

**A Comparison of the  
American Forest & Paper Association's Sustainable Forestry Initiative  
and the  
Forest Stewardship Council's Certification System**

**June 2001**

National Wildlife Federation  
Natural Resources Council of Maine  
Environmental Advocates

# A Comparison of the American Forest & Paper Association's Sustainable Forestry Initiative and the Forest Stewardship Council's Certification System

## *Summary of Findings*

In the Northern Forest of New York, Vermont, New Hampshire and Maine, the **Forest Stewardship Council (FSC)** certification system and the American Forest and Paper Association's **Sustainable Forestry Initiative (SFI)** are the two most prevalent auditing programs. The goals of any forest management auditing system should be:

- 1) to assure the public, in an open and transparent process, that a given landowner or manager has demonstrated a commitment to an ecologically healthy and economically viable forest;
- 2) to provide landowners and managers an independent assessment of their current state of management and specific advice on how to achieve better performance in the future; and,
- 3) to ensure that the rights and cultures of indigenous people and local communities are respected.

Based upon the side-by-side comparison in this report, the only auditing system active in the Northern Forest that meets these goals, and is capable of rebuilding public trust in the ability of landowners to responsibly manage their forests, is the Forest Stewardship Council system.

The FSC offers a more effective system as the cumulative result of many distinctions:

- FSC is based upon a required and consistently applied third-party audit; SFI is not;
- FSC is based upon a system of *performance-based measurements*; SFI is largely focused on the *adoption of management systems* that may or may not lead to changes in performance;
- FSC has a comprehensive set of detailed ecological indicators; SFI ecological indicators are more general and most indicators are optional;
- FSC sets more stringent guidelines in many areas of environmental protection (such as maintenance of older forest and reserve areas; use of chemicals, exotic and genetically modified species; and conversion of natural forest to plantations) that are more appropriate for ecologically sound forest management;
- FSC has social criteria focusing on local communities and indigenous peoples; SFI does not;
- FSC has Chain-of-Custody Certification and product labeling system allowing processors, retailers, and consumers to confidently know that their wood comes from a well-managed forest; SFI does not; and,
- FSC has mandatory independent public reporting for *all* companies certified as “well managed” forest operations; SFI does not.
- FSC requires an annual audit; SFI does not.

# A Comparison of the American Forest & Paper Association's Sustainable Forestry Initiative and the Forest Stewardship Council's Certification System

## *Why Compare FSC and SFI?*

Across the Northern Forest of Maine, New Hampshire, Vermont and New York, public concern has steadily grown over the loss of forest diversity (particularly in age class, structure, and species composition), timber quality, aesthetic values, and recreational opportunities caused by unsustainable forest practices. In response to these concerns, a variety of efforts have been initiated to define and implement standards of 'sustainable forestry', which would assure that the region's ecological, social, and economic values are protected over the long-term. Auditing programs, or 'certification' systems—have emerged as one method of recognizing, promoting, and supporting sustainably managed timberlands. In the Northern Forest, the **Forest Stewardship Council (FSC)** system and the American Forest and Paper Association's **Sustainable Forestry Initiative (SFI)** are the two most prevalent auditing systems.

As the FSC and SFI systems have become more common across the region, there has been uncertainty among conservation organizations, government agencies, and the general public as to what these systems are and how they differ. The need for a clear and concise comparison of the systems is especially urgent in New York and Maine where questions are being raised over large tracts of public and private forest lands being reviewed under one or both of these systems. The need is also present in Vermont and New Hampshire where efforts are underway to assure sustainable management on state and private lands and to promote certification more generally. The aim of this report is to provide such a comparison for parties involved with or interested in the distinctions between FSC and SFI.

## *System Structures<sup>1</sup>*

The FSC system was developed by representatives from environmental, social, and forest management groups. The system is based on ten **principles**, each of which is followed by a list of **criteria**. A principle is a statement of the system's overarching goals regarding forest management, and criteria are a means of judging whether or not a principle has been achieved. FSC principles and criteria are applied to all forests worldwide. Compliance with criteria is gauged by **indicators**, which are tailored to specific regions, but must be consistent with a system of FSC-approved national indicators.<sup>2</sup>

All principles and criteria used in FSC are mandatory and are administered by an independent third party authorized by FSC.<sup>3</sup> While all principles and criteria must be considered during an audit, not all criteria must be passed for a landowner to be certified. A "passing grade" under

---

<sup>1</sup> The most recent sources available were used throughout this report. These include FSC's International Principles and Criteria and National Indicators (approved in 2001), SFI's 2001 Verification Process and Standards, and other sources cited in the bibliography. It should be noted, however, that both programs continue to evolve and that this report may need to be updated over time. This report deals only with the programs as they are structured in the United States.

