

FINAL MEETING SUMMARY

Public Dialogue on National Forest System Certification Study

Portland, OR | October 7, 2008

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WELCOME AND OPENING REMARKS

The second of a series of three Public Dialogue Sessions on the National Forest System (NFS) Certification Study took place on October 7, 2008 in Portland, OR, facilitated by the Meridian Institute. The meeting agenda, participant list, and copies of the presentations made at the meeting, are available at: <http://www.fs.fed.us/projects/forestcertification/index.shtml>. Also available at this website are copies of the background documents distributed in preparation for the meeting and other detailed information about the NFS Certification Studies conducted on five units of the NFS by the Pinchot Institute for Conservation.

Doug MacCleery, USDA Forest Service welcomed the group and thanked participants for attending. Mr. MacCleery discussed some of the reasons why the Forest Service is engaged in evaluating the question of whether or not to pursue certification:

1. Certification is one of the most significant developments in the field of forestry in the last two decades; it has transformed the practice of forestry in many areas. The Forest Service is involved with states and international partners seeking to build capacity so they can manage their forests better, which may include certification.
2. In international efforts particularly, the Forest Service has been increasingly asked why the US National Forest System is not certified. This public dialogue process will help the Forest Service determine whether it should move forward or not, and thus develop a credible answer.
3. The Certification Studies were a logical consequence of the increased interest in certification. The Forest Service is trying to evaluate the potential benefits and challenges of certification and how Forest Service practices align with FSC and SFI standards. The Forest Service wants to hear from stakeholders what they feel to be the implications of certification before making a decision on how to proceed.
4. The Forest Service has not made any decision about seeking certification, which is why these public listening sessions are being conducted. The Forest Service needs help in making this decision. In addition to the listening sessions, Meridian will conduct telephone interviews for people who were unable to attend these meetings; please suggest any recommendations you may have for interview candidates.
5. The Forest Service has also put out a Federal Register notice. This will provide the opportunity for people to communicate in writing, after these three listening sessions are over.

Tim Mealey, Meridian Institute, welcomed the group and explained that Meridian will produce a meeting summary of this discussion, and will share the draft with participants to ensure accuracy and make the final version publicly available on the Forest Service website. If there are points upon which participants would like to elaborate, there will be an opportunity to submit additional comments through the Federal Register comment period. The meeting summary will be non-attributorial; it will capture points of view but will not identify the individuals that express those views.

PRESENTATIONS

DETAILS OF THE PINCHOT NFS CERTIFICATION STUDY

Will Price, Pinchot Institute for Conservation (Pinchot), provided the group with an overview of the lessons learned by Pinchot from the National Forest Certification Study.

Pinchot Institute is an independent non-profit organization based in Washington, DC. The certification study is a culmination of a Pinchot Institute project that began in 1998 in Pennsylvania to see if certification was achievable. In 2005, Pinchot started out with a paper study or “crosswalk analysis”, looking at the standard of practice required of seven national forests—established by statutes, management plans, directives and other statements of policy or operational guidance-- and how those compare to requirements in standards used by the Forest Stewardship Council (FSC) and the Sustainable Forestry Initiative (SFI).

For the study on certification, the Forest Service chose five forests for evaluation, they were: Mount Hood National Forest (MHNF), Lakeview Federal Stewardship Unit (LFSU) on the Fremont-Winema National Forest, Chequamegon-Nicolet National Forest (CENN), Allegheny National Forest (ANF), and the National Forests of Florida (NFF, a combination of three National Forest units). These were not true certification assessments because actual certification was not a possible outcome. Pinchot hired auditors who used the existing standards of FSC and SFI but did not report on any differences or similarities in these programs.

The auditors were selected through a request for proposals (RFP) and a competitive bid process. The contracts for the two case study forests in the Pacific Northwest (i.e. the Mt. Hood NF and the Lakeview Unit of the Fremont-Winema National Forests) were awarded to a joint assessment team involving two audit firms: Scientific Certification Systems for FSC certification standards and NSF Strategic Registrations, Ltd. for SFI standards. The RFP also required the development of “additional considerations” -- a set of special indicators developed through stakeholder consultation that would address management issues unique to National Forests; such indicators are also required under the FSC federal lands policy for any type of federal lands subject to certification (for more explanation, see comments by Dave Wager).¹

Under normal circumstances (i.e., when a forest is under assessment to determine whether it will be awarded a certificate), if an auditor determines that a forest management operation does not meet one or more requirements of the certification standards, the auditor may record a finding of non-conformance and issue a “Corrective Action Request” (CAR) to the forest manager. Major non-conformances preclude the awarding of a certificate until remedied; minor non-conformances can be addressed within the first year after seeking certification.

Of the five forests in the case study, there were a number of common strengths, including:

¹ The FSC Federal Lands Policy includes three sequential thresholds that must be met before the FSC will approve the certification of federally owned land systems in the United States: (1) A willing landowner, e.g., the Forest Service; (2) a determination that public consensus exists regarding management of the NFS; and (3) development of a set of new standards (indicators) specific to the NFS to more effectively evaluate its unique legal, procedural, and governance mandates and structure.

- The auditors commended the forests on comprehensive planning and detailed operations;
- Monitoring systems and impact assessments;
- Public and stakeholder consultation;
- Cooperation and consultation with Indian Tribes;
- The extent of reserves systems and how they were designated; and
- Control of invasive and exotic species, including associated training and outreach.

Common weaknesses identified in the five certification studies included:

- Forest health from management backlogs manifested in different ways for each forest. The FS reported they were behind in what they planned to do.
- Road maintenance and decommissioning;
- Monitoring on non-timber forest products: insufficient information on the impacts, abundance of species and health;
- Old growth: the evaluation of the MHNF revealed a policy conflict between the FSC Pacific Coast Regional Standards and management of old growth on that forest. Old growth was less of an issue on other forests, but on both Eastern case study forests the Agency was asked to ensure it is identifying and protecting all occurrences of old growth stands. Definitions of old growth also varied between the FSC and the Forest Service.
- Insufficient contracts to protect workers in the woods.

Pinchot conducted interviews with Forest Service staff; highlights from the interviews include:

- Coordinators felt that the auditors explored a wide range of issues facing national forests, and evaluated how well the Forest Service staff integrate and effectively address competing priorities.
- Forest Service staff saw value in adopting certification as another potential avenue for stakeholder input, although everyone realized it might be an additional burden on the agency.
- Having undergone the preparation and planning for these case studies, the Forest Service coordinators felt that the certification audit process, and compliance with whatever corrective actions may be required, would represent a substantial commitment for the Forest Service - if certification were pursued. However, at least with respect to engaging in the audit process itself, they also said that there may be opportunities for the Forest Service to further improve its own preparation and related training.
- While there was a range of perspectives among the participating auditors, most felt that certification would lead to definite improvements in the stewardship of national forests. However, they also saw some potential drawbacks, and one of the auditors thought that certification may not be appropriate in all settings (i.e., in all national forests). In this

instance the auditor felt that certification may not really help the forest improve what its managers already know they need to, and have been trying to, improve --“I don’t see the benefit for this particular forest.”

AUDITOR PRESENTATION

Dave Wager, Scientific Certification Systems (SCS)

Mr. Wager is a forest ecologist by training, who has been working at SCS for eight years with significant experience on public and private lands.

Mr. Wager asserted that certification is increasingly important for forest managers and product companies to compete in the marketplace. He stated that in his experience, certification is a positive force for change. It has had positive impacts on state, private and community forests. The most tangible example is the state forests. He noted that certification has been effective at fostering good management at these levels. Mr. Wager also stated that in his opinion, certification systems should provide equitable access to all land owner categories. He stated that he believes FSC is out of conformance with its own policy because of the current exclusion of the federal ownership class. He stated that FSC’s current federal lands policy is legitimate as a mechanism to set standards, but cautioned that if it morphs into permanently preventing certain ownership classes from pursuing certification, it could be problematic.

Mr. Wager stated that the certifiers’ charge in the certification study was to assess whether the policies, plans and procedures for the national forests that were included in the test conform to FSC standards; and to assess the effectiveness and consistency of implementing those management systems.

Mr. Wager highlighted several unique aspects of the certification studies, including the fact that achieving certification was not a possible outcome of the study. He also noted that this was the first in-depth independent assessment on US National Forests in relation to the two most prominent certification systems. He noted that the level of expertise on the audit teams for the certification studies and that the extent and degree of stakeholder consultation were both significant.

He explained that the certification process typically includes: reviewing documents and stakeholder consultations; audit planning; on-site assessment and evidence gathering (interviews, field observations); deliberation and synthesis; and reporting.

