification in general. The aim of the platform is to strengthen dialogue and participation with the ENGO community. FNE the French ENGO umbrella organization (France Nature Environnement), is the platform's secretariat. The secretary is:



Mr Antonin Prébois
FNE, 6 rue Dupanloup,
45000 Orléans, France,
Tel. +33 238 624 926,
Fax +33 238 625 473,
foret-international@fne.asso.fr

PEFC Marketing Initiative “Building Bridges” in the United Kingdom

The PEFC Council started a long-term action to develop the presence of PEFC within the UK market. The marketing and promotions initiative aims to raise the visibility and public awareness for PEFC certified timber and paper products in the UK, as a major import market. Penside Ltd. who are acting as external communications contact for PEFC UK Ltd., was appointed to undertake this task. The contact for the initiative is:



Mrs Hilary Khawam
Penside Ltd.
United Kingdom
Tel. +44 1689 819902
Hilary.khawam@pefc.co.uk

Promotion of forest certification in Central and Eastern European countries

The PEFC Council supported the Contact Office of the Confederation of European Forest Owners Association (CEPF) in Budapest, promoting forest certification in Central and Eastern European countries, which are not yet members of the PEFC Council.



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Continuous development of PEFC certification

PEFC's new option for recycled material



PEFC now provides a new option for the inclusion of recycled material, allowing companies to communicate the content of recycled material in their products through a combined label containing the PEFC logo and the Mobius Loop. A new category for “PEFC recycled raw material”, separate from “PEFC certified material”, was established in the wood tracking system. The accompanying claim for the new label is “Promoting sustainable forest management and recycling–For more info: www.pefc.org”. The percentage of the proportion of the recycled material has to be stated inside the Mobius Loop.

New PEFC Council Standards and Requirements

The PEFC Council members in 2005 further developed and amended the extensive PEFC Council requirements that forest certification systems need to fulfil for PEFC endorsement. Amongst others, PEFC now requires making a summary of certification audit reports publicly available, and having a public consultation, for each individual forest certification. The updated PEFC Technical Document and Annexes are publicly available at www.pefc.org > Documentation > PEFC Technical Documentation.

New Promotional materials

Consumers and companies leaflets



The PEFC Council developed two new information leaflets. The leaflet “PEFC – the responsible choice for Retailers, Printers, Manufacturers, Traders, Wholesalers, Stockists” informs paper and timber trading and processing companies of the advantages and opportunities of PEFC certification for their businesses.

The leaflet “It’s good to buy certified wood – Choose PEFC labelled products and protect the environment” informs consumers and the general public about PEFC certification, explaining why one should choose certified products and how the PEFC label can help in purchasing decisions.

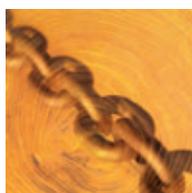
The two new leaflets are available in English and Japanese. They can be obtained from the national PEFC offices and regional promotion offices or downloaded from the PEFC Council website at www.pefc.org.

PEFC Council Information CD-ROM



A new information CD-ROM was developed containing introductory and promotional material on PEFC certification. The CD is available from the PEFC Council secretariat upon request and its content will be made available on the PEFC Council website, to allow everyone to download the latest version.

PEFC Promotion Seminar for the trading and processing sector



PEFC continued its seminar series “How PEFC can help your business” for paper and timber trading and processing companies focussing on the Netherlands, as a major import market. These events target companies, who are not yet PEFC certified but who want to learn more about the advantages and benefits of PEFC certification. Similar events were organised by the PEFC Council member countries at national and regional level.

PEFC Council Appointments and Events

PEFC Council General Assembly 2005



Representatives of the 31 PEFC Council member countries, potential new members, government officials and international organizations involved in forest certification participated at the 9th General Assembly in Brussels in October 2005. In his keynote speech, Dr Wulf Killmann, Director of the Forest Products and Economics Division of the Food and Agriculture Organization of the United Nations FAO, spoke on the important role forest certification plays to assure and promote sustainable forest management of the world's forests.

(Dr Wulf Killmann)

Annual meeting of the National Secretaries of PEFC Council member countries



National Secretaries of the PEFC Council member countries met for a training, information and experience exchange workshop in Lisbon, Portugal in May 2005. The National Secretaries convene regularly to discuss current and future activities of PEFC globally. This year's agenda included promotion and communication activities, government procurement policies and PEFC's international Chain of Custody.

PEFC Council elections for the Board of Directors

At this year's General Assembly, the PEFC Council members elected Kathy Bradley, Mike Clark and Bob Simpson to positions on the PEFC Council Board of Directors. Bob Simpson was elected as the second Vice Chairman of PEFC Council, while Kathy Bradley was newly elected and Mike Clark re-elected as members of the Board.



Bob Simpson (Vice Chairman)
*Senior Vice President Forestry Program,
American Forest Foundation*



Kathy Bradley
*Director External Affairs,
Paper Federation of Great Britain
Spokesperson Confederation of Paper Industries*



Mike Clark
*Chairman PEFC UK Ltd
M-real UK Ltd*

What others say about PEFC

PEFC chosen for UK and French Public Timber Procurement Policies

The French and the UK governmental policies for public timber procurement specified PEFC certification as proof of legal and sustainable sourcing of certified products. PEFC certified paper and timber products now receive preferred status compared to uncertified materials in public tendering processes in both countries.

Two independent studies, published in 2005, analysing certification systems confirmed PEFC's high standards and advantages for its users.

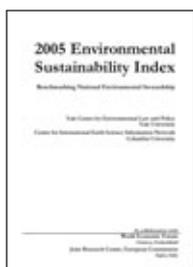


UPM-Kymmene undertook a "Parallel field testing of forest certification standards" in its forests in Canada, Finland and the UK, using Det Norske Veritas as an independent auditor and WWF as an external observer. Based on the knowledge and experience gained in the test, UPM considered that the PEFC endorsed systems used in its forests, the FFCS system in Finland, the UKWAS standard in the UK and the SFI Program in Canada, 'achieved their objectives of promoting the economic, social and environmental management of forests in a balanced way'. FFCS and UKWAS were also praised for the clearness and functionality.



A study by Savcor Indufor Oy on behalf of the Federation of Nordic Forest Owner's Organisations, on the "Effectiveness and Efficiency of FSC and PEFC forest certification on pilot areas in Nordic countries" confirmed PEFC's equally high implementation of standards in different countries. "Certification has improved the standards of forest management in all three countries and has evened out some of the differences between the countries" said Mrs Hanna Nikinmaa of Savcor Indufor during the presentation of the results. The report found that forest owners had chosen PEFC, as it offers group certification, which is more cost-effective and permits the certification to be part of existing control and monitoring systems.

PEFC in Yale and Columbia Universities 2005 Environmental Sustainability Index



Experts of Yale and Columbia Universities in collaboration with the World Economic Forum drew up the 2005 Environmental Sustainability Index (ESI), ranking environmental sustainability at a national scale. PEFC certified forests were counted as one criteria contributing to the ESI. Several countries with a high percentage of PEFC certified forests, like Finland, Norway, Sweden and Austria, ranked among the top ten of the 2005 Environmental Sustainability Index.

Examples of PEFC certified and labelled products available in the market. Details of all PEFC certified companies are available at the PEFC Statistics Interactive Database at www.pefc.org.





promoting sustainable forest management

PEFC the right choice for

people
environment
forests
certification

PEFC Council

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