

SUPPORT FOR COALITION FOR RESPONSIBLE WOOD USE RECOMMENDATIONS TO THE MR TAG FOR THE FUTURE OF THE CERTIFIED WOOD CREDIT

Recommendation #1: *LEED should continue to award a point (or points) only for FSC-certified wood or its equivalent.* We believe that the recent report to the MR TAG by the Yale School of Forestry (the Yale Report) makes clear that SFI, CSA etc. are not currently equivalent to FSC. It also lays out a possible procedure for determining true FSC equivalency at some point in the future, though we believe the suggested approach needs further refinement. Otherwise stated, only products from forest certification systems that meet the “Prescriptive benchmark” (and that meet the higher, “Target benchmark” in the future) should be actively rewarded by LEED by contributing to the earning of a LEED point or points.

The underlying values inherent in FSC and the Prescriptive benchmark are most in tune with the stated mission and goals of USGBC and are most broadly supported by the green building community.

The stated core purpose of USGBC is to “transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life.” FSC is the only forest certification system that deeply addresses both social and environmental responsibility and can safeguard the health and quality of forests for the long term.

USGBC’s first guiding principle is to “Promote the Triple Bottom Line” and speaks to the need to “strengthen a healthy and dynamic balance between environmental, social and economic prosperity.” The FSC is the only forest certification system that thoroughly addresses the triple bottom line, through its standards, its governance, and its membership.

It should be axiomatic that a leadership standard in green building should only reward a leadership standard in forest management.

USGBC’s second guiding principle is to “Establish Leadership” and states that “USGBC will take responsibility for both revolutionary and evolutionary leadership by championing societal models that achieve a more robust triple bottom line.” FSC represents such a model for forestry and the forest products industry.

USGBC’s third guiding principle is to “Reconcile Humanity with Nature” and says that “USGBC will endeavor to create and restore harmony between human activities and natural systems.” FSC is the only forest certification system that safeguards forest ecosystems, which are among the Earth’s most important natural systems. SFI and CSA, by contrast, allow the conversion of native forest ecosystems to chemically-drenched monoculture tree farms, a practice that is explicitly forbidden by FSC.

USGBC's fourth guiding principle is to "Maintain Integrity" and says that "USGBC will be guided by the precautionary principle in utilizing technical and scientific data to protect, preserve and restore the health of the global environment, ecosystems and species." One of the most effective and precautionary ways to protect the most valuable and threatened ecosystems is to leave them alone. FSC is the only forest certification system that does so by placing rigorous restrictions on the logging of high-conservation-value forests.

Availability of FSC products is good and is improving, as evidenced by the fact that approximately 30% of LEED projects have achieved MR 7.

MR 7 is working. The Certified Wood Credit, with its exclusive recognition of FSC, is a viable, achievable credit that is resulting in tangible market transformation and is becoming a major success story for the efficacy of LEED.

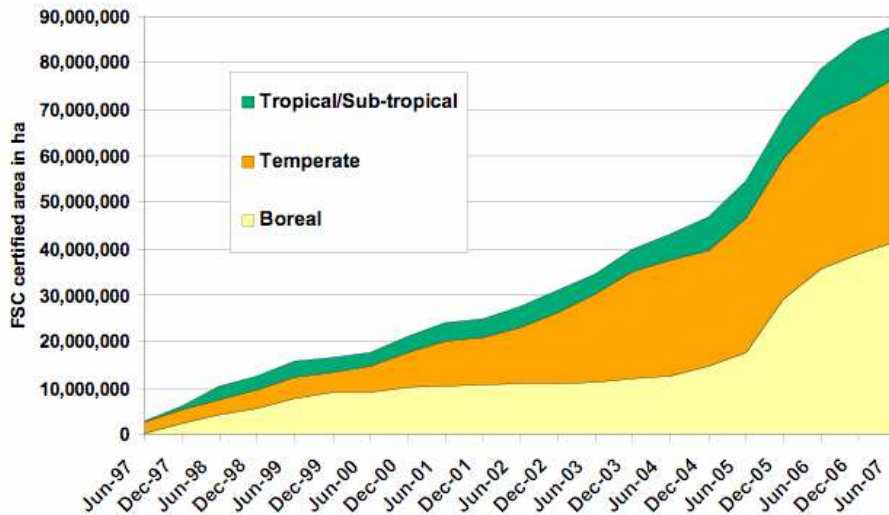
The Certified Wood Credit, as it is currently written, is being attained by a critical mass of LEED projects. Approximately 30% of LEED projects have successfully used enough FSC-certified material to attain a point under MR 7. For each project team that has successfully used FSC material on one project, an important mass of experience and knowledge is added to the LEED community – experience and knowledge that makes the attainment of MR 7 on subsequent projects that much easier for all. Even project teams that were unable to achieve MR 7 in the past have helped to drive the development of FSC by asking for FSC products. They should be encouraged to re-engage with the FSC industry for future projects, and are likely to find their task easier the second time around.