Under the FSC’s federal land policy, there are three thresholds that have to be met:

1. A willing landowner;
2. Consensus on how the specific public lands should be managed; and
3. Development of special national assessment indicators.

Since this was a study, the first two steps were not relevant. In lieu of having special national indicators, the auditors were asked to develop “additional considerations.” SCS did this in a multi-phase process that included: a) consulting with outside experts on key issues to address;

b) sharing and seeking public comment on draft additional considerations; and c) incorporating comments into a final set of additional considerations. Mr. Wager noted that even though this effort was not an FSC-sanctioned process, hopefully the input that was received and incorporated will be useful if FSC gets into that step as required by its federal land policy regarding the National Forest System. He noted, however, that there is no guarantee of that.

In conclusion, Mr. Wager stated that certification could help as a positive force for change in a number of ways such as improving stakeholder participation, serving as a tool for improved management, and helping forest managers attract more financial support for their work. For example, where managers are plagued by underfunded budgets, and are thus unable to carry out needed management activities, the finding of a third-party certifier that such activities are indeed necessary can lend legitimacy to the managers' subsequent budget requests.

EXPERIENCES FROM A NFS CERTIFICATION STUDY FOREST

Nancy Lankford, USDA Forest Service

Ms. Lankford, USDA Forest Service, was representing Gary Larsen, Forest Supervisor for the Mount Hood National Forest. She presented experiences from the Mount Hood certification study. She indicated that interest in exploring certification of the Mount Hood National Forest first surfaced in 1997. There were many questions about whether and how certification could apply, but it was not pursued at the time. The certification study for the Mount Hood National Forest was conducted in September 2006, which consisted of a full week of assessment and included three days of visits and interviews. The auditors visited over 40 sites, 40 stakeholders were contacted, 13 were interviewed, and they held two or three public discussions on certification.

Most of the FSC and SFI standards were met on the Mount Hood National Forest lands, although there were some non-conformances. Ms. Lankford provided handouts to the group that highlighted Mount Hood's strengths and weaknesses relative to the FSC standards (the handout, along with all presentation materials are available on the Forest Service website). The handout also identified corrective action requests (CARs) and determined the actions that would need to be taken in order to address those CARs. To achieve compliance with each of the CARs, it would have required either a change in the certification standard or one of the following three actions: a change in forest policy; a change in regional or national policy; or a change in law, regulation or appropriations.

Ms. Lankford highlighted some of the strengths and weaknesses listed in the handout, including:

Strengths relative to the standard:

- Forest managers express a strong commitment to complying with laws and regulations, including the National Environmental Policy Act (NEPA) processes;
- Mount Hood managers go above and beyond the NEPA requirements on sharing information through their work with partners and have engaged diverse stakeholders.

In many instances, their procedures for public participation exceed required legal obligations.

- There were many strengths relative to the FSC's environmental standards, including: fire regime condition classes have been mapped for the entire region; roughly 70% of the forest is excluded from timber harvesting and is either de-facto or officially designated conservation zones.

Weaknesses relative to the standard:

- The Forest Service has not yet provided a written statement of commitment to the FSC Principles and Criteria. This weakness would require a change in regional or national policy; the Mount Hood forest could not make this change on its own.
- Relative to FSC's environmental standards, there were some weaknesses, including:
 - A sample-based review of partial harvest operations on Mount Hood led the audit team to conclude that residual stand damage is not minimized and that there are opportunities to further reduce the damage level—this could be addressed at Mount Hood;
 - Roughly 50% of the road network on Mount Hood is not needed to support management activities and public access needs on the Forest and the overall level of road maintenance effort is insufficient to keep the roads in good condition—this requires a change in appropriations or Congressional action.

EXPERIENCES FROM STATE OWNED FORESTS

David Morman, Oregon Department of Forestry

In his introductory remarks, Mr. Morman, Oregon Department of Forestry, highlighted the need to be careful in equating certification with sustainability; sustainability is a broader concept, and certification is not a prerequisite for sustainable forest management.

In Oregon, the Department of Forestry brought the Montreal Process² to the state level for use in statewide forest policy development and technical assessments. There were four management emphases:

² In 1993, the Conference on Security and Cooperation in Europe sponsored an international seminar in Montréal, Canada, on the sustainable development of boreal and temperate forests, with a focus on developing criteria and indicators for the assessment of these forests. After the seminar, the participating countries developed criteria and indicators for non-tropical forests and, in June 1994, the initiative now known as the Montréal Process began. In February 1995, the Montréal Process countries issued a declaration containing a comprehensive set of seven national-level criteria and 67 indicators to guide policymakers, forest managers and the general public in the conservation and sustainable management of temperate and boreal forests. Unlike certification standards, which are used to determine whether a particular forest management unit has met specified performance requirements, the Montréal Process C&I are intended to be applied, at the national level, to all the forests of a country, across all types of land ownership, to define the current condition of a country's forests.

1. Reserve forests
2. Wood production
3. Multi-resource forests
4. Residential production

Concurrently, the USDA Forest Service produced a 2003 National Report on Sustainable Forests using the Montreal Process criteria and indicators and a second report is planned for 2010. While Oregon's efforts are driven by policy goals and objectives, the national reports tend to be neutral in tone. This is partly because the United States lacks a national policy on sustainable forest management. The Oregon Department of Forestry believes such a national policy is badly needed to, among other things, clarify the role of US national forests in promoting environmentally, economically, and socially sustainable forest management.

Mr. Morman asked the Forest Service to think about institutionalizing the Montreal Process into its forest plans. Oregon is trying to do this at a state level but would like to see this happen at the national level as well.

In 2001, the Oregon Board of Forestry developed a set of principles for its role in addressing certification issues. The Board also looked at PEFC-endorsed national certification standards in other countries around the world and asked if the state could do the same; Oregon was well positioned to do it. In 2005, the Board invited Smartwood to do an FSC pre-assessment of a portion of Oregon's state forests. (The estimated cost for applying for FSC certification in 2005 was determined to be \$34,000 - \$1 per acre). The land managers were supportive of this initiative but they were more reluctant after receiving the assessment reports and they are now pausing over whether or not to proceed with a full certification assessment. The primary drivers for that decision included:

- The desired long-term commitment FSC asks towards its principles and criteria, and the perception that these have changed and continue to change through time;
- The request for the Department of Forestry to produce a statement explaining why the agency is seeking certification on only one parcel of state forestland versus all state forestlands;
- Anticipated conflicts with several criteria including sustainable harvest (interpreted as no variation from year to year or from decade to decade), required environmental impact analysis including cumulative impact analysis, regeneration harvest limits of 60 acres, required retention of individual trees in stands, exclusion of legal and acceptable chemical methods of pest management;
- The requirement for a new management plan every 10 years; and
- The response received from other FSC-certified landowners that assessors verbally articulate different and greater expectations from state landowners and become actively involved in trying to influence management direction, in effect becoming another stakeholder.

In November 2006, Department of Forestry staff recommended that objectives for future Board of Forestry work on forest certification be the following:

1. Interacting with external forest certification systems operating in Oregon to influence and encourage those systems to operate on private and public lands consistent with Board of Forestry policy.
2. Continuing to consider the merits of third-party assessment and forest certification as potential tools for State Forests to harness marketplace dividends through “chain of custody” labeling.
3. Assisting private landowners to make informed decisions about voluntary forest certification and to take advantage of this marketing strategy in a manner that meets their management objectives and allows recovery of the investment required to participate.
4. Promoting voluntary access for Oregon’s industrial and family forest landowners to certification schemes that, at a minimum, are credible, internationally recognized, and use the Montreal Process criteria and indicators as a foundation.
5. Revisiting, as needed, the draft Oregon principles and elements for the evaluation of forest certification systems
6. Developing a position statement on certification of federal forestlands in Oregon.

Mr. Morman noted that there are remaining concerns, including the notion that a long-term commitment would weaken allegiance to FSC. Oregon had considered an FSC certification for some of the state managed forests in Oregon, however, FSC requires landholders to seek certification of all lands to demonstrate commitment. The Oregon Department of Forestry decided to look at forests individually and determine if there was a business advantage for that forest to become certified. The Department also noted concern about the potential for a certification process to reach beyond compliance with applicable laws and possibly create an uneven playing field for state and federal lands versus other lands. As a result, it is difficult to determine which direction the Department of Forestry will head on certification.

Mr. Morman is working with the Board to develop consensus on certification. They are highly interested and want to continue to interact with certification systems in Oregon; however, the Board is still in discussion on developing a position statement on federal forests.

QUESTIONS ON THE PRESENTATIONS

Participants had an opportunity to ask questions of any of the presenters. The questions and responses are provided below.

