

Overview of the Michigan DNR Forest Certification Program

By Dennis Nezich
January 27, 2011

BACKGROUND:

In recent years, forest certification has developed as a way to verify sustainable forest management. It is an outgrowth of the desire of many stakeholders here and throughout the world to have forest managers demonstrate responsible, healthy management of our forests.

Forest Certification is:

- Independent, third party review of on-the-ground forest practices against standards that address environmental, social and economic issues.

On May 28, 2004, Act No 125, Public Acts of 2004 was signed into law by Governor Granholm. The "Sustainable Forestry Act" required that by January 1, 2006, the Department of Natural Resources seek and maintain forestry certification by at least one credible, non-profit, non-governmental certification program.

The Department of Natural Resources sought and attained dual certification of State Forest lands under the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC). The SFI program has its origins with the wood products industry in the United States and is focused on applied forest management and on maintaining a high standard of forestry performance. The FSC program is an international system that emphasizes social values and the environmental value of natural forest ecosystems, to which it adds an important economic dimension.

Certification of our state forest system demonstrates to interested stakeholders and markets that natural resource management practices are sound and comprehensive. It maintains markets for state forest timber, and continues our ability to manage habitats for wildlife, recreation opportunities, and maintenance of forest health. Certification promotes long-term improvements in program efficiency, and empowers Department staff at all levels to identify weaknesses and initiate positive change in the sustainable management of forest ecosystems.

SCOPE OF CERTIFICATION:

The scope of certification includes 3.9 million acres of state land within the Michigan State Forest system. This land is located in 15 DNR forest management units (FMUs) located in both the Northern Lower and Upper Peninsulas. A portion of the State Forest system is excluded from the scope of certification, including military lease lands and Luce County lease lands. Additionally, some acreage within the state forest system located in the Northern Lower Peninsula which is planted to Genetically Modified Corn is excluded from the FSC certificate.

It should be noted that the Department manages other state lands that are not part of the State Forest system and are not within the scope of this certification evaluation. These lands include state game areas, state wildlife management areas, and research areas that are not co-managed with the DNR Forest Management Division (mostly located in the southern lower Peninsula), as well as state parks and recreation areas.

ORGANIZATION:

The DNR Forest Certification Team (FCT) leads the forest certification effort. Representatives from Forest Management Division (FMD), Wildlife Division (WLD), and Fisheries Division (FD) currently serve on the team. The Forest Certification Implementation Team has lead the DNR through the entire forest certification process including:

- Pre-Assessment Meetings with DNR Staff
- Hiring of Auditing and Consulting Firms
- Conducting Forest Certification Scoping and Pre-assessment
- Developing Forest Certification Work Instructions
- Training Department Staff
- Conducting Internal Audits and Annual Management Reviews
- Oversight of the SFI and FSC Forest Certification and Surveillance Audits

FOREST CERTIFICATION AUDITORS AND CONSULTANT:

Requests for Proposals (RFP) were advertised in August, 2004 to solicit bids from qualified Forest Consultants to assist in the forest certification effort. Contracts were awarded in October 2004.

A one year contract for consultant services and DNR staff training was awarded to BioForest Technologies Inc. and its Plum Line partner, Strategic Resource Systems. The consultants were needed to assist and guide the Department in the forest certification process, including training Department employees in preparation for certification audits.

A five year contract was awarded to NSF International Strategic Registrations (NSF-ISR) and its partner company Scientific Certification Systems (SCS) for FSC scoping, SFI pre-assessment, and forest certification and subsequent surveillance audits. .

2005 ACTION PLAN:

Following receipt of pre-assessment and scoping reports from forest certification auditors in December 2004, the Forest Certification Team developed a draft action plan to address identified major non-conformances with FSC and SFI standards. On January 21, 2005, the management teams from FMFM, Wildlife, and Fisheries Divisions met to review and refine the proposed action plan. The plan was approved (with revisions) on February 7, 2005. The plan outlined: what the major gaps were, how to fill the gaps (action plan), what resources were needed, and an implementation timeline. The Department aggressively addressed identified gaps and took corrective actions prior to the certification audit scheduled for the last two weeks of September, 2005.