Thanks in large part to USGBC's commitment to a credible approach to certified wood, the market is at a tipping point for the availability of FSC-certified products. Project teams are becoming more seasoned in what needs to be done to achieve this credit; the networks of FSC-certified manufacturing and distribution are becoming more familiar with LEED; and the depth and breadth of FSC-certified products and companies is increasing rapidly. The FSC success stories with LEED are building momentum on a daily basis and USGBC has an opportunity to celebrate their very tangible role in driving this marketplace.

The USGBC's efforts, coupled with global momentum behind FSC, have resulted in a dramatic increase in the availability of FSC products. Across North America, there has been a significant increase in the number of FSC-certified chain-of-custody operations, many of which have their eyes focused squarely on serving the LEED market. Globally, the area of FSC-certified forest land has doubled in the last three years and continues to grow at a rapid rate. There are currently over 90 million hectares of FSC-certified forests in the world, with almost 1/3 of this area in North America.



Rate of increase of FSC endorsed forest over time
(Jun '97 – Jun '07)



© FSC

© 1996 FSC A.C.
FSC-SECR-0002

Data from September 2007

Slide 5

Forest certification systems that meet the Yale Report's "Flexible benchmark" represent the status quo of industrial forestry in North America and elsewhere, which often entails environmentally destructive practices.

There is ample evidence for this statement. For a complete analysis, and pictures of what SFI and CSA forestry look like on the ground, see CredibleForestCertification.org: Home

Nowhere else in LEED are points deliberately awarded for status quo practices, methods, and materials.

The only place where LEED (inadvertently, in our view) awards points for status quo materials is in MR 6, where it rewards the use of "Rapidly Renewable" materials, including some conventional agricultural products, without looking more deeply at the sustainability of their production (this is covered in Recommendation # 4); and in MR 5, where it rather simplistically rewards the use of products that are sourced within a 500 mile radius of a building project without regard for the nature of the material, how it was produced, or the efficiency of the transportation method used to get it there.

As the Yale Report points out, the likely consequence of awarding points to multiple forest certification systems will be a) to lead a majority of firms to gravitate to the certification system(s) that represent lowest levels of practice (and hence lower operational costs), and b) to

lead many LEED project teams -- especially those not seeking the highest levels of LEED recognition -- to opt for the most readily available products (SFI, CSA) over the currently more difficult-to-obtain products (FSC).

Quoting directly from the Report (pp. 8-9):

- Recognition of multiple systems will likely:
 - Lead the majority of firms to choose the lowest cost certification system
 - Foster competition among certification systems to lower certification costs, while decreasing competitive pressure to increase certification requirements
 - Increase use of non-FSC certified labels relative to FSC labels
 - If a variable point system is used, with the FSC receiving the most points, then firms seeking the highest levels of LEED certification (i.e. gold or platinum) would seek FSC products, while the majority of firms would favor the certified wood most readily available, i.e. wood produced by PEFC endorsed systems.