- State constitutions often require state forests to generate revenues off of state forests; national forests have no such constitutional mandate. As the certification studies were developed and the assessments were completed, was there recognition of the different mandates between state and national forests? The NFS Certification study audit reports do not discuss the appropriateness of different missions or even different management goals and objectives. The auditors look at whether and how the owner / manager – in this case, the Forest Service – implements their plan and whether they meet other

certification requirements. All certification systems require a legal framework; a different set of laws apply to federal, state and private lands.

- What drove the origin of the FSC Federal Lands Policy? Was it because of the different mandate or mission? The existing FSC Federal Lands policy was put in place in late 2003. Its origins date back to 1998 when the Fremont-Winema was considering certification and the public wasn't willing to embrace it so the FSC was asked to develop an appropriate policy and decision-making process to resolve the issue. FSC Federal Lands Policy involves three "thresholds": 1) a willing landowner; 2) public consensus on land management; and 3) a standard setting process specific to National Forest lands. The NFS Certification Study was conducted outside of FSC's federal lands policy because none of the thresholds have yet been met.
- State forests lands are not subject to the three thresholds? Correct. If you look at current FSC standards, they apply to private and non-federal public lands, with some additional indicators and guidelines that are only applicable to state lands.
- Are there federal lands that have been certified under FSC? Yes, there are some instances: Department of Energy (DOE) land, Department of Defense (DOD) land, and one, small National Park Service (NPS) site in Woodstock, VT (Marsh-Billings Rockefeller National Historic Site). However, although the DOD and DOE lands were deemed to have met the FSC Federal Lands Policy as it was applied at the time, each was considered to be a unique situation. In the case of the single, small NPS site, it was considered as a single-unit exception to the policy due to its unusual management history as a forest dedicated to forestry demonstration and education.
- Would the adoption of FSC standards and special indicators in pursuit of National Forest certification in any way remove the requirements for the Forest Service to follow the requirements of the National Environmental Policy Act (NEPA), and would all the processes guaranteed by that Act remain intact? Yes, everything would remain in place; those processes are required by law and wouldn't change. Even if the NEPA requirements are not specifically embedded in FSC standards, there is an overarching FSC requirement, also in the standards, that certificate holders comply with all applicable laws.
- If a conflict arises between US law and FSC or SFI standards, this conflict would be referred to FSC or SFI for resolution, is that correct? In some instances, such as certain CARs found in the Mount Hood NF evaluation, it would require a change in the Northwest Forest Plan³ in order for the Forest Service to comply with the certification standards and address the CAR. In another instance, approximately 50% of the road network on the Mount Hood NF is not needed to support management activities and

³ The Northwest Forest Plan, adopted in 1994, encompasses National Forest and Bureau of Land Management lands in western Oregon, Washington, and northern California (including the MHNF). The mission of the Northwest Forest Plan (NWFP) is to adopt coordinated management direction for the lands administered by these agencies and to adopt complimentary approaches by other Federal agencies within the range of the northern spotted owl. See: <http://www.fs.fed.us/r6/nwfp.htm>.

public access needs on the Forest. Budget reductions have resulted in the elimination of the Forest road maintenance crew and as a result, auditors found that there is insufficient effort to keep the road network in good condition – a requirement of the certification standards. Addressing this weakness would require a change in agency practice and likely an increase in its appropriations. Hypothetically, if certification standards and NEPA required different things, the Forest Service would, of course, comply with the law; the highest governing standard would prevail. In the FSC, there is a requirement for a landowner to seek resolution if meeting an FSC standard would conflict with laws or regulations. There could be some cases where FSC says the national law “trumps” the FSC standard. In practical application, FSC standards could be considered an overlay, and would only raise the bar.

- It was noted that the Pinchot Institute evaluated the Forest Service’s basic laws and regulations in comparison to the certification standards and this analysis did not show any conflicts between the certification standards and the laws and regulations. The certification study evaluations did not evidence any conflicts either. Thus, this is a hypothetical discussion about what would happen should there ever be a conflict between existing law and SFI or FSC standards.
- While it is understandable why there might not be a conflict on paper, there could potentially be a conflict ‘as applied’ on that forest.
- Did Pinchot’s crosswalk study look at the overlap between FSC/SFI and Forest Service standards? Yes. Among other things, it revealed that there are some management issues the Forest Service must address that are not explicitly addressed in the certification standards. One example is mining and minerals on the Alleghany National Forest; the SFI/FSC standards do not explicitly address the impact of oil extraction on forest management.
- In the existing system for FSC certification, what is the range of unit sizes that are getting certified, both private and public? The unit sizes that are certified range from less than 10 acres up to 5 million acres.
- If we were to leave federal lands out of the forest land base that could potentially become certified, how much of US forest lands are already certified? Although estimates vary considerably, to date roughly 20% of the US non-federal forested landscape has been certified to one standard or another.
- Did the Forest Service’s interest in certification come from the ground up, from forest supervisors? Yes, there were a variety of things that came together that have caused the Forest Service to look at this question, including international inquiries, but there has been and continues to be interest in certification from “the ground up.”
- Can you clarify what the auditors were impressed with regarding the degree and extent of public involvement, and why they thought there was a good public process in place? In terms of the Forest Service consultation process, relative to the requirements of the

standards, the auditors were specifically impressed with the comment periods and the availability of public information on websites.

- Did the process of including external stakeholders in the assessment build some interest? FSC requires stakeholder consultation. There was variable attendance at stakeholder meetings, and the bulk of the consultation process was via phone. There were on-site meetings for Mount Hood. There was also a meeting with several groups in Portland to review and discuss the FSC standard. In that case, the Forest Service found that stakeholders were providing a lot of information in the assessment process, some of which would have been helpful to have earlier in the certification study process. The auditors met with a mix of stakeholders, and with Forest Service staff and contractors. All of this information is in the study reports, where all the stakeholder comments and auditors' responses to their comments can be examined.
- Was there any effort to go back to the stakeholders who participated to see if they got any benefit from participating? No.

DISCUSSION

The meeting agenda was organized into specific, focused segments to ensure that key issues were covered and participants had ample opportunities to contribute freely. However, once the discussion was underway, comments and questions flowed freely and topics frequently shifted in different directions. In an effort to enable the reader to more easily locate and focus on key topics, we have made an effort to categorize the discussion under various headings. The following headings and bullets are not ordered according to the chronology of the discussion, nor are they intended to imply any relative emphasis or degree of importance. When a comment or question could fit into more than one category, we have done our best to choose the most logical location.

During the discussion, questions were sometimes posed by participants as a means of raising important issues or noting specific concerns. In other cases, where questions were asked about the NFS study units, Forest Service policy, auditing procedures, and the operation of certification systems, answers were often provided by those with relevant expertise. However, per the meeting rules, in an effort to ensure the most objective summarization of the discussion, the identities of commenters, questioners and responders are not revealed. When several comments or questions are closely related to each other, they are combined into the same bullet, even though they may have come from different people. Each of the following comments and questions should be considered as the view of the individual who made them.

1. CONCERNS/CHALLENGES RELATING TO CERTIFICATION OF NATIONAL FOREST LANDS

- There is concern that over time, Congress and the federal agencies would rely on the certification body to be the backstop for the public interest, which would lead to a less democratic process.
- Certification will require new certification assessment indicators, and stakeholders and the public do not yet know what those will entail. It would seem that whether there is a “consensus” under the FSC Federal Lands Policy might depend upon what the NFS standards are. There is a “chicken and egg” type question here. It is difficult to have an informed position on NFS certification without knowing what the additional NFS standards would look like.
- One of the FSC federal lands policy steps is to determine if public consensus exists regarding how National Forests are managed, and there’s no consensus right now. Congress needs to articulate what the policy consensus is for management of public lands, and whether or not the Forest Service should pursue certification for public lands.
- How does certification play into land management plan revisions? Would the FSC standards become the new regulations?
- Certification auditors have a lot of expertise in forestry, but there is concern about ‘additional considerations’ (new assessment indicators) for certifying federal lands: do the auditors have the expertise to do an evaluation of Forest Service management in terms of non-forestry issues such as wilderness management or recovering species habitat? Are they equipped to do this and would this increase the cost of getting a forest certified?
- We must conduct a realistic analysis of the internal institutional incentives we would be dealing with on federal lands if they are certified; are we creating incentives for managing for timber harvest vs. other non-market ecosystem services? This also raises concerns in terms of appropriations and funding.
- Currently, there is not a level playing field in the market given the subsidies for logging on federal lands. What is the relationship between the certification of federal lands and the supply of wood and fiber that would be opened up? Would certifying National Forest timber make it more difficult for private suppliers to compete in the same markets?
- There is a concern about streamlining the management process through certification and how this could impact accountability or cut out public participation. The existing public participation process can be seen as burdensome, but it has led to the Forest Service considering something like certification. The idea of certification seems to be one of a long trend to privatize what should be the responsibility of the Forest Service’s professional land managers. Is it just another form of outsourcing?
- The fulfillment of ecological objectives cannot be achieved on a landscape that only includes National Forests. Given this challenge, what is the appropriate scale for certification?