It is important to note that some portions of the action plan could not be completed by the time of our certification audit – for example: long term, landscape-level planning. However, for those actions that are not completed, substantive progress was made.

WORK INSTRUCTIONS:

In 2005, the DNR developed a set of “Work instructions” for Department staff to follow. These work instructions were new or updated Department operational procedures that closed the forest certification gaps and ensured compliance with all indicators in the forest certification standards. All proposed actions identified in the Department’s Forest Certification Action Plan were implemented through 21 work instructions.

Work Area Group (WAG) 1 Plan, Monitor, and Review

1.1 Strategic Framework for Sustainable Management of State Forest Land

- 1.2 Management Review Process for Continual Improvement in the Management of Forest Resources
- 1.3 Regional State Forest Management Plan Development
- 1.4 Biodiversity Management on State Forest Lands
- 1.5 Social Impact Considerations and Public Involvement Processes
- 1.6 Forest Management Unit Analyses
- 1.7 State Forest Timber Harvest Trends

Work Area Group 2 Forest Regeneration and Chemical Use

- 2.1 Reforestation
- 2.2 Use of Pesticides and other Chemicals on State Forest Lands
- 2.3 Integrated Pest Management and Forest Health

Work Area Group 3 BMPs

- 3.1 Forest Operations
- 3.2 Best Management Practices Non-conformance Reporting Instructions
- 3.3 Best Management Practices -- Road Closures

Work Area Group 4 deleted - all related indicators were combined with WAG 7

Work Area Group 5 Research

- 5.1 Coordinated Natural Resource Management Research

Work Area Group 6 Education and Recreation

- 6.1 Implementing Public Information and Educational Opportunities on State Forests
- 6.2 Integrating Public Recreational Opportunities with Management on State Forest Lands
- 6.3 SFI Involvement and the Michigan State Implementation Committee

Work Area Group 7 Integrated Implementation and Contracting

- 7.1 Timber Sale Preparation and Administration Procedures
- 7.2 Legal Compliance and Administration of Contracts

Work Area Group 8 Training

- 8.1 MDNR Staff Training for State Forest Management

Work Area Group 9 Tribal Issues

- 9.1 Collaboration with Tribes in Regard to Management of State Forest Land

Work instruction implementation was and remains an important focus of DNR internal and external audits. The work instructions make forest certification more manageable, and they are refined as needed as part of an annual management review. Current versions of the work instructions can be found in the DNR internet at: http://www.michigan.gov/dnr/0,1607,7-153-30301_33360---,00.html

INTERNAL DNR AUDITS:

Internal audits are an integral part of an annual management review system that is focused on continual improvement in sustainable management of State Forest lands. An annual management review process is required in the forest certification standards.

DNR internal audits are conducted by an internal three or four person audit team. The team members were selected by their respective Division Management Teams and were initially trained by our forest certification consultants. Internal audits are conducted annually. Eight forest management units were audited in 2005, prior to the forest certification audit. In 2006,

the year following certification, the remaining seven forest management units were internally audited. Thereafter, three or four forest management units are audited annually.

The audits provide an opportunity to evaluate how well our Forest Management Units comply with DNR work instructions and identify actions that need to be taken to come into conformance with work instructions and other DNR procedures. The audits also provide a valuable training opportunity for staff, not only in regard to familiarity with work instructions, but in preparing for external certification and surveillance audits.

ANNUAL MANAGEMENT REVIEW:

An annual management review is required in the forest certification standards and in the DNR work instructions. It is also good business practice. The purpose of a management review is to promote continual improvement in the practice of *sustainable forestry*. It is an opportunity for all employees to influence the organization.

The annual management review evaluates internal and external audit results for state forest operations, critiques effectiveness of work instructions, analyzes non-conformances, and determines changes and improvements necessary to continually improve conformance. The review is especially focused on Internal Audits results and non-conformances identified in SFI and FSC Certification and Annual Surveillance Audits.

A formal management review report is prepared by the FMD and WLD Field Coordinators that documents meeting recommendations which are then reviewed and approved by the Division Management Teams and the DNR's Statewide Council. The FCT provides oversight of ongoing management review implementation. The Statewide Council ultimately identifies changes and improvements necessary at all Department levels. Division Chiefs ensure changes and improvements approved by the Statewide Council are implemented via written communication to employees.

