BMRC

BROADER MARKET RECOGNITION COALITION

FAQs

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BMRC

What is the BMRC?

The Broader Market Recognition Coalition (BMRC) was started in 2023 by tropical timber-producing countries collaborating to support the development, implementation and marketing of national forestry systems that promote sustainable forestry management, timber production and export. The six founding nations are Cameroon, Ghana, Guyana, Indonesia, Liberia, and the Republic of Congo, and the group has representation from government, private sector and civil society.

A brief history of the BMRC

The principles behind the BMRC came into focus in 2021 when the Indonesian Ministry of Environment and Forestry (MoEF) and Timber Development UK expressed similar views that tropical countries need stronger market recognition for their national timber legality assurance systems. Timber Development UK (then the Timber Trade Federation) first expressed this at COP26 in Glasgow in 2021 through its **"Tropical Timber Accord – Global Forests need Global Governance".**

Exploration continued with the six founding nations and a **Joint Statement** was created and signed by the multi-stakeholder representatives of each of the participating countries. At COP27 in Sharm-el-Sheikh, Egypt in 2022, a 'talk show' on Broader Market Recognition presented the Joint Statement to the world from the Indonesian Pavilion.

Enthusiasm for the initiative has grown and in 2023 the BMRC was established. The BMRC has developed a Roadmap, a vision which expands on the commitments made in the Joint Statement, and a subsequent Action Plan provides the framework for implementation and momentum.

BMRC draws on collective experience acquired from FLEGT and the VPAs over the past two decades.

Who is involved in the BMRC?

As of March 2023, the BMRC is a collaborative initiative involving Cameroon, Ghana, Guyana, Indonesia, Liberia, and the Republic of Congo.

The BMRC is a multi-stakeholder coalition and includes representation from government, private sector, and civil society stakeholder groups in each country. Other actors include seed funders FCDO, international consultants and advisors, and Timber Development UK.

Other tropical timber-producing countries are invited and welcome to join the Broader Market Recognition Coalition. In due course, consideration may be given to the inclusion of systems that are mandatory at the federal level.

How is BMRC run?

The Indonesian Ministry of Environment and Forestry (MoEF) hosts the BMRC Interim Secretariat, with administrative support from TDUK. The Interim Secretariat functions as the administrative heart of the BMRC initiative. Members of the Interim Secretariat include stakeholder representatives from participating countries, along with representation from Timber Development UK, advisors, and consultants.

What are the areas of focus for the BMRC?

The BMRC focuses on five key areas:

1. **Institutional Framework**

Implementing a robust institutional framework to endorse, monitor, and promote national sustainable forestry systems that comply with BMRC-defined standards for: inclusive multi-stakeholder processes, effective enforcement of laws addressing environmental, social, and economic principles, and independent forest monitoring.

2. **Endorsement of national systems**

Implementing a framework to certify and promote forest products which originate from BMRC-endorsed national systems in global markets.

3. **Promotion**

Promote internationally harmonised standards for legal and sustainable forest products in trade regulations and public and private sector procurement which give recognition to BMRC-certified products.

4. Direct investment

Promote foreign direct investment in added-value tropical forest industries in countries with BMRC-endorsed national systems, particularly encouraging investment in capacity building of small and medium enterprises.

5. Collaboration and Sharing

Facilitate close collaboration between BMRC members to ensure greater knowledge sharing and mutual recognition, maintain a high level of commitment towards good forest governance, and protect and enhance the reputation of BMRC and BMRC-certified products in global markets.

What principles must be met by national forestry systems promoted by the BMRC?

BMRC will implement a robust institutional framework to evaluate and endorse National Sustainable Forestry Systems (NSFS) in participating tropical countries, that meet the following principles:

- Inclusive multi-stakeholder processes
- Ensuring compliance with national legal frameworks that include laws that address environmental, social, and economic principles
- Requirements for mandatory nationwide compliance with the agreed standard
- Independent forest monitoring
- Audited by an independent third party
- Continuous improvement of the standard and system over time

How could broader market recognition of mandatory national systems promote sustainable forest management?

Legitimate claims that forests are sustainably managed, or that forest products are sustainable, requires sustainable forestry standards to be implemented on the ground. In practice this can only be effectively achieved at scale in those countries which have robust frameworks for forest governance.

The national systems recognised by BMRC must demonstrate that policy, laws, and regulations have been developed in line with internationally recognised sustainable forestry principles through a multi-stakeholder process at national level. BMRC believes that national systems developed in this way have the most

legitimate claim to "sustainability" in the forest sector. All existing international treaties and agreements in relation to forests consistently emphasise the central role of national forest programs in implementing sustainable forestry.