- In the event that a watchdog group has a problem with a project proposed on a certified forest and it goes through the courts, would FSC or SFI influence the outcome of the court case? Would the Forest Service use certification as a point of leverage in the proceeding -- either formally or through public opinion?
- Moving to NFS certification could lead to a process over time of reducing legally mandated processes and standards on NFS lands. It might actually lower the bar when it comes to the quality of management. Examples include reduced compliance with NEPA and more use of Categorical Exclusions.
- We have some good reasons for why the Forest Service should pursue certification but then there are more micro-concerns about how this will actually play out in terms of the standards. Would it add another layer that could get in the way of addressing important on-the-ground issues such as fuel treatments? Hopefully certification would not do this, but are we expecting too much by hoping that certification can do what we haven't been able to accomplish through decades of trying to get it right on the public lands? How can we get the forests managed in a way we think they ought to be managed- can certification do that?
- Some of the trust issues surrounding management of National Forests could be indirectly projected onto the certification program if they become a driver of certification; stakeholder concerns and mistrust might shift from the Forest Service to the certification program.
- Certification could help or hurt; it is not possible to predict whether it would build or destroy trust.
- Regarding whether certification could cause existing regulations and standards such as NEPA to slide, NEPA, Congress could expand the use of categorical exclusions (CEs) and do away with NEPA because there may be some policymakers who are fence-sitters who may feel more comfortable with CE expansion if a certification system were in place.
- Would independent third-party certification possibly result in poorer management performance in National Forests? There are different certification processes and standards in the world. It is not yet clear which one the Forest Service would choose if it pursues certification, and it is possible that the standards may end up being weaker than some people might prefer. Also, if Congress decides it likes independent certification, they could modify existing laws and reduce regulatory burden and cost and just replace them with certification. It's conceivable they could cut things out of laws and regulations that people would not like to lose. Finally, certification auditors sometimes make mistakes in determining whether a forest has passed the assessment. In such cases, certification systems would still be needed to file complaints, disputes and appeals.
- Is there a fear that certification wouldn't keep up with new science and information?

- How could certification lower the bar? If certification becomes the measure of credibility, would it prevent examination and inclusion of new information and circumstances that could inform what is actually required to protect resources?

2. POTENTIAL BENEFITS RELATING TO CERTIFICATION OF NATIONAL FOREST LANDS

- The process of certification is a way to affirm to the public the positive things that are going on in the National Forest System. On the converse side, it would identify and highlight some of the challenges, such as funding and ongoing litigation.
- Certification would help to achieve good forest management because it would bring a diverse group together to argue on a common theme before Congress, such as to fund good forest management that meets the standards that are accepted in the marketplace. It brings a critical mass of pressure to tell Congress to start funding this. It's a "carrot" in that it helps rural economies and a "stick" in that you could lose certification if you don't follow through on funding.
- Certification could be a tool to help achieve accountability, aside from just getting the timber cut out.
- Certification would present an opportunity to renew and rebuild the Forest Service's social contract with small communities, many of which are adjacent to public lands and National Forests.
- Because it involves a third-party review, certification would improve the Forest Service's credibility, providing confirmation to the public that forests are being managed to an independent standard.
- Certification is a way to differentiate the US from countries not practicing sustainable forestry, like Russia or Indonesia.
- Certification could provide a framework to incorporate carbon credits in the future.
- Certification could help promote health and safety and logger training, and hopefully prevent some injuries.
- There is a prospect that certification could incentivize improved stewardship on the lands through greater involvement of local impoverished communities in things like forest restoration, for which there is a huge groundswell of support. This is an opportunity that could be made more viable through the attachment of an FSC label.
- There will be a new president in office soon and many questions on energy independence will arise involving dependence on international oil and more focus on national energy resources. As a result, people will look at National Forests as a possible biomass energy opportunity, and certification could provide an opportunity to use the forests to enhance energy independence. There will be increasing pressure to make use of those resources. If it can't be proven that the biomass is coming from a well-managed certified forest, then the option will not be as available for the next administration.

Certification provides an opportunity to demonstrate that forests are a renewable resource that could ultimately reduce our dependence on foreign oil.

- Certification raises the bar on forestry, which is a good thing. Many of the National Forest lands are overstocked and at risk for wildfires. Certification will hopefully generate more revenue to help the Forest Service manage their lands, which can help mitigate some of these risks when fires do occur.
- From the environmental perspective, certification is an opportunity to raise the bar on management plans in the future. When each National Forest goes through revision of its management plan and sets its operating standards, there is an opportunity to make changes within the individual management plans.
- Certification could help to balance the politics of forest management, which may shift from administration to administration, because certification standards are set by an independent organization and will not change based on political priorities or whims, and no administration would want to lose certification.
- Certification is an additional oversight, not a rubber stamp. It won't replace the current forest management process or the need to ensure that things happen on the project level that need to happen. It would create more trust and credibility and this could leverage more money from Congress if members feel like certification provides an additional level of oversight. In Arizona, there are hundreds of thousands of acres needing forest restoration and fuels treatment public consensus that we need to treat them. But it is not happening to the extent it should due to high costs and low product values. Certification could help to: 1) increase product values, 2) improve credibility from 3rd party audits, and 3) improve leverage for getting funding from Congress.
- The big picture is that certification would improve the Forest Service's image internally and worldwide. Currently, the agency's legitimacy and image are damaged whenever it promotes certification around the world but is still unable to pursue certification for US National Forests.
- Due to the lack of public trust in National Forest management, forest managers often feel paralyzed and are reluctant to implement needed management actions such as properly carrying out needed forest restoration and fuels treatments. Consequently, thinning is delayed and the forests are so overstocked that fire and insect cycles become exacerbated. We need to find a solution to regain trust in forest management, and certification is a possible means of doing so.
- Certification would enable Congress to look at funding for the Forest Service differently because it would improve the reliability and credibility of information about National Forest management. A lot of information coming out of the Forest Service isn't necessarily believed. If we can use other mechanisms – like certification - to assure the Forest Service is actually doing what it says, then this can enhance the agency's credibility.

- Some state forest managers were very leery of having a third-party looking over their shoulder during certification assessments. However, they ended up being the biggest proponents of the certification process, employee morale was boosted, and now forest land managers are competing against other forests - if one gets certified, the next forest improves even more.

3. BASIC STRUCTURE AND OPERATIONAL PROCEDURES OF CERTIFICATION SYSTEMS

a. Standards, Scope of Coverage, and Assessment Procedures

- If certification is a one time thing, how often do you go back to verify that a management plan is being followed? Under FSC, reviews are conducted at least every year. SFI requires annual surveillance audits. For both FSC and SFI, there is a more comprehensive recertification required every five years.
- The certification standards that currently exist contain a lot of vague concepts and language. Some of this is by design because each forest is different and the standards need to be applicable to all. There is also controversy that arises when auditors interpret a standard differently. There may be situations where an independent certifier may say a forest has passed the test but some stakeholders may object and say that the Forest Service hasn't met the goal or outcome they would like. Forests are a dynamic system and we need to work harder to ensure the standards are clarified.
- Through the certification process it may be possible to come up with management standards that everyone agrees with, and because of the consensus process, Congress won't go against that. However, if there is not consensus then Congress may not know what to do and it's possible they could make decisions about forest management standards on their own.
- If a forest is not in compliance with certification standards, can it be conditionally certified if there is a credible plan to achieve the necessary changes? What do auditors do in such a case? It depends on the degree of non-conformance. For example, road conditions were a minor CAR in the Mount Hood certification study. The roads aren't causing environmental damage now but they will in the future if the problem is not dealt with. On the other hand, major corrective action requests will preclude certification.
- In terms of addressing CARs, some have said that a forest manager simply needs to show the certifier that the manager has a proper and reasonably achievable plan in place to make the corrective action, and then the CAR could be considered as resolved. However, one of the distinguishing factors of FSC is that it's not about plans but about actual performance on the ground. I would imagine that a lot of environmental organizations would expect to see performance on the ground rather than more promises or plans to get things done. Another problem is that because of all the CARs it sometimes looks like there are more failing than passing grades for a certified forest, but

they're still awarded certification. Additionally, the CARs aren't necessarily addressed within the timeframe given, and some take a very long time to be addressed.

