### Forest certification for promoting sustainable forestry in Nepal

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Sustainable Forest Management (SFM) has become a worldwide issue after the convention of United Nations on Environment and Development (UNCED) in Rio summit in June 1992. The post -Rio forest policy debate has been characterized by reflection on the interrelations among forest use, livelihoods and poverty alleviation, and on access to resources, equity, community participation, governance, globalization and role of communities and national government. The SFM is to maintain sustained flow of forest products and services. It demands set of international, national and local standards. Forest Certification (FC) verifies and proves sustainable forestry. The Forest Stewardship Council (FSC) has come to be seen as one of the most important initiatives to promote the conservation and better management of the world's forests. It aims to do this by setting standards for the independent auditing of forestry operations and companies, and allowing 'seal of approval' on wood and Non-timber Forest Products (NTFPs) that come from its logo to be used as a certified forests. The public is led to believe that products labelled with the FSC logo are from environmentally appropriate, socially beneficial and economically viable source. Therefore, Forest Management Certification (FMC) is intended to improve forest management via market-based incentives. It is based on the assessment of the social, environmental and economical aspects of forest management, according to the set of standards. Although we are far behind of our journey to National forest certification, this paper presents conceptual framework of SFM and FMC to alert forestry stakeholders and recommends to deal with the issue in our community forestry today and to initiate the process for forest certification. It is one of the policy instruments that directly addresses the linkage between SFM, forest governance and equity.

Key words: Sustainable forest management, forest certification, Forest Stewardship Council, forest product's labelling, community forestry, forest governance.

Forests are invaluable environmental and economic resources affording us goods and services at local, national and global levels. On the one hand, forest is one of the most important land cover types, which covers 30% (3870 million ha) of the earth's area (FAO, 2001). In addition, if we look at the distribution of forests by ecological zone, the tropical forests comprise 47% of the world's forests mainly found in South America, Africa and South East Asia. Therefore, tropical forests have an influential role in providing environmental services, conservation of biological diversity and fulfilling the demands of dependent stakeholders. On the other hand, Forest is one of the most dynamic entities due to natural and human causes. However, human interferences

have become the root cause of the dramatic change in forest conditions over time. The annual rate of forest cover change was the highest -0.79 % (FAO, 2001) in tropical countries compared to total world -0.2% during 1990-2000. This reveals that forests in the tropics are under increasing pressures of deforestation. The over-exploitation of forest resources has significant consequences in social, economical and environmental fronts, which are felt globally. Moreover, Sustainable forest management has been a worldwide issue after the convention of United Nations on Environment and Development (UNCED) in Rio submit in June 1992. As a result, sustainable forest management has become an international agenda.

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#### What is sustainable forestry?

Sustainable forest management (SFM) is the forestry component of sustainable development. There are various definitions and they all state it fundamentally as: a process of managing forest to achieve one or more clearly specified objectives of management with regards to the production of a continuous flow of desired forest products and services (ITTO, 1997). Moreover, a sustainable forest is one, which is able to meet the goals of forest management forever. Broadly, management goals can be categorized into economical, social and environmental sectors. Management of a forest for a single goal or product will affect the forest's ability to provide other services or products, so trade-offs have to be made. SFM is generally accepted as the production of a range of goods and services from the forest, without degrading the forest's ability to provide further goods and services in future. This is the policy guideline of SFM, however, it must be further described to make it applicable within international and national frameworks.

# What constitutes sustainable forest management?

Delineating what makes up SFM in practice is complex, however, during the last ten years there have been many different efforts to do so. All of these initiatives use principles, criteria and indicators to define the elements of SFM. Of the many initiatives attempting to define SFM, the practical interest to the forest managers are International and National initiatives.

#### • International initiatives

There have been several international initiatives aimed at prescribing SFM at the operational or forest management level. Of these, the International Tropical Timber Organization (ITTO) guidelines, The Forest Stewardship Council (FSC) principles and criteria (P&C), the Pan European Forest Certification (PEFC) Council systems and International Organization for standardization (ISO 14001) are the main agencies to apply for SFM certification at the International level. Although these initiatives have slightly different definitions of SFM, all of them have some common elements. Those elements are a legal and policy framework, optimal production of forest products, protection of the environment and the well

being of people. The ITTO is an inter-governmental organization based in Japan. It is made up of representatives of tropical timber consumer and producer countries. The ITTO guidelines are relevant to operational forest management, whereas they are not strong enough, on environmental and social issues.