<sup>2</sup> FSC's recently approved national indicators will form the basis of regional indicators in the United States. So long as they remain consistent, regional indicators may add to or modify the national indicators, with approval by FSC. Regional indicators for the Northeast will be finalized by mid-2001. In the interim, a draft system of FSC-approved "working indicators" are in use.

<sup>3</sup> SmartWood and Scientific Certification Systems are the two FSC-accredited certifiers now active in the Northern Forest.

FSC is considered as an aggregate of all measures, although major failures in any one area will normally disqualify a candidate from certification until the problem is fixed or a plan is in place to fix it. The FSC auditing system is structured for consistent application to all system participants.

The SFI was developed by the American Forest and Paper Association (AF&PA) for its company and trade association members. All members of AF&PA must participate in the SFI program. The program is based upon five **principles** and eleven **objectives**. Objectives act as measures of compliance with the principles, and themselves are accounted for by a list of **performance measures**, which may be tailored at the regional, state or site level.

A landowner being audited under SFI has the choice of a first-party audit (self-administered), second-party audit (administered by an associated party, such as an industry trade group), or third-party audit (administered by an independent outside party). Under 1<sup>st</sup> and 2<sup>nd</sup> party audits, all indicators are voluntary and may be selected by the party being audited. Under 3<sup>rd</sup> party audits, there is a mandatory system of “core indicators” which are used in conjunction with several other voluntary indicators. Regardless of which auditing option is used, the party being audited is given a high degree of leeway to tailor the exact content of the measures used.

### *Comparison of Standards*

In order to illustrate the distinctions between SFI and FSC in a clear and concise manner, attributes of each system are presented in table form and categorized under key issues. This table may lack details and subtleties that are difficult to capture without a more in-depth treatment. The reader is encouraged to reference the sources listed in the bibliography for more detailed analyses.

Note: Quotes indicate statements taken directly from program guidelines. Each quote is cited according to the following system: For SFI, O = Objective, and PM = Performance Measure, according to how they appear in the 2001 Standards document. For FSC, P = Principle, C = Criteria, and I = Indicator, as they appear in the FSC-US National Indicators, issued in 2001. While the programs do not use an equivalent hierarchy in their standards system, this report attempts to match as closely as possible equivalent standard levels.

	SFI	FSC
<b>PROCESS &amp; STRUCTURE</b>		
<b>Development of System</b>	<ul style="list-style-type: none"> <li>▪ Standards developed by forest industry.</li> <li>▪ National standards board now independent of industry and includes a majority of non-industry members. Current board members were selected by industry.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Standards developed by a full range of forest stakeholders, including community and indigenous peoples representatives forest products companies, conservation and environmental groups.</li> <li>▪ Opportunity for public review and comment during development of standards.</li> </ul>
<b>Selection of Standards</b>	<ul style="list-style-type: none"> <li>▪ <u>First and Second-Party Audits</u>: All indicators are voluntary and selection varies from company to company.</li> <li>▪ <u>Third Party Audits</u>: Mandatory ‘Core Indicators’ must be used for each of the Performance Measures. Additional indicators may be proposed by the company; auditors may approve and/or propose additional indicators.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All principles and criteria are mandatory and applied to all landowners.</li> </ul>
<b>Nature of Indicators</b>	<ul style="list-style-type: none"> <li>▪ Many indicators emphasize policies, plans, and management procedures (i.e., <i>process-based</i> measures); few are designed to evaluate on-the-ground results.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Most indicators emphasize field-level, on-the-ground performance (i.e., <i>performance-based</i> measures).</li> </ul>
<b>Education &amp; Training Programs</b>	<ul style="list-style-type: none"> <li>▪ “Program Participants shall support and promote efforts of state groups to sponsor training and education programs for wood producers, employees involved in procurement and landowners assistance, and contractors.” (PM 4.2.1.1.3.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ “The communities within or adjacent to the forest management area should be given opportunities for employment, training, and other services.” (C 4.1.)</li> </ul>
<b>Issues Covered by Indicators</b>	<ul style="list-style-type: none"> <li>▪ Measures and standards address environmental and silvicultural issues.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Measures and standards address environmental, silvicultural, economic, and social issues, including the rights of indigenous people’s and workers, and community relations.</li> </ul>
<b>Public Disclosure</b>	<ul style="list-style-type: none"> <li>▪ Public reporting of company-specific audit results not required.</li> <li>▪ AF&amp;PA aggregates company-specific information into industry-wide performance trends that are reported in annual public progress reports.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Public reporting of landowner-specific audit results, management system, and a specific list of enforceable conditions that are the basis for ‘corrective actions’ or loss of certification are required; content controlled by independent auditors.</li> </ul>
<b>Annual Audit</b>	<ul style="list-style-type: none"> <li>▪ No</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes</li> </ul>