- A Major CAR must be resolved prior to certification. One option for addressing such a CAR would take the form of a pre-condition to certification, where the landowner would develop a detailed plan on how to address the CAR and make a justifiable case to the certifier that there are reasonable expectations that adequate funding will be available to carry out the plan. Then certification could be awarded and a Minor CAR would replace the pre-condition. However, all of this would depend on the severity of the problem and the magnitude of the CAR.
- The ways CARs are written by the auditors is important – as they require different types of actions. Some of these actions may include better plans and strategies, or increased funding related to a particular problem. Other CARs simply state “fix this” and are less specific about the steps towards improvement.

b. Role of the Auditors

- Could the auditing process inadvertently include “rogue assessors” -- people who are trying to ask more from public lands than from private? That would be exceeding their third-party role, but if you have an assessor who decides to dictate policy on public land, what's the remedy for that? The auditors are accredited by FSC and they are evaluated on an annual basis to ensure they are auditing to the standard. There has been a fair amount of flexibility to date on how auditors are interpreting the standard. Part of FSC's current process is to develop very specific guidance for each principle at the indicator level, to guide how the auditor audits to that indicator. This will hopefully lead to more conformity and consistency across the auditing process. If there is a rogue auditor, the ultimate sanction would be to remove the auditor's accreditation. Some of FSC's auditors have participated in the development of the standards, and have provided advice on how particular indicators would be interpreted and assessed by an auditor. It is also important to note that auditing firms will not retain an auditor that has been an activist; there is a measure of independence that needs to be achieved by an auditor to ensure there is no conflict of interest.⁴
- Do the auditors test forest management operators and contractors, or ask for a proof of training card? Auditors use a variety of ways to determine whether operators and contractors are appropriately trained, informed, and credentialed. Often this starts with asking the landowner to prove that they train/hire/verify that contractors and operators have the necessary knowledge and skill (e.g., by providing training course records, actual contracts, attestations, etc.). In the field, auditors will often follow-up with contractors and basically quiz them in conversation as to what they know, what they have been told to do, etc. When particular forest management problems are detected,

⁴ The SFI program does not accredit or retain certification bodies (CBs). CBs retained by SFI program participants must complete an accreditation program through an independent, international accreditation body such as the American National Standards Institute (ANSI), ANSI-ASQ National Accreditation Board (ANAB) or the Standards Council of Canada (SCC).

the auditors will often make a point of interviewing the operators/contractors involved in those management activities.

- Auditor teams are created specifically to ensure the right expertise, and it depends on the scale and intensity of the auditing project. For example, the Mount Hood certification study had a team of seven auditors comprised of mostly PhD-level scientists. This included audit team members that specifically address socio-economic issues. Due to the comprehensiveness of FSC standards it is not possible to have an expert on every criterion and indicator. However, additional technical expertise can be brought into the auditing process as necessary. Under FSC, the certification report must be peer reviewed.
- It doesn't always require a PhD hydrologist to audit to an indicator that addresses water quality conformance decisions. Indicators are not necessarily written in a way that requires that level of expertise.
- In order to constitute an audit team to deal with forests of greater size, scale, and complexity, SFI and FSC could coordinate programs to augment their auditing teams with additional experts in order to evaluate how the Forest Service operates. This could increase costs.
- How does the auditor look at adjacent lands when they're assessing a particular piece of land? Ultimately, the land owner/manager can only be held accountable for what's on his/her land, but the certifier would need to evaluate that responsibility in the context of what is happening in the surrounding area. For example, several Criteria in the FSC standards address issues related to adjacent lands⁵.

c. Social and Economic Aspects of the Certification Standards

- It appears the certification studies focused solely on environmental comparisons between national policy and certification requirements. What about the social or economic requirements to ensure the local people are benefitting from certification of the forests? The FSC and SFI standards include environmental, social and economic aspects. The certification criteria and indicators that apply to social and economic factors were evaluated in the studies. The only non-conformances in the study audit reports that were related to these aspects of the standard were worker protection and safety. Most of the harvest-related issues were addressed in terms of forest health and not in the context of the socio-economic relationship with the community. However, there may have been some minor CARs related to the social and economic standards, but there were not a lot of non-conformances. There was also not a lot of response on this issue from the stakeholders and field subcontractors during the certification study interviews.
- Certification was originally developed as a response to proposed boycotts of tropical timber. It was recognized that such boycotts would lead to the further impoverishment

⁵ These relate to the contents of the management plan, community relations and rights-of-use, determining the uniqueness of ecosystems, assessment of environmental and social impacts of management operations, and the off-site impacts of plantations.

of indigenous and local communities who depended on those forests. Certification was devised to give those communities incentives for practicing good forest management and provide access to green markets. The same dynamic exists in regard to US domestic forests. Why are we denying local dependent communities adjacent to NFS lands the same access to green markets? National Forest timber harvests have been reduced by 95% in some areas. In terms of a social contract, public lands need to be managed not only for the forest but for the communities surrounding the forest. We have an opportunity to give the people in the public lands communities a little more hope because they could have access to the green market. Certification could provide an opportunity to stabilize the communities' economies.

- FSC has been very sensitive to the socio-economic issues in the third world to ensure that the local people are benefitting from certification of the forests.

4. POTENTIAL APPLICATION OF CERTIFICATION TO THE NATIONAL FOREST SYSTEM

a. The Unique Nature of the National Forest System

- The National Forests are public lands, owned by US citizens. Regulations for National Forests are intended to articulate the legal purposes for those lands- but given the ambiguity, everyone has an opinion of what National Forests should be used for. Also, State lands are regulated differently than federal lands.
- In terms of the social contract, we need to make it clear that we don't have a homogeneous Forest Service. We have urban areas that have different needs and uses, but we have a social contract especially with more remote forests that are around small rural communities. The plans for those forests tend to reflect the different management objectives for those forests that have been identified through the National Forest planning process. However, because urban forests provide greater uses to more people, we may need different standards in urban forests as opposed to rural forests in order to balance certain needs.
- The highest and best use of public lands is recreation, water, etc.
- Certification is not a management system; land owners have to have their own management system and certification evaluates it. In the case of the certification studies, the management plan was audited.

b. General Discussion and Questions Raised

- Will the entire NFS land base be certified or only parts of it? If the Forest Service decides to pursue certification, how does it proceed in going through the process? The Forest Service has not gotten into a detailed evaluation on that. It might be possible to do as has been done with the Certification Study, on a forest by forest basis. But then what are the criteria for determining which forests would participate in the certification process? There are logistical and resource challenges in certifying the entire National Forest system.

- Is there a draft list of the additional considerations? The term additional consideration is a certification study project term, not an FSC term. The FSC standards that were used on the certification study units were the DOD/DOE federal lands standard plus the additional considerations developed by the auditors- there is a list in the NFS Certification Study reports. The additional considerations varied depending on each of the units- they were not the same on all five certification studies.
- Another potential deliverable of certifying National Forests is the idea of comity among former combatants, which appeals to Congress. There may be some scenario by which greater consensus could occur, and we could be fairly assured that many members of Congress would be quite intrigued by that.
- Assessment and certification is a matter of credibility and being accepted in a national and international setting. We're beyond that point; the whole world has moved so aggressively toward certification, it is time that the Forest Service take that step.
- Certification is market driven; if the public didn't believe in certification, it would have failed. The public has not had the opportunity to support certification of public lands in the market. If they do not support it, they have the choice not to purchase certified products.
- Within the land area encompassed by the Pacific Northwest Forest Plan, two-thirds of the timber comes from private land. Soon after the adoption of the Plan, the timber harvesting on those private lands doubled. It is unacceptable to ask neighboring private land owners to sacrifice their timber for the public's consumption; the public has a responsibility to look to the National Forests for some participation in producing the wood to meet demand.
- Is it possible that the Forest Service could decide to use one or more of the certification studies to conduct a full and formal certification audit to determine how it would work before the Forest Service made a final determination about whether or not to pursue certification? Conceivably this would be possible, but the Forest Service would still face the same challenges with other National Forests in meeting the sequential FSC Federal Lands Policy thresholds.
- The potential effect of certification on existing collaborative groups⁶ should be carefully examined by the Forest Service. For example, with the Lakeview group there are some

⁶ Over the last couple of decades a variety of collaborative groups have been established to provide input to the Forest Service related to proposed and on-going land management activities. Such groups typically include people with range of different interests, and are intended to improve outcomes and /or enhance management decisions through the sharing of knowledge and diverse perspectives. Such groups typically have only an advisory role. Some of these collaborative efforts are required by law or agency policy or regulation, while others are established and run by local groups or communities. Examples include those designed to provide input related to stewardship contracting projects, the Secure Rural Schools Act, and the development of fuels treatment areas around local communities. Membership is voluntary and usually open to all. The Forest Service may be the convener or just a member of a group convened by others. The groups may be long-standing or meet only once or a few times to address a

issues that have been avoided or set aside because they could have potentially disrupted the group's ability to develop consensus and a good working relationship. However, certification standards would probably require that some of those issues be addressed directly. Certification may seem to be a natural ground for collaboration, but in the case of these existing collaborative groups, especially those that are working well, caution would be prudent.

