Plan for Developing a Certification Scheme for Sustainable Peatland Management (SPM)

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1. General targets for certification of peatland management

1. Promote globally the best management practices
2. Strive for more harmonized peatland management globally (quality)
3. Increase awareness of the good management practices
4. Improve the image of peat at environmentally sensitive markets
5. Recognize sustainably produced peat from other peat products at the markets
6. Provide a certification system for carbon balance verification

Producer has the responsibility to demonstrate the use of sustainable production methods!
2. Management regimes for peatlands

Agriculture
300 000 km²
farming products

Forestry
150 000 km²
timber

Energy
2 000 km²
peat

Growing media
2 000 km²
peat

Drained tropical peatlands
130 000 km²
farming products, palm oil, timber

Undisturbed peatlands
3 500 000 km²
nature products and services

Abandoned production sites


What to certify?
3. Key issues to be addressed prior to scheme development ...(1/2)

Whom SPM concern?

Main concerns in peatland management?

Why to certify?

How to implement the strategy?

1. Participating interests

2. Global SPM strategy

3. General objective

4. Develop SPM certification

Views of interested parties

commitment to the process?

Peat industry

NGOs

Producers

Communities

Governments?

Academy

Concensus on general scope and principles of SPM

Market demand?

Protection need?

Sustainable use?

Common view that certification can promote SPM in practice

Market demand?

Protection need?

Sustainable use?
3. Key issues to be addressed prior to scheme development ...(2/2)

- Specific purpose of certification?
- Level of commitment: compromises, new openings
- How to get certified peatlands?
- How to maintain and improve credibility?

5. What to deliver

- Scope and focus: peat production, carbon balance, protection, life cycle approach?
- Site or manager specific

6. Agreement on SPM certification scheme

7. Awareness raising

8. Periodic revisions

Views of interested parties
4. Elements in a certification scheme

Accreditation body

Certification body

Customer

Claim

Producer

Standard for SPM

Implements standard

Source: GTZ
4. Elements of a certification scheme

- Scheme administration
- Rules for:
  - administration
  - standard setting
  - scheme implementation
  - certification accreditation
  - endorsement of national specifications to standard
  - chain of custody
  - product label

Accreditation body:
- Sweden: SWEDAC
- UK: UKAS
- Germany: TGA
- Finland: FINAS
- etc.

Support:
- Standard setting WG
  - stakeholder group

Application:
- Applicant - company

Certification body:
- Conformity certificate

Additional requirements:
- Accreditation body

Standard for SPM
5. Underlying assumptions (1/2)

The future scheme should be:

1. **Global**
   - global requirements but potentially national specifications will be allowed

2. **Broad in scope covering** Sustainable Peatland Management (SPM)
   - peatlands managed for peat production, protection and other functions
   - including provisions for carbon balance assessment
   - management for agriculture or forestry is not considered (certification exists) – carbon balance verification potentially applicable

3. **Accessible** to different types of peat producers
   - from large industry to small scale producers in any climate zone

*Assumptions may be questioned during the scheme development*
5. Underlying assumptions (2/2)

4. Credible and internationally recognized
   • relies on established certification procedures, competent certification and accreditation bodies

5. Supported and partly resourced by IPS
   • independent position under the IPS

6. Including an option to develop a SPM product label
   • owned and governed by the SPM scheme

7. Certifies individual peatlands (production sites)
5. Relation between existing and SPM certification schemes

Existing schemes for agriculture

- Production and economic criteria
- Environmental criteria

SPM certification scheme

- Production and economic criteria
- Environmental criteria
  - Climate protection
  - Carbon balance in peatland management (life cycle approach)
- Social responsibility criteria

Existing forest certification schemes

- Production and economic criteria
- Environmental criteria

Social responsibility criteria

- Food crops from mineral and peatlands
- Peat and other services from peatlands
- Timber from mineral and peatlands
6. Proposed SPM Scheme Development plan

**Schedule**

1. Global strategy for sustainable peatland management
2. Scheme administration - proposal for an administrative structure
3. Standard setting
4. Chain of custody verification
5. Certification and accreditation arrangements
6. Development of SPM certification scheme*

1. Global strategy for SPM

2. Organization of scheme development

3. Standard setting 12-18 months

4. Standard testing 2 months

5. Public consultation 2 months

6. Scheme development 9 months

SPM Standard

Plan 6/2008


* Excludes chain of custody verification
6. Proposed SPM Scheme Development plan

Schedule

1. Global strategy for sustainable peatland management
2. Scheme administration - proposal for an administrative structure
3. Standard setting
4. Chain of custody verification
5. Certification and accreditation arrangements
6.1. Global strategy for SPM