SFI and FSC CERTIFICATION and SURVEILLANCE AUDITS:

The Michigan State Forest system was originally certified under the SFI and FSC Standards in December, 2005, following a joint FSC and SFI Certification Audit. The audit was a joint audit evaluation by NSF International Strategic Registrations (NSF-ISR) and its partner company Scientific Certification Systems (SCS). Certification was for a five year period, with the FSC and SFI certification certificates expiring in December, 2010. Annual surveillance audits were annually conducted by external auditors in order to ensure continuing conformance to certification standards during the five year certification period.

In order to continue FSC and SFI certification beyond 2010, a recertification audit and evaluation was conducted in October, 2010. The contract for conducting recertification and subsequent surveillance audits for the period 2010 through 2014 was competitively bid and awarded to NSF-ISR in partnership with SCS, the same firms that conducted the original certification audit. The recertification audit involved a complete evaluation of all FSC and SFI forest certification indicators included in the newly revised SFI 2010-2014 STANDARD and newly revised FSC-US Forest Management Standard (v1.0).

Recertification was awarded for another five year period under the FSC Standard and a three year period under the SFI Standard (SFI recently changed from five-year to three-year certification cycle). Annual surveillance audits will continue to occur in order to verify continuing conformance to the standards.

CORRECTIVE ACTION REQUESTS (CARs)

Forest certification auditors assess conformance to each element of the SFI and FSC standards within the scope of an audit. SFI Standard elements are objectives, performance measures, and indicators. FSC elements are principles, criteria, and indicators. If a non-conformance to a forest certification indicator is found during an audit, a corrective action request is issued. There are two types of non-conformances, major and minor.

If a major nonconformance is found during a certification audit, a certificate of conformance is not issued until the audit firm verifies that corrective action approved by the lead auditor has been implemented. If discovered during a surveillance audit, the major non-conformance must be addressed during a specified time frame in order to not jeopardize continued certification.

If a minor nonconformance is found, a corrective action plan that addresses the nonconformance must be implemented, and the CAR must be closed out within a specified time period after award of certification. Depending upon case-specific circumstances, failure to close out a minor CAR within the specified time frame can lead to possible elevation of the minor CAR to a major CAR with a very short compliance date upon which continued certification is contingent.

FSC "Observations" and SFI "Recommendations" are also made as part of the audit. These findings do not indicate a current deficiency, but serve to alert the Department to areas that could be strengthened or which could merit future attention.

Forest certification is a continuous improvement system so there are always new challenges, new CARs, and opportunities to improve. Addressing the CARs, and review of DNR internal audit results, promotes continual improvement in the practice of *sustainable forestry*.

CONCLUDING OBSERVATIONS:

"Dual certification of Michigan's State Forest reaffirms that our forests are being managed in an environmentally, socially, and economically sustainable way," said DNR Forest Management Division Chief Lynne Boyd. "Many companies have begun to require their suppliers to demonstrate that wood products come from sustainably managed forests. Forest certification plays an important economic role, helping us remain competitive in the wood products market, while also ensuring that our forests remain healthy and well-managed."

"Michigan's state forests are a source of pride for our state," said Designate DNR Director Rodney Stokes. "Our working forests create jobs and wildlife habitat, and are popular tourism destinations. Forest certification is a highly-sought after recognition and I commend our Department staff for the work they have done to achieve and maintain dual certification for our State Forest system."

"Nearly 4 million acres of the state's forestland will continue to carry the "gold standard" of sustainable forestry certification since the Michigan Dept. of Natural Resources and Environment (MDNRE) announced today it received recertification by the nation's two most prominent programs, Forest Stewardship Council (FSC) and the Sustainable Forestry Initiative (SFI)." said Helen Taylor, The Nature Conservancy's state director for Michigan. "This is good for our environment and our economy". "It's a stamp of approval from two widely recognized programs that Michigan's forestry practices are among the best in the nation. We applaud Rodney Stokes and his staff in the department for their success in this major effort to help ensure the sustainable productivity of our state's natural resources."