- If Obama is elected, certification wouldn't happen unless the environmental community supports it and unless their fears and concerns can be addressed and there's public consensus with political leadership behind it.
- There is an opportunity to influence the Presidential transition team and new administration. Sustainability resonates with the public and if the new administration could be influenced to make national natural resources part of its agenda, certification could be part of that.
- Battling over which certification system to use is non-productive, particularly when you consider the fact that only 10 percent of the world's forests are certified. We should focus our resources and energy on the other 90 percent to see how we can increase certification of forests worldwide.

c. Policies and Procedures Specific to FSC or SFI

- The FSC policy for members of FSC requires complete certification of the landowner's entire estate. If you are a landowner and member, you have to commit to certification of all your lands within a certain timeframe. Governments cannot be members of FSC, so this requirement would not apply to the Forest Service.
- Since the beginning of FSC, there has been a robust and ongoing dialogue of whether it's desirable for a land owner to have a tiny portion certified and then trumpet in the marketplace that they've been certified by the FSC. This is still an ongoing debate in FSC.
- SFI has a single standard; there is no functional equivalent of an FSC federal lands policy under SFI certification.⁷
- Assume a National Forest decided to change its management to provide clean drinking water and carbon storage but none of these goods have markets--would it lose its certification if it wasn't meeting FSC principle 5? There's no obligation under FSC to produce wood. Certification is usually applied to wood products but there's no FSC requirement that this be the case. Principle 5 relates to striving for economic viability,

specific issue or proposed action. In some cases, and on some issues, collaborative groups have helped to identify common ground and develop greater consensus that has previously proved elusive.

⁷ The SFI Standard applies to all public and private land tenures. Objectives addressing public lands policy are incorporated into the SFI Standard.

but it does not ensure or require economic viability. There are FSC-certified lands that aren't selling timber at all. SFI does not require timber sales either.

- For SFI and FSC, is it possible for someone to achieve certification for an activity rather than the acreage that they own? FSC has not certified projects. It is not possible under SFI. Certifying projects or certain activities would be a completely different type of FSC certification, as there is no precedence for this.
- FSC is a membership organization with three chambers that have equal weight. The economic chamber has no more weight than the other two chambers (environmental and social). At the outset FSC was funded by foundations with a heavy involvement by major NGOs; members with economic interests, including the major forest industry, were only somewhat later accorded a full third chamber in FSC. SFI is perceived more as the industry certification.
- Both certification systems are living systems that are constantly seeking input and evolving. There's always an opportunity to bring new science to bear.
- The SFI program has evolved significantly. It is an independent, non-profit, 501c3 organization governed by a three chamber board representing environmental, social and economic sectors. It has huge reach in the US. SFI also looks at lots of different values in our forests, water, carbon, timber, saving communities.
- FSC is going from nine US regional standards to one national standard; combining nine regional standards into one with regionally specific indicators. FSC went through a lengthy review of all regional standards to look at vague or redundant language that was difficult to audit against. The SFI Standard is a single North American standard, applicable in the United States and Canada.⁸
- Given that FSC is converting to a single national standard for non-federal lands, are we talking about a nationwide certification and not a forest-by-forest certification process?
- In many ways, FSC's greatest strength/weakness is that it's a highly balanced and transparent organization with three balanced chambers.
- In creating the indicators for the Pacific Northwest under FSC, it was a negotiation between all three FSC membership chambers (Environmental, Economic, Social), and the final indicators may not have been selected based on the best science because they were a compromise. If the FSC were to pursue certification of National Forests, it would likely be a similar process. The standards need to comport with the best science, but sometimes through a consensus development process they may not.

d. FSC Federal Lands Policy

- Would the process of developing new national indicators for the National Forest System (to meet the third threshold of the federal lands policy) involve all the local National

⁸ SFI is currently reviewing its 2005-2009 Standard.

Forest constituencies, and if so, how? It would be a chamber-balanced, consensus-based, open and transparent process. FSC would publicize it and do the necessary outreach. It's not clear if FSC would create a working group or other format but in terms of deciding what the process would be, it would look at getting as much public consensus as possible. Any standard put forth would have to be approved by FSC International and FSC-US.

- Developing additional standards/indicators is the third threshold under FSC's federal lands policy. There are internal FSC discussions underway and FSC is looking at what those standards might be, but FSC does not currently have a standard setting process related to federal lands. There is no substantive information, and no decisions to determine where FSC is headed right now regarding the policy.
- The FSC federal lands policy thresholds are sequential. "Speculative" is the operative term in this discussion, as we don't want to pre-determine what the third threshold process would look like, and we don't want to design that process until we've reached the first two thresholds.
- It makes sense to have standards development processes incorporate public involvement, but reaching public consensus in order to achieve threshold two will likely depend on what the additional national assessment indicators would be. Is there an opportunity to pursue thresholds 2 and 3 first to determine whether or not there is a willing land owner? That opportunity exists but FSC has no plans to do that. The existing three-threshold policy is sequential.
- How did the FSC federal lands policy end up with a sequential order to it? It seems like a chicken and egg problem. Can this be revisited? Without seeing additional indicators, some environmental NGOs and the Forest Service are not sure they could support the pursuit of certification in National Forests. It is fair to say some consensus-based process might provide some insight into what the indicators would be.
- This sequential situation could be looked at much more simplistically. For threshold two the question could be: Do you agree that the Forest Service future should look like 'this'? For threshold three: How do you ensure that this is carried out?
- What about threshold two of the FSC federal lands policy (requiring consensus on how National Forests should be managed)? This is a big threshold to cross, and there is concern about certifying only a subset of National Forests, because we could end up with certified forests and sacrificed forests. Threshold two is a serial step. If the Forest Service makes the determination to be a willing landowner (threshold one), it seems that the Forest Service would need to take some responsibility for determining how threshold two will be achieved -- not a lowest common denominator (LCD) approach, but a new approach to address public consensus. The only way this will happen is that some public process that doesn't have an LCD outcome is conducted and a new consensus comes out and there's political backing at a national scale. It may be possible to pursue certification for a handful of National Forests and simultaneously pursue public consensus regarding how those specific forests should be managed. The Forest

Service should pick some of the forests with the most management challenges and controversies and demonstrate to Congress what it would require to get them certified.

- FSC is not looking at consensus on whether or not a certain forest should be certified; rather, FSC is looking for public consensus over how the National Forest System should be managed. FSC has been asked by the Forest Service to provide better interpretation of what the thresholds mean, including what FSC means by public consensus. For example, without further clarification of public consensus, FSC could gauge public consensus by assessing whether it exists on its diverse FSC-US board or, alternatively, by every person in the US deciding whether the Forest Service should move forward with certification.
- The application of certification to public lands *may* have positive economic, social and environmental benefits, but it also may have the exact opposite effect. We will never know until we get to the public consensus stage and determine what the additional indicators might look like. According to the FSC policy that exists, we can't get to thresholds two and three until we get through stage 1, a willing landowner.
- Under the first threshold of FSC's federal lands policy, the willing landowner is not the Forest Service, it's the public.
- Whether the Forest Service actually took the final step in seeking certification would depend on the other things going on under the FSC policy and the development of the final standards. The Forest Service also couldn't enter into certification without an option to get out at some point.

e. Certification and Forest Planning

- In regards to the relationship between certification and forest planning, would certification replace forest planning and objectives?
- Certification would not require a shift in the forest management objectives. For example, if during the next plan revision and the public input process, it was decided that Mount Hood NF would be a complete recreation forest and that was our sole objective, then we would look at the certification standards and how our practices to implement that sole objective tie in with the standards.
- None of the certification studies determined any inappropriate planning or management objective. Rather, the studies examined the processes of trying to achieve those objectives. There was one case where the auditors determined that the Chequamegon-Nicolet NF wasn't achieving its objectives year after year. So to meet the standards, either the management objectives need to be changed, or managers need to change their way of achieving them.
- Certification would become an additional tool for accountability. For example, if the production of biofuels became an objective in a forest plan, certifiers would ask if the Forest Service was still sustaining the natural resources while trying to achieve that objective.