■ Purpose
  • Express the stakeholders’ view on strategic framework for sustainable use and protection of peatlands
  • Provide a common basis for standard development
  • Interprets international conventions and IPS codes of conduct on Wise Use of Peatlands into strategic principles
  • General strategy reflects the values of all interested parties

■ Working method
  • Open participatory process initiated by IPS
  • Participating parties define development procedures and elect a chair
  • IPS provides a coordinator and secretarial services
  • Chair and coordinator prepare the scheduled stakeholder meetings (3-4)
6.1. Global strategy for SPM - responsibilities

- Chair – leads strategy development
  - IPS member or other trusted person, elected by the stakeholders

- IPS
  - supplies a coordinator (later called certification manager) and secretary services
  - informs on the process, invites stakeholders
  - acquires resources
  - administers the process

*Planned to be developed within 1 – 6/2009*

*Work input*  
5 months expert services  
2 months secretary services

*Cost estimates*  
EUR 89 000
6. Proposed SPM scheme development plan

Schedule

1. Global strategy for sustainable peatland management
2. Scheme administration - proposal for an administrative structure
3. Standard setting
4. Chain of custody verification
5. Certification and accreditation arrangements
6.2. Scheme administration

■ Purpose

• develop professional, cost-efficient, reliable and transparent SPM scheme administration that can
  • further develop and promote it
  • ensure its reliable and impartial implementation and
  • negotiate internationally to ensure scheme’s recognition
  • ensure a fair consideration of all interests in scheme development and implementation
  • collect and administer finances for development and implementation

• benefit from synenergies with IPS without interfering to the current IPS operations
6.2. Development of scheme administration

- **Options to consider**
  - a) Scheme is financially and administratively independent from IPS
  - b) Semi-independent organization partly supported by IPS
  - c) Certification committee under IPS organization (cf. IPS Commissions)

- **Working method**
  - Administrative working group invited by IPS drafts the management structures, rules and administrative procedures
    - headed by a chair (IPS member or other)
    - coordinated by IPS nominated certification manager
    - other interested parties (producers, NGOs, ...)
  - Administrative structures to be developed in 6 – 11/2009
  - Estimated costs EUR 50 000

Best synenergies with IPS, without the risk for double administration
6.2. Scheme administration

- **SPMCC**: Balanced representation of economic, social, and environmental interests
- Geographical balance to be considered
- 9 to 15 members

- **SPMCC** – legal body (or under IPS)
- Operates from IPS office
- Manages the scheme and potential product label

- Personnel costs EUR 77 000/a
- Total operation costs EUR 214 000/a
6. Proposed SPM Scheme Development plan

Schedule

1. Global strategy for sustainable peatland management
2. Scheme administration - proposal for an administrative structure
3. Standard setting
4. Chain of custody verification
5. Certification and accreditation arrangements
6.3. Standard setting

■ Purpose

• expresses the desired state of art of SPM
• address all the environmental, social and economic issues relevant for SPM and is efficient in achieving the desired objectives

■ Working method

• developed by standard setting WG in an open participatory process according to set rules and work plans
• integrate the expertise of IPS Comissions and other stakeholders
• IPS initiates the process and provides coordinating and secretarial services
6.3. Proposed structure for standard setting

- Standard setting WG (10 pers)
  - Chair
  - Heads of thematic WGs
  - Other stakeholders
  - IPS provides resources

- Criteria proposals
- Planning 2010 –2011
- Std setting WG 6 meetings
- Cost estimate EUR 265 000

IPS Commissions provide expertise
6. Proposed SPM Scheme Development plan

Schedule

1. Global strategy for sustainable peatland management
2. Scheme administration - proposal for an administrative structure
3. Standard setting
4. Chain of custody verification
5. Certification and accreditation arrangements
6.4. Certification in the peat supply chain

Certified production

Certified chain of custody

Verification of supply chain in
- storages
- transport and
- processing

Certified product

Kuva: Pertti Harstela

Turveteollisuusliitto

Turveteollisuusliitto

Vapo

Kuva: Pertti Harstela
6.4. Chain of custody

- **Purpose**
  - mechanism to provide **reliable information on the origin of raw material** in a product

- **Method**
  - requirements for chain of custody verification presented in a standard
  - **generic standards** exists should be adapted to peatland management under the SPM scheme