This in turn would undermine the market transformation effect that LEED is currently having on the forest products industry whereby it drives improvements in mainstream industrial forestry by rewarding only leadership practices.

SFI and CSA are both gradually addressing weaknesses in their systems and raising their “bars” (i.e. the lowest acceptable levels of practice certifiable under their standards) in reaction to FSC. FSC in turn is largely being sustained and fueled in North America by the expansion of LEED and the collective demand of LEED projects being designed and built across the continent. If FSC continues to succeed, it is likely that SFI and CSA will continue to improve, and this will raise the baseline of industrial forestry practices across the continent, with tremendous environmental and social benefits. If FSC stalls or fails, as it may do if LEED were to grant equal or even partial recognition to SFI and CSA, then improvement in the latter is likely to cease. This is because improvements in forest management generally involve higher short-term operational costs and/or the deferment or sacrifice of easy profits, and the large, publicly-traded companies that participate in SFI and CSA are powerfully motivated to control costs as much as possible while maximizing revenues and short-term shareholder return.

Recommendation #2: *In its credit structure, LEED should continue to treat wood separately from other bio-based materials.* Wood should not be lumped in with other bio-based materials.

Why is wood different than other bio-based building products? These other products include:

- Wool (very good in that it is renewable – but large flocks of sheep can damage native grassland ecosystems)
- Cotton (much better if it is grown organically rather than conventionally, but still is an industrial agri-crop grown on land that was at some point previously a native ecosystem. A cotton field provides far less habitat and environmental services than a natural ecosystem such as a prairie or a forest)
- Bamboo (grows quickly, in 5 year harvest rotation – is a grass – as of 2007, no significant certification of its ecosystem or social impacts)
- Kenaf, Hemp (better LCA than cotton, but still an agri-crop that displaces native habitat)
- Straw (Alfalfa? Wheat? Good to use the post-agricultural fall off, but still an agri-crop that displaces native ecosystems and the environmental services they provide).
- Adhesives based on vegetable oils or soy oil (agri-crop based)
- Corn-based fuels and corn starch materials (agri-crop based)

Wood is the only material in the list above that is regularly harvested from natural ecosystems, and can be harvested in such a way as to maintain the essential health and integrity of those ecosystems.

Forests are crucial for global environmental health and sustainability. As the Earth's most diverse terrestrial ecosystems, they are irreplaceable reservoirs of biodiversity and represent far more than the trees that grow there. Also, they provide a unique array of critical environmental services, including the regulation of regional and global climate, the storage and slow release of water, the stabilization of soils, etc.

Natural, native ecosystems, which have taken millions of years to evolve, provide global environmental services that even-aged monocultures (agri crops) do not even begin to replicate. When the thousands of interdependent native plants of the Western prairie are plowed up and replaced with acres upon acres of wheat, a multitude of inter-related plants, animals, birds, and insects are displaced or killed. When those acres of wheat are subjected to successive applications of chemical herbicides, insecticides, and fertilizers, insects and microbes that are vital for the health of the soil are killed as well, and the run-off compromises water quality, eventually finding its way back up the food chain to us.

Forests are complex and essential components of the life support system of planet Earth. Without forests there might not be enough oxygen, water cycles would be interrupted, global warming would proceed at a devastating rate, and the known weather and climate patterns would be permanently disrupted.

Forests and forest products should be treated separately in the LEED credit structure from other bio-based materials, most of which come from industrial agriculture-based monocultures.

Wood is NOT just another bio-based product – as much as the industrial forest lobby would like to position it that way. Mono-crop industrial forestry is more akin to a corn field than to a biologically and age-diverse natural forest, and as such the industrial forest industry lobby wants LEED to accept the argument that wood is like any other bio-crop. However, if LEED is to continue to truly lead, then wood must be recognized as a building material that, IF harvested wisely, is unique in its ability to contribute to the built environment sustainably – in every sense of the word.