	<b>SFI</b>	<b>FSC</b>
<b>Independence of Evaluation Team</b>	<ul style="list-style-type: none"> <li>▪ Self-verification under 1<sup>st</sup>-party audit</li> <li>▪ Affiliated party verification (e.g., industry trade group) under 2<sup>nd</sup>-party audit</li> <li>▪ Independent verification under 3<sup>rd</sup>-party verification.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Independent third-party verification only.</li> </ul>
<b>Public Appeals of Audits</b>	<ul style="list-style-type: none"> <li>▪ No</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yes</li> </ul>
<b>ECOSYSTEM &amp; RESOURCE SUSTAINABILITY</b>		
<b>Biological Diversity (in general)</b>	<ul style="list-style-type: none"> <li>▪ Each company develops its own policies, programs, and plans to contribute to the conservation of biological diversity and manage sites of ecological significance.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Landowners are required to maintain, enhance, or restore the long-term integrity of natural habitats, ecological processes, soil, water, and stand development.</li> </ul>
<b>Age Class Distribution</b>	<ul style="list-style-type: none"> <li>▪ “Program Participants shall have policies, programs and plans to promote habitat diversity at stand- and landscape-level.” (PM 4.1.4.1.1.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Forest owners and managers maintain or restore portions of the forest to the range and distribution of age classes of trees that result from processes that would naturally occur on the site.” (I 6.3.a.2.)</li> </ul>
<b>Rare, Threatened, and Endangered Species</b>	<ul style="list-style-type: none"> <li>▪ Applicable only under 3<sup>rd</sup>-party audits: “Programs to protect federally-listed threatened and endangered species.” (Core Indicator #2 under PM 4.1.4.1.1.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Safeguards shall exist which protect rare, threatened and endangered species and their habitats. Conservation zones and protection areas shall be established.” (C 6.2.)</li> </ul>
<b>Habitat Diversity</b>	<ul style="list-style-type: none"> <li>▪ “Program Participants shall apply knowledge gained through research, science, technology, and field experience to manage wildlife habitat and contribute to the conservation of biological diversity.” (PM 4.1.4.1.3.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ “A diversity of habitats for native species is protected, maintained, and/or enhanced.” (I 6.3.b.2.)</li> </ul>
<b>Reserve Areas</b>	<ul style="list-style-type: none"> <li>▪ No specific requirements</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps.” (C 6.4)</li> </ul>
<b>Water Quality</b>	<ul style="list-style-type: none"> <li>▪ Meet or exceed best management practices guidelines and applicable state laws.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Meet or exceed best management practices guidelines and applicable state laws.</li> </ul>
<b>Timber Quantity and Quality</b>	<ul style="list-style-type: none"> <li>▪ 1<sup>ST</sup> and 2<sup>nd</sup>-party audits: No expectations of sustainable harvest levels or other minimum standards.</li> <li>▪ 3<sup>rd</sup>-party audit: “Harvest levels must be sustainable and consistent with appropriate growth and yield models and written plans.” (PM 4.1.1.1.4.)</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Rate of harvest of forest products shall not exceed that which can be permanently sustained.” (C 5.6)</li> </ul>