- **Chain of custody system should deliver**
  1. classification of raw material to certified, uncertified, recycled and exclude all material from controversial sources
  2. shares of each category
  3. consider climate impact for peat entering into relevant end-use segments – avoid cost implications on other end-use
  4. avoid ”greenwashing” – e.g. speculations in allocation of sites for carbon trade
6.4. Chain of custody – Example: control of certified peat

Certified peat % → Storage, Transport, Processing → %

Uncertified peat % → %

Peat from controversial sources % → X → 0
6.4. Chain of custody - labelling

Tasks to consider

1. **Adaptation of a generic standard** for supply chain verification to meet the needs of peatland and carbon pool management and peat production for the multiple purposes
   - verification of climate adapted peat production and various systems for carbon trade set their specific requirements

2. **Need for a labelling system?**
   - is information on certification status important only in business-business communication?
   - is a product label required? - SPM label?
6. Proposed SPM Scheme Development plan

Schedule

1. Global strategy for sustainable peatland management
2. Scheme administration - proposal for an administrative structure
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4. Chain of custody verification
5. Certification and accreditation arrangements
6.5. Certification and accreditation  (1/2)

■ Basic assumptions

1. IPS will not be an accreditation body

2. SPM certification relies on ISO requirements for certification and accreditation
   • internationally recognized and administered procedures
   • valid in any business

3. Parties involved in SPM scheme development are not involved in certification or accreditation procedures (general rule)
   • IPS (SPMCC) does not have control
6.5. Certification and accreditation  (1/2)

4. Only certification bodies that already are in business and have an accreditation e.g. to certification against ISO standards are recognized to do SPM certification
   • small new-comers excluded by SPM scheme requirement

5. Forest certification frameworks (FSC, PEFC) do not currently have any procedures for certification of peatland management
   • cooperation possible in future
6.5. Certification and accreditation

■ Purpose

- **Accreditation body** verifies impartiality, independence and competence of certification bodies and the auditing procedures*
- **Certification process** meets the international requirements* and specific provisions of the SPM scheme

■ Method

- SPM scheme defines the general provisions for certification bodies it can recognize – refers to specific ISO standards
- SPMCC raises awareness among accreditation and certification bodies on the SPM certification
  - AB and CB must invest in developing procedures for SPM certification

*requirements stated in respective ISO standards
6.5. Proposed organization certification and accreditation

Accreditation body:
- applies IAF* procedures
- national accreditation bodies
- Ireland: INAB*

Certification body:
- has accreditation to EMS certification (based on ISO 17021)
- applies extension of accreditation to SPM certification

SPM Certification Committee
SPM Scheme

Company - applicant

1. accredits ISO 17021 + SPM scheme requirements
2. recognized by SPMCC
3. eligible to issue accredited SPM certificates

*IAF – International Accreditation Forum
*INAB – Irish National Accreditation Board
7. Summary on SPM scheme development

**Stakeholder forum for Global strategy**
- Independent chair (1)
  - IPS staff
  - 4 + 2 mths
  - EUR 89 000

**Administrative WG**
- IPS chaired (1)
  - IPS staff
  - 3 + 2 mths
  - EUR 50 000

**Standard setting WG**
- Independent chair (5)
  - IPS staff
  - 9 + 6 mths
  - EUR 264 000

**CoC WG**
- IPS chaired (1)
  - IPS staff
  - 2 + 0.5
  - EUR 20 000

**Total EUR 423 000**
### 7. Annual operational expenses and estimated incomes

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<th>Incomes</th>
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<td>Operation costs</td>
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<td>Development costs</td>
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<td>Fees on label use</td>
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<td><strong>Total expenses</strong></td>
<td><strong>214 500</strong></td>
<td><strong>Total incomes</strong></td>
<td><strong>214 500</strong></td>
</tr>
</tbody>
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*0.5 cent per total peat production (m³) of the companies having a certificate*

**Expected to increase if soil carbon pool is considered in carbon trade markets**
8. Lessons learned

- Common baseline for sustainable use is important to avoid fundamental conflicts
- Resources and procedural expertise in standard setting important (conflict resolution, win-win approach)
- Power sharing in administration and development among interested parties increase commitment
- Scheme development and management requires resources – merely available in large-scale industry and carbon trade markets
- Certification requires extensive promotion
  - among producers, traders, consumers
- Only well known and trusted certification has market value!
Thank you!