Recommendation #3: *LEED should establish and phase in a new MR prerequisite that creates an effective screen against illegally logged wood.* This essentially reflects the position of the Yale Report, but more work needs to go into developing the details of the “screen,” and specifically illegal logging needs to be defined comprehensively. The MR TAG should seek expert assistance from a number of organizations working on this issue, including for example World Wildlife Fund, SmartWood, and the Environmental Investigation Agency.

No illegal wood belongs on a green building project, and the green building movement can and should actively combat illegal logging by prohibiting the use of illegal wood through a new LEED prerequisite.

It is self-evident that illegally-harvested wood does not belong on a LEED project. This is doubly true given USGBC’s stepped-up commitment to building practices that combat global warming: recent studies confirm that deforestation is one of the major contributors of global greenhouse gas emissions, and illegal logging is one of the causes of deforestation.

Illegal logging in places like Indonesia, the Russian Far East, Burma, the Amazon, and the Congo Basin is rampant. According to a recent Greenpeace report:

- Today 6 to 9 of each 10 exported logs are exported from Russia illegally.
- In Indonesia it is estimated that between 76 and 80% of logging is illegal.
- In the Brazilian Amazon 60% - 80% of logs were produced in 2004 without any authorization.
- In Cameroon 50% of logging between 1999 and 2004 is estimated to have been illegal.

<http://www.greenpeace.org/raw/content/international/press/reports/lawless-illegal-timber.pdf>

Illegally-harvested wood is sometimes consumed in the country of origin, but it is often “laundered” through international trade and manufacturing and imported into Europe and North America as value-added products like lumber, decking, flooring, plywood, and furniture.

<http://www.washingtonpost.com/wp-dyn/content/article/2007/03/31/AR2007033101287.html>

<http://www.dovetailinc.org/reports/pdf/DovetailTimber0507in.pdf>

The U.S. International Trade Commission has estimated that as much as 30% of hardwood products imported into the U.S. is from suspicious or illegal sources.

http://www.fscus.org/newsletters/FSCNews_spring_2007.pdf

It is widely recognized that illegal logging frequently plays a crucial role in deforestation in the tropics and elsewhere (see, for instance, <http://www.ru.org/32defore.html>). Illegal logging is often the first in a chain of tragic events whose end result is total deforestation. This is because loggers are often the first to build roads into previously inaccessible areas of primary forest and, in removing most of the commercially valuable timber, devalue the resource they leave behind. The roads they also leave behind provide access to subsistence agriculturalists and other

colonists who slash and burn the remaining forest, starting along the roadside and gradually penetrating deeper into the forest frontier.

Such a move would put the USGBC at the forefront of national and international efforts to combat illegal logging (the U.S. Congress and the European Union are actively working on legislation and policy that address this issue).

For supporting information, see the attached documents on the Legal Timber Protection Act and refer to the publications, websites, and staff of the organizations in the body of the recommendation.

It would also be consistent with USGBC's priority focus on combating global warming. This is because illegal logging is associated with deforestation, particularly in the tropics, and deforestation is in turn the second largest source of global carbon dioxide emissions (up to 25% of the total) after the energy sector.

Green building practitioners who are concerned about climate change should take special note of the link between illegal logging and deforestation, because the latter is one of the major drivers of global warming. A report published in the spring of 2007 by the Global Canopy Programme (GCP), an alliance of leading rainforest scientists based in the UK, concludes that the burning of tropical forests is second only to the energy sector as a source of greenhouse gases and far outstrips emissions from planes, cars, and factories. Figures from the GCP show deforestation accounts for up to 25 per cent of global emissions of greenhouse gases, while transport and industry account for 14 per cent each. <http://www.globalcanopy.org/main.php?m=5>

According to a May 14, 2007 article in UK's The Independent:

“Scientists say one day’s deforestation is equivalent to the carbon footprint of eight million people flying [from the UK] to New York. Reducing those catastrophic emissions can be achieved most quickly and cheaply by halting the destruction in Brazil, Indonesia, the Congo and elsewhere...No new technology is needed, says the GCP, *just the political will and a system of enforcement and incentives that makes the trees worth more to governments and individuals standing than felled.*” [emphasis ours]

http://www.independent.co.uk/environment/climate_change/article2539349.ece

We believe that LEED can and should be a key part of such a system of incentives.