- Would certification standards eventually be put into a Forest Service management plan?
- One of the weaknesses found in the Mount Hood certification study is that the forest plan is out of date and the audit report highlighted some critical issues that weren't addressed by forest plans. There is an expectation that the FSC principle looks at how the management plans address issues on the forest. The Forest Service and forest managers would not take an FSC document and paste it into the forest management plan, however, the forest managers would come into conformance with certification standards through the planning process. For example, the forest plan could actually have a higher standard for a particular management issue than FSC or SFI.
- All five forests in the certification studies were at different stages of the forest planning process but all of them had plans in place. All of the certification study forests were managed under the National Forest Management Act (NFMA) 1982 Regulations. The auditors looked at the existing forest plans but if the plans were old, auditors said the plans needed to be updated.

f. Timber vs. Other Goods and Priorities

- Is certification going to create disproportionate incentives to manage for timber production over other priorities? Could the agency be thrown off course by pursuing certification at the cost of other programs? Neither FSC nor SFI require timber to be produced.
- There are still many institutional incentives embedded in the way the Forest Service is organized that either create a bias toward timber production or, at the very least, make it difficult to manage forests in a more holistic manner. The Forest Service needs to do an analysis of internal institutional incentives.
- It is important to reward not only for good timber management, but also for other things that may not be sold on the market.
- Certification of the National Forests could help correct market flaws: if markets were perfect and accurate then we would produce the exact amount of water, timber, etc. but because they are flawed, we overproduce wood and under produce goods like water and carbon but we still don't know the right amounts for these because of market inefficiencies. The Multiple Uses Act that Congress passed does not say how much of the non-timber multiple uses are needed.
- Good forest thinning, including as a component of forest restoration, can increase merchantable raw material supply to local mills, and could provide more of a contribution than conventional timber harvesting.
- Hypothetically assuming the Forest Service could achieve restoration goals, what about providing other values for society other than producing timber from forests? Certification seems to be designed for non-federal lands as mitigation for a commodity extraction activity.

- In the two certification studies conducted in the Pacific Northwest, auditors looked at a ski area, off road vehicle use, grazing programs, etc.—they did not just look at timber sales. In the Mount Hood NF, auditors looked at fisheries projects, restoration projects, fuels and grazing.

g. Budgetary Considerations

- One of the presentations on the certification study showed the forest plan wasn't being implemented because of budget limitations. The message of that is that the managers on the ground have good intentions but the budget is out of their hands and resides with the Congress. Recent events suggest that Congress isn't going to be more inclined to give the Forest Service even the budgets they have had, let alone more. That leads us to ask how the Forest Service could find the millions in funding needed to pursue certification. For example, there is a current dispute over a state lands certification, where the FSC won't withdraw the certificate in the face of implementation failures, and the excuse is that the forest managers are trying really hard despite the fact that they're not getting budgets from the state legislature. However, these good intentions would not likely fly among constituencies at the national level if National Forests were certified. Where will the Forest Service find the money for conforming to certification standards and for implementing its normal management activities that it needs to do anyway?
- Agency budgets have dropped and human resources are lacking. Certification could potentially help identify, for Congress and the public, where critical resources are lacking to accomplish good land stewardship. Where there has been a change in public priorities and associated budgeting, certification could verify whether the Forest Service is implementing the new actions it has been directed to undertake.
- If there was \$X amount of money appropriated to a National Forest to either pursue certification or to setup an incentive to get participation from the community, where would you put the money first? If certification were to divert money from improving forest conditions on the ground, some people's priority might be to put the money towards public participation and collaboration and not certification.
- Certification is intended to add value to forest products and hopefully the forests would get higher bids for their timber products, helping defray some of the costs of certification. The actual cost of certification is probably a relatively insignificant amount relative to the Forest Service's overall budget.
- We need to understand the costs of certification and we need someone to champion funding for it; it can't come out of the hides of other programs. In order to get certification you need to show long term funding for monitoring and reporting. If that's the case, it will be a big ticket item.
- A representative of a private landowner indicated that their forests are generally 100,000 acre units. They have to have a full certification every five years and an annual audit. It costs approximately 82 cents per acre. The Forest Service would be bigger than that but

it's not a huge cost. From a monetary standpoint, it does not seem to be a huge challenge.

- There are two parts of the costs: the cost of the certification assessment itself and the cost of the management actions that are needed to meet the certification standards and maintain the certification. With regard to the certification and audit process, there are ways to integrate existing monitoring and reporting functions that can save money. Also, many documents are on the web and auditors could look at those. The more important issue is that the Forest Service can't come into conformance with certification standards until the road problem is fixed which will cost millions of dollars. This is critical because it makes the cost per acre much higher.
- If the FSC is saying roads are deficient and it precludes the forest from achieving certification, then we can almost write off some of our forests at this point. If we as a nation can no longer afford a road system or control fire or insects, then these issues are like the canary in the coal mine. We're in bad shape if we're not certifiable and we don't spend the money to become certified.
- How will certification help to increase the money for the things the Forest Service should be doing anyway? There's a good amount of agreement on priorities and what needs to be done. Will certification help achieve these priorities or not?
- In terms of the budget constraints, if the Forest Service were to proceed with certification, we may need to start with National Forests that we know will achieve positive results and that can afford to fund the resolution of CARs, rather than the most underfunded forests that won't be able to achieve certification.
- Going for the worst forests and showing they can achieve it will be the best test of certification.

5. PUBLIC PARTICIPATION AND CERTIFICATION IN THE NATIONAL FOREST SYSTEM

- There is a fear that certification could erode public participation opportunities. In several experiences with certification in California, there have not been any efforts to relax the rules of public participation or their enforcement. If anything, the quest for public participation has increased.
- With stakeholder consultation, there is a Forest Service requirement that it must seek public comment and be transparent with information- this all leads to conformance with certification requirements.
- It is inconceivable to think of a time that certification would replace the public process or a management plan.
- What if a local community articulates a desire for something that is not in compliance with an FSC requirement? It is not always that black and white, but if the consensus of the community says this is what we want to have and the certification standard requires something else, then it's still a non-conformance with the certification standards.

6. CERTIFICATION AND ADHERENCE TO LAW IN THE NATIONAL FOREST SYSTEM

- Isn't certification still a political decision? There seems to be an idea that we'll do something better in the name of certification than we would in the name of all of these mandates that we already have to manage public lands. Is there something essentially different that certification gives in direction to the forests that you don't get under current management? We will still have the existing regulatory framework which will still be the higher bar.
- The laws, regulations and standards that apply to National Forests are the higher bar, compared to the certification standards.
- There are differences in various places. It depends on litigation, advocacy and regional differences in FSC standards. In some places it's a high standard to meet; in other places it might be vaguer about what is required to meet the standard, for example, water quality standards in the west vs. southeast.
- There are 1,000 FSC forest management certificates around the globe. In most cases it leads to higher legal requirements.
- Public stakeholders do have the ability to scrutinize federal land managers. Many stakeholders have experience in trying to set standards and these are requirements written into law. There is a fear that certification guidance could become a de facto substitute for the standard-setting process and existing law. Will we leave aside this whole other body of law and policy that we have developed?
- Potentially, there aren't the same checks and balances and legal framework within a certification system. Certification should not subsume all of our laws and policies.
- It may be prudent to check on the state regulations that govern lands pursuing certification in order to see if there is compliance with the state laws in addition to certification standards. If we can assume that state regulations are working under certification then can't we assume that federal policy will do the same?
- For both SFI and FSC, one of the primary requirements in the standards is adherence to law and regulations.

7. DEMAND FOR CERTIFIED PRODUCTS

- Is there a sense in the marketplace that there is a scarcity for certified product? There is a bit of certified product scarcity in the US; whereas virtually 100% of fiber out of Canada is certified at this time.
- Business competition may be a greater issue than scarcity of certified fiber; smaller paper mill companies can't provide these certified products because they don't have the certified fibers from Canada to do so.
- There is a scarcity in the marketplace of FSC-certified material and products.

- There's growing demand, awareness and interest in certified products and demand is continuing to increase. There's been a real explosion in demand. Many publishers/catalogs are asking for certified paper. We see demands right now driven by the US Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system.
- On National Forest lands there are also demands for other uses: water, forage, recreation. The National Forests are unique in providing world class opportunities that might not be adequately supplied in the marketplace.