	<b>SFI</b>	<b>FSC</b>
<b>Clearcutting</b>	<ul style="list-style-type: none"> <li>“Develop and adopt appropriate policies for managing the size, shape, and placement of clearcut harvests. The average size of clearcut harvest areas shall not exceed 120 acres.” (PM 4.1.5.1.2.)</li> </ul>	<ul style="list-style-type: none"> <li>Some clearcutting allowed, but “Silvicultural practices provide disturbances and generate stand conditions that result in a successional phase that would occur naturally on the site.” (I 6.3.a.3.)</li> <li>“Forest conversion to plantations or non-forest land uses shall not occur...” (C 6.10)</li> </ul>
<b>Chemical Use</b>	<ul style="list-style-type: none"> <li>“Program Participants shall use forest chemicals prudently (follow all applicable label requirements, Best management Practices, and meet or exceed laws and regulations concerning the use of fertilizers, herbicides, and other forest chemicals) to improve forest health and productivity, while protecting employees, neighbors, the public, and the forest environment.” (PM 4.1.2.1.3.)</li> </ul>	<ul style="list-style-type: none"> <li>“Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use...shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimize health and environmental risks.” (C 6.6.)</li> </ul>
<b>Planting of Exotic Species</b>	<ul style="list-style-type: none"> <li>Not addressed</li> </ul>	<ul style="list-style-type: none"> <li>Allowed in plantations under strict guidelines; native species preferred</li> </ul>
<b>Planting of Genetically Modified Species</b>	<ul style="list-style-type: none"> <li>Allowed</li> </ul>	<ul style="list-style-type: none"> <li>Prohibited</li> </ul>
<b>Use of Exotic Biological Controls</b>	<ul style="list-style-type: none"> <li>Not addressed</li> </ul>	<ul style="list-style-type: none"> <li>Allowed under strict guidelines</li> </ul>
<b>Use of Genetically Modified Biological Controls</b>	<ul style="list-style-type: none"> <li>Not addressed</li> </ul>	<ul style="list-style-type: none"> <li>Prohibited</li> </ul>
<b>PRODUCT TRACKING</b>		
<b>Chain-of-Custody Certification</b>	<ul style="list-style-type: none"> <li>No chain-of-custody certification</li> </ul>	<ul style="list-style-type: none"> <li>Certified wood tracked from forest to finished product.</li> <li>Required annual audits to process and sell products made from certified wood.</li> </ul>
<b>Product Labeling</b>	<ul style="list-style-type: none"> <li>No</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>

## *Conclusions*

The American Forest and Paper Association has taken initial steps promoting better forest management with its “Sustainable Forestry Initiative”. However it does not meet the auditing system goals articulated here, including public accountability, establishment of benchmarks and targets for improvement, and mechanisms to ensure that cultural heritage, local communities and native wildlife are fully considered. Notable changes to SFI have been made in recent months<sup>4</sup>, and the research, education, and training programs conducted under SFI provide useful models to consider for any effort to improve forest management. The SFI should continue to help AF&PA members implement better forestry practices and demonstrate their progress to the public in a credible and transparent process.

The Forest Stewardship Council certification system should continue to refine its standards to ensure that they meet credible sustainability goals. FSC must ensure that their standards are applied consistently and fairly across the landscape by all FSC accredited certifiers and all types of land owners. Incorporation of the best available findings in forestry, ecological and social science will be an ongoing challenge for the multi-party FSC decision-making process.

Voluntary programs, no matter how rigorous, are not a panacea for problems facing the Northern Forest. While certification is and will continue to play an important role in the improvement of forest practices, it must complement rather than replace appropriate regulations and legislation, and quality public land management. Based upon the side-by-side comparison in this report, the only auditing system active in the Northern Forest that is capable of rebuilding public trust in the ability of landowners to responsibly manage their forests today and for the future, is the Forest Stewardship Council system.

---

<sup>4</sup> SFI has recently added a system of core indicators that are required for all 3<sup>rd</sup>-party audits, as well as a requirement that “program participants...ensure that long-term harvest levels are sustainable and consistent with appropriate growth and yield models and written plans.



## ***Bibliography***

American Forest and Paper Association. *2001 Edition Sustainable Forestry Initiative Standard: Principles and Objectives*. [available at: [www.afandpa.org](http://www.afandpa.org)]

American Forest and Paper Association. *2001 Edition SFI Verification Process*. [available at: [www.afandpa.org](http://www.afandpa.org)]

American Lands. 2000. *Perspectives on AF&PA's 'Sustainable Forestry Initiative' and Forest Certification*.

Bryan, R. 1999. *Verifying Sustainable Forestry in Maine: Current Programs and Future Directions*. Maine Audubon Society. 48pp. [available at: [www.maineaudubon.com/conservation/habitat/forest1.html](http://www.maineaudubon.com/conservation/habitat/forest1.html)]

Bryan, R. 2000. Comments on the SFI 2001 Verification Process. Maine Audubon Society. 5p.

Forest Stewardship Council. 2001. *Principles and Criteria*. [available at: [www.fscoax.org](http://www.fscoax.org)]

Forest Stewardship Council. 2001. *FSC-U.S. National Indicators for Forest Stewardship*.

Heaton, K. 1999. *Environmental Implications of the American Forest and Paper Association's Sustainable Forestry Initiative Program in Comparison with the Forest Stewardship Council Program for Forest Certification*. Natural Resources Defense Council, San Francisco.

Lansky, M. 2001. "Recommendation to FSC-US: Make Forestry Certification More Credible." *Northern Forest Forum*, Candlemas, vol. 8, no.6.