Recommendation #4: *All bio-based materials should have to meet minimum standards for sustainability to be rewarded by LEED.* Wood is not the only bio-based material that should have to meet basic standards of social and environmental responsibility. LEED should hold all bio-based materials to high standards, e.g. FSC certification for bamboo and organic certification for agricultural products. Such requirements could be phased in to give relevant industries time to adjust and to create an incentive for the establishment and/or evolution of relevant certification programs.

MR 6 currently rewards rapidly renewable materials, but from a sustainability standpoint, rapid growth may matter little. More important are other factors like sustainable yield (not harvesting more than grows back over the harvest cycle), chemical use, impacts on ecosystems and biodiversity, labor rights and worker safety, etc. Bamboo grows quickly, but there is nothing to prevent people in the developing world from clearcutting natural forests to make way for bamboo plantations, and in this context rapid growth is virtually meaningless.

All plants and animals are renewable by definition, but that does not mean that their production is sustainable--and hence renewable over the long term. The concept of sustained yield (not taking more than can be naturally replenished) is more important than rapid growth rates. Atlantic cod are renewable and fast-growing and were once extremely abundant, but they were overfished and the cod fisheries collapsed. Brazilian rosewood and Cuban mahogany are renewable, but that did not prevent them from being overharvested to the point of commercial extinction, and the same point obviously extends to all CITES-listed plants and trees. Soy is renewable, but it is not sustainable to convert large swathes of the Amazon rainforest to GMO soy farms. Douglas fir is renewable, but it is not sustainable to convert the Pacific Northwest's remaining old-growth forests to industrial monoculture tree farms.

Supporting quotes from the Yale Report (pp. 9-10)

- A. Ultimately, if USGBC is to maximize its positive impacts on resource use, and avoid environmentally and socially inappropriate substitutions of other products held to less stringent standards than wood, then it needs to consider common principles that can apply to all products and certification systems.
- B. A policy option that addresses certification across sectors could also help directly addresses the “chicken and egg” problem by focusing on the demand side. The assumption is that the more demand for certified products of all kinds, the more producers will comply, and the more impacts will occur. Indeed, as the economic benefits accrue to those supplying certified products, the more standards can be increased over time without penalizing producers committed to certification.

- C. USGBC is of course, by its own involvement in building certification, attempting to encourage demand side signals. This policy option, however, focuses specifically on how USGBC can collaborate with other systems to generate widespread recognition and better understanding of environmental and social certification.
- D. The idea, proposed by Cashore (2007), is to create a single global label which would encompass leading certification programs*** including the FSC, Fair Trade Coffee, the Marine Stewardship Council, the Marine Aquarium Council, organic foods, and so on.
- E. Under this proposal, nothing would change with respect to individual certification programs with the exception that they would be housed under the broad label, “Better World”. Hence, there would be “Better world – FSC”, “Better World – Fair Trade” etc. Of course, debate will likely arise over which program should qualify for the Better World label, just as it has among competing forest certification systems.
- F. Whatever decision is made, we suggest that this approach be kept simple. With this in mind, we offer four key features for membership in Better World:
- Those being regulated cannot dominate the standards setting process
 - This is designed to recognize the “fox guarding the henhouse” problem that most stakeholders acknowledge, from environmental groups such as the Sierra Club to industry associations such as the AF&PA
 - Standards must address “on the ground” behavior designed to ameliorate a problem
 - Products must be tracked along a supply chain
 - Independent verification must occur

(end quote)

*** NOTE: An “umbrella” label currently exists that encompasses both organic certification and FSC, and is awarded Innovation in Design credit by LEED. This is the Institute for Market Transformation to Sustainability’s (MTS’s) SMART Consensus Sustainable Product Standards. <http://mts.sustainableproducts.com/>