8. ENERGY & CLIMATE CHANGE

- If you fly over Maine or Oregon, you will see a vast untapped resource. We're facing an energy crisis in the US and around the world. There are two key questions to answer: 1) does the value of certification, viewed by the public as a way to communicate sustainability, increase the timber harvest? And if not, then will certification matter in terms of addressing energy issues? 2) How do we position the Forest Service to be a solution to the climate issue? The new administration will be asked to present something to the public to get us out of the challenge we are in and people will be looking for an answer. We have to make sure this huge resource is properly managed. If certification is part of the answer to help make these resources more usable for the US, to meet our carbon-neutral energy independence needs, then we need to figure out how to do it.
- Certification is likely to be a precondition for a landowner to participate in carbon and other ecosystem services markets. Denying it to the Forest Service will be denying a huge opportunity to take advantage of, and receive credit for, the ecological services and benefits of NFS lands.
- On the energy issue, you have to look at forests in different ways: as an offset and a carbon sink, because logging forests puts carbon into the air. In the last 100 years, the Pacific Northwest has had 100 times the carbon emissions of any equal area of land in the world because old growth forest was so heavily harvested.
- We need to be realistic about the energy challenge we're facing. This means sustainable consumption and population control, both of which are politically unacceptable. But politicians don't want to get our oil from Venezuela, and we need to be realistic about a domestic energy source that's renewable. If our National Forests become such a source, is certification going to have an impact on making sure those forests are managed better?
- There is a big vacuum and the National Forests have not found a role in the climate change arena.
- We have to take responsibility for our energy consumption and that means federal lands need to participate. Otherwise, we'll continue to ask for more harvest from private lands until they collapse because they don't have the same regulations.

- In terms of pollution, three months' worth of forest fires in the Pacific Northwest produced more emissions than all the cars in California do in one year. If we can reduce the forest fires, we will be more effective at reducing emissions. Nancy Pelosi said she would ensure no forests would be eligible for support by the government in the making of biofuels. If certification can improve management and create opportunities for that, then it could impact the contribution that forests can make to reduce the threat of climate change.
- Actually, the amount of carbon released by The Biscuit Fire⁹ (a very rare event) was less than the carbon released by logging on private lands happening every single year.
- Wood will be used for energy more and more in the future for biofuels. There are fuel pellets now being shipped from the US to the European Union. Future carbon credits will also demand that certification be implemented.
- Global warming will also create larger and more intense forest fires. We need to realize this and reexamine what we have done for fire suppression.
- The connection between certification and carbon is not very clear, but certification systems are trying to make this connection. Certification is a tool to promote sustainable forests and prevent illegal logging. Certification provides the potential to achieve some conservation, specifically around old growth forests -- to raise the bar and protect critical resources and provide a broader landscape level perspective on management of the land.
- Many environmental NGOs are in favor of all types of forest restoration, but a lot of this is done for ecological reasons and not for climate reasons. We could offset all the car emissions from Oregon, if we stopped logging in Western Oregon.
- That may be true, but the logging just occurs somewhere else.
- If there were a single objective such as carbon sequestration, is there a mechanism for FSC to push back on that single objective when a landowner is fixated on a single objective? It is not necessarily push back because part of the FSC standard looks at diversification of products and services. FSC would be interested in why the forest is focused on one objective, how the managers will meet that, and how it relates to the FSC standards overall.
- If certification were beginning to look so attractive and more efficient and potentially cheaper than the Forest Service doing its normal regulatory oversight, one concern is in the energy use for National Forest lands. National Forest lands could play a huge role in the growing need for renewable energy, and also in the location of rights-of-way for new electrical transmission lines. Would certification discourage the public in commenting on where the transmission lines go simply because a third-party certifying body is involved? This would potentially eliminate the public involvement on this issue. If we

⁹ The Biscuit Fire was a wildfire that took place in 2002 that burned nearly 500,000 acres (2,000 km²) in the Siskiyou National Forest in the states of Oregon and California.

deter the public or environmental NGOs from that scrutiny, we could potentially lose participation in dialogues where it is needed the most right now.

- There are many ways to reduce the pressure on forests around the world. The US has done things domestically, but the number three country in the world for emitting greenhouse gases is Indonesia. We need to think of this globally. If there is less harvesting in North America, there will be more in Indonesia; that would be a disaster. Do we want to ensure good forestry is taking place in the right places and not encourage deforestation in the tropics, which will have tremendous impact on greenhouse gas emissions?
- The Nature Conservancy is a partner in managing private land in California that is certified under FSC/SFI, and is registered with the California Climate Registry for carbon sequestration.

9. FOREST RESTORATION AND CERTIFICATION

- There appears to be some level of agreement on the importance of forest restoration and that more timber harvests should happen to achieve restoration of public lands. If that is correct, can we envision a scenario where certification ensures this happens appropriately to benefit the local community and forest?
- One possible scenario for combining forest restoration with harvesting would be an act of Congress that stipulated restoration as part of a National Forests system objective for the next ten years. Restoration may help achieve the management goals and also contribute indirectly to harvest supply.

10. ALTERNATIVES TO CERTIFICATION OF NATIONAL FORESTS

- Why not get an independent third-party assessment of National Forests against the National Forest System's existing standards? What would be the advantages/disadvantages of doing that versus using an external set of third party standards? What about an independent external third party evaluating whether or not the Forest Service is implementing or compliant with its existing set of regulations and plans?
- Conceivably the Forest Service could hire one of the independent auditing firms to review compliance with its own standards and regulations. Before the Forest Service goes through a plan revision process, a third party could examine how the Forest Service is implementing management plans and complying with the law. If it's a choice between pursuing certification or not, this option could serve as a hybrid approach in between.
- If the assessment were done using the Forest Service's existing standards rather than independent third party certification standards, it would not be credible. In the public eye, the greatest credibility on forest issues lies with academia, scientists, and the media,

with the Forest Service and industrial forest owners falling further down on the scale. Using Forest Service standards would be self-certification and would not likely carry much credibility. People will be looking for the independent third-party tied to the certification system.

- If the standards are truly developed by the public, then it seems there would be merit to conducting an assessment using existing Forest Service standards.
- While certification is a valuable tool for documenting well-managed forests at the ownership scale, the State of Oregon instead promotes the use of the internationally accepted Montreal Process framework at larger landscape scales, perhaps including the scale of National Forests, to measure and discuss sustainable forest management. In this context, US National Forests already have the tools available to assess their contributions to sustainable forestry with or without certification playing a documentation role.

NEXT STEPS IN THE DECISION-MAKING PROCESS

a. The Process

- Will the notes from the listening sessions and other public comments be provided to the public? All the listening session proceedings will be available, and any comments Meridian receives from the public as part of the public review process will be open for public review.
- Will all memos and documents related to the Forest Service's ultimate decision-making on certification be made publicly available through a transparent process? The Forest Service is still deliberating on whether to make those available during the process or after a decision has been made.
- The Forest Service has a comment period open right now that was announced in the Federal Register (in mid-September) in order to solicit views from people that were not heard during the listening sessions or are not part of the interview process. The list of issues in the Federal Register notice is essentially identical to those that have been discussed during the listening sessions: essentially, what do we need to know before we make a decision on whether to pursue certification or not? The Forest Service will have one more listening session in Washington, DC, and will then conduct a series of targeted interviews with additional stakeholders and experts. All of the input received will be compiled and provided to Forest Service leadership.
- Is there a general timeframe of when the Forest Service will make a decision about pursuing certification or not? The Forest Service has not established a timeframe for a decision.
- What is a driver that will push the timeline? Is it leadership? The Forest Service leadership is interested in this and awaiting the end of this process. Once the process is complete, the findings and results will be presented and the leadership will make a decision. No decision will be made in 2008. It's difficult to commit to a timeline with

the upcoming change in administration and leadership. Obviously if the Forest Service wants to pursue this, it will have to have a detailed conversation with the new administration.

- Will this decision be at the level of Forest Service Chief or Undersecretary? The Chief would have to discuss this with the Undersecretary.
- The Forest Service was really interested in exploring the certification issue last November. It soon became clear that designing a process to ensure the proper involvement and consultation of all interested parties would take more time, so the process has been extended accordingly.

b. Suggestions for the Process

- The Forest Service should talk with different end users from different segments of the population to see if a broad base of the public thinks certification is important. Public sentiments towards certification have changed quite a bit since this was under discussion 3-4 years ago.
- Pick one or two forests (western and eastern), and one that participated in the certification study, and ensure there's an observation team representing environmental and social groups. This would allow the stakeholders to see the process, ensure that it is transparent, and see if it works.
- The Forest Service could make use of existing collaborative public stakeholder groups in order to find the common ground where it has already been established. The Forest Service could build off a centrist point of view that's already there.
- There are still many concerns people have, such as whether certification will soften NEPA requirements or lower the bar. Anything the Forest Service could do to state this isn't the case would be helpful in order to assure the greatest level of trust at all levels.
- The Forest Service should not look at this decision about certification as all or nothing; there has been a lot of discussion about a variety of options for certification, such as incremental approaches, test areas, etc.

CLOSING REMARKS, DOUG MACCLEERY, USFS

The Forest Service would like to hear from you if you choose to comment on the Federal Register notice. We are also interested in views as to how to compile this input and information we are gathering. Normally when we respond to comments it's because we have a proposed rule and we're asking for comments. This is a different process. It will be up to the leadership on how we approach this.

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