The FSC is an NGO based in Bonn, Germany. The FSC has come to be seen as one of the most important initiatives to promote the conservation and better management of the world's forests. It aims to do this by setting standards for the independent auditing of forestry operations and companies, and allowing 'seal of approval' on wood and paper products that come from its logo to be used as a certified forests. The public is led to believe that products labelled with the FSC logo are from environmentally sound, socially beneficial and economically viable sources. The FSC P & C are significant because of their wider acceptance by environmental groups and consumers as well as retailers of forest products. As such, the rest of this paper is based around the FSC approach for SFM and forest certification model.

#### • National initiatives

National initiatives are necessary for the development of a forest management standard against which forestry operations are assessed. The standards should be locally adopted, and compatible with globally agreed principles. The development of standard implies translating a general and intangible goal into measurable elements. This is done by defining:

- Principles (essentially, globally applicable elements or rules of forest management)
- Criteria (means to evaluate whether a principle is fulfilled)
- Indicators (locally applicable and objectively measureable parameters in relation to a criterion, and norms)

Hence, national initiatives develop local interpretations of international standards. The national standards for forest management need to be derived from the international standards mentioned above. Local variation and conditions must be taken into account. In Nepal, we must form a balanced national working group within which to formulate a national standard for SFM (Kandel, 2003).

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#### National scenario

The Rural people of Nepal are very reliant on their forest resource for their subsistence agriculture and livelihoods. Eco- tourism and NTFPs trading also contribute to the national income. Nepal is a mountainous country and therefore, it is vulnerable to erosion. Hence forest cover is required to maintain the hill ecosystem. First and foremost SFM in Nepal must address the livelihoods of people and ensure to sustain the fragile landscape.

Community Forestry (CF) has evolved as one of the major components of Nepal's forest development strategy during the past 25 years (Kanel and Kandel, 2003). The program is the most successful to restore degraded landscape mainly in middle hill through the participation of rural communities in forestry. Rural communities are the managers of government forests because they have right and responsibility to manage, conserve and use the forest resources. As of October 15, 2003, community forestry programmes have been operating in all districts. Nearly 12,822 Forest User Groups (FUGs) are managing 1,440,185 ha of community forest (CPFD, 2003), which comprises 24% of the country's total forest areas. Due to this, Nepal is recognized as the World leader in Community Forestry. But, CF is more than just a tenure type, and seems weak on issues such equity, gender, livelihoods and SFM (Winrock, 2002). We believe that Nepal has to prepare a widely-agreed national SFM standard to interpret our particular sustainable community forestry management issues, and provide guidance as how best to apply the social, economical and ecological principles of SFM in order to resolve them.

#### What is forest certification?

Forest Certification is the process by which the performances of on-the-ground forestry operations are assessed against a predetermined set of standards. The Forest Stewardship Council's Principles and Criteria for Forest Management serve as the global foundation for the development of region-specific forest-management standards (Bass and Upton, 1995). Independent certification bodies, accredited by the FSC in the application of these standards conduct impartial, detailed assessments of forest operations at the request of forest owners. If the forest operations are found to be in conformance with FSC standards, a certificate is issued, enabling

the landowner to bring product to market as "certified wood", and to use the FSC trademark logo. Hence, forest certification provides evidence that forests have been sustainably managed according to an internationally approved set of standards and that the certified wood with the FSC trademark logo in the market proves that those forest products come from sustainable managed forests.

#### Benefits of forest certification

Forest management certification is intended to improve forest management *via* market-based incentives (Bass, 2002). It is based on the assessment of the social, environmental and economical aspects of forest management, according to the FSC's principles and Criteria.

- Environmentally appropriate forest management ensures that the harvest of timber and non-timber products maintain the forest's biodiversity, productivity, and ecological process.
- Socially beneficial forest management helps both local people and society at large to enjoy longterm benefits, and also provides strong incentives to local people to sustain the forest resources and adhere to long-term management plan.
- Economically viable forest management means that forest operations are structured and managed so as to be sufficiently profitable, without generating financial profit at the expense of the forest resource, the ecosystem, or affected communities. The tension between the need to generate adequate financial returns and principles of responsible forest operations can be reduced through efforts to market forest products for their best values
- Several studies have signaled a number of benefits to communities who manage their forests and who have achieved FSC certification. Indigenous peoples, local communities and workers look to certification as a way to improve their social situation. This includes improving livelihoods via access to ecological markets, higher prices, increased market share and other economic benefits.
- As far as Nepal is concerned, we can use this tool to tackle the issues like, forest governance, sustainable forest management and equity in our forest management regimes.
- Furthermore, we can immediately increase market's access to NTFPs and its products

#### Accredited certification bodies

The FSC accredited certification bodies are organizations accredited by the FSC to certify forest management operations that comply with the FSC Principles and Criteria for Forest Stewardship. Accreditation covers plantation and natural forest certification. They are also accredited to verify and certify chain of custody systems for products from certified forests.

## The development of national initiatives

FSC encourages and supports national and regional initiatives for developing standards, for promoting certification, or forest management. In addition FSC has its own programme to promote National Initiatives. These include: 1) FSC Contact Person 2) FSC Working Group 3) FSC Advisory Board and 4) FSC National or Regional Office (FSC, 2003).

Forest certification in Nepal is in a very early stage. Programmes have become visible at project level, but at the moment there are very few Nepalese people trained in SFM and forest certification. The first thing we must do is to motivate, train and introduce as many stakeholders from all levels of the forestry sector to certification and about the certified forest products market.

Secondly, we must develop a set of national forestry standards based on the internationally recognised FSC principles and criteria, but tailored specifically to take into account Nepal's ecological, social and economic situation. National Standards are developed through the formation of a balanced national working group made up of and in consultation with representatives from all sectors of the foresty industry, and supported by the FSC. Once drafted, the standard is sent to FSC International for official endorsement. It is this final endorsement which provides the legal basis for carrying out forest certification on a National level. Until such times, we can use the exisiting FSC generic standards for evaluating the sustanability of our current forestry operations (Kandel, 2003).

It is worth quickly mentioning the Group certification approach. This is a very cost effective option for the certification of community managed forests. Complete forest certification can be achieved in stages, the more prepared forest managament units

going into the certificate first as model (or pilot) National forest certification areas. One of the benefits of this step wise approach is that the lessons learned and information gathered from the pilot areas becomes incredibly useful to wider implementation of SFM as well as greatly informing decision-making during the national standard development process(Jordan, 2003).

### To summarise, these are our National priorities as we observe them:

- Raising awareness about SFM certification to both the policy and implementation level stakeholders.
- Establishing representative pilot districts for group certification in conjunction with an FSCaccredited certification body using their generic standard adapted for use in Nepalese community managed forest areas
- Using the results from 1. & 2. above to develop a National SFM Standard to be used as a bench mark to deal with the forest certification issues in Nepal through the creation of a representative Nepalese Working Group.

#### Conclusion

Forest certification promotes and verifies sustainable forestry. Sustainable forest management is to maintain sustained flow of forest products and services. It demands set of international, national and local standards. Among the international initiatives, FSC standards for SFM are acceptable to all stakeholders. There are 10 principles and 56 criteria in the FSC standards, which covers social, ecological and economic fronts of forestry. The indicators can be nationally adopted. We can use those foundations for our national initiatives. Rural people of Nepal are reliant and closed to forest resource for their subsistence agriculture and livelihoods. Eco-tourism and NTFPs trading share part of national income and Nepal's vulnerable to erosion is well known. Hence, first and foremost SFM in Nepal must address the Livelihoods of people, biodiversity conservation and to keep up fragile landscape.

Forest certification provides the message of sustainable forest management to green consumers. In Europe, America and other developed countries forest based industries no longer buy raw materials of uncertified forests because their consumers prefer to buy forest products that have been marked by a

certified logo. Although we are at the beginning of our journey to National forest certification, let us address the issues in our forest management practices today and initiate the process. If we do not initiate forest certification process green consumer will start to reject our forest products and we will be left behind to bring in our forest products to international markets for competitive price.

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