When implemented with a strong focus on participation and a commitment to national level reform, national systems are more effective than any other mechanism in encouraging deep and wide-ranging support of local communities and other interests most directly affected by forest operations. National systems are best placed to ensure equitable access for all forest operators, irrespective of size or ownership.

Although legal compliance may not deliver as high a standard of practices as a certification system for individual forest management units (FMU), unlike FMU certification it is mandatory and not voluntary. An entire landscape under legal management is more sustainable in the long term than small 'islands' of responsible production in a 'sea' of illegal and destructive practice. Where voluntary, private sector commitments made by customers or investors are the primary driver for improvements in production practices, there is a danger that improvements will be lost if those customers or investors move elsewhere. In contrast, once legal compliance and enforcement are widespread in a sector, improvements in production practices are more likely to be permanent.

Where significant reductions in deforestation and increased afforestation have occurred in the past it has always been in the context of national policies designed to promote socio-economic development on the one hand, and sustainable use of the land resources on the other.

Is the BMRC in competition with FSC, PEFC, and other private certification schemes?

BMRC is focused on establishing what the national standards are and ensuring that they are being met. In order to demonstrate this, some form of identification or labelling is necessary. While there may be some overlap with certification systems like FSC and PEFC, our main goal is to

encourage improvement across entire countries.

The national systems promoted by BMRC affect everyone operating in the country and are a legal compliance mechanism. To facilitate market access, a framework will be developed for on-product labelling of forest products originating from NSFS that have been endorsed by BMRC or that are progressing to BMRC endorsement.

What is the BMRC Roadmap?

The BMRC Roadmap is the vision of the coalition. It includes key elements of a proposal for a governance structure, including a governing council and secretariat, a standards-setting body, and an independent assessment panel to ensure that any national system being endorsed by the BMRC, meets the required standard.

The Roadmap also explains how it will facilitate this process of continuous improvement by leveraging increased donor support, providing a forum for information exchange, exploring opportunities to allow for graduated BMRC product claims, as well as promoting those standards and the products that meet those standards.

What incentives are there for countries to join the BMRC?

The BMRC will serve to increase market recognition for BRMC-endorsed national sustainable forestry systems (NSFS) with the simple consistent message that the products of these systems are sustainable, contribute to the achievement of socio-economic goals, and provide for wider environmental and climate benefits such as carbon sequestration and biodiversity conservation.

By connecting demand for sustainable product supply, this mechanism will also help to support and incentivise responsible national agencies to implement effective forest governance, enforcement, and other regulatory and non-regulatory measures to deliver legal and sustainable forestry.

The BMRC will forge close linkages between the public and private

sectors which will lead to effective forest products promotion campaigns.

In addition, the BMRC will give confidence to international creditors and investors, strengthen the global market position of products, promote BMRC as a factor to improve credit rating and enable knowledge sharing between members of the BMRC.

BMRC market promotion activities include targeting lobbying, engagement with key target audiences/online, leveraging funding, facilitating research, and analysis of market trends.

How does the BMRC take into consideration countries at different stages of national forestry system development or implementation?

BMRC supports the development and promotion of national forestry systems that meet the criteria set out in the Joint Statement signed in September 2022. The proposed Institutional Framework foresees an 'Independent Assessment Panel' that will consider whether a country's system has met the required standard for endorsement by the BMRC. For those countries whose systems require further development, BMRC provides a clear framework and opportunity for securing support for the work needed to attain the required standard.

If a country's NSFS does not meet the BMRC standard, are resources available to help that country to improve?

The resources developed by BMRC will be available for any country that requests them. The opportunity for learning from nations at every stage of NSFS can also be arranged. Development finance and funding is critical and, while no funding is currently available for BMRC participating countries, opportunities to mobilise finance is a key issue which BMRC is exploring.

How do new member countries join?

Participation in the BMRC is voluntary and open to any tropical country with a demonstrable commitment to the development of national systems that meet the criteria described in the joint statement.

Each participating country nominates three signatories – representing respectively government, private sector, and civil society – to sign up to the BMRC Joint Statement and principles expanded on within the BMRC Roadmap. Each country will nominate representation to sit on the BMRC Council, the highest decision-making body of the BMRC.

Associate members from non-tropical countries are also welcome.

How is BMRC funded?

Initial seed development funding is currently provided for BMRC Interim Secretariat duties through the FGMC programme from the UK Government's Foreign, Commonwealth & Development Office (FCDO). Securing future funding sources is a key part of the BMRC Roadmap and will be addressed as part of the process of establishing BMRC's firm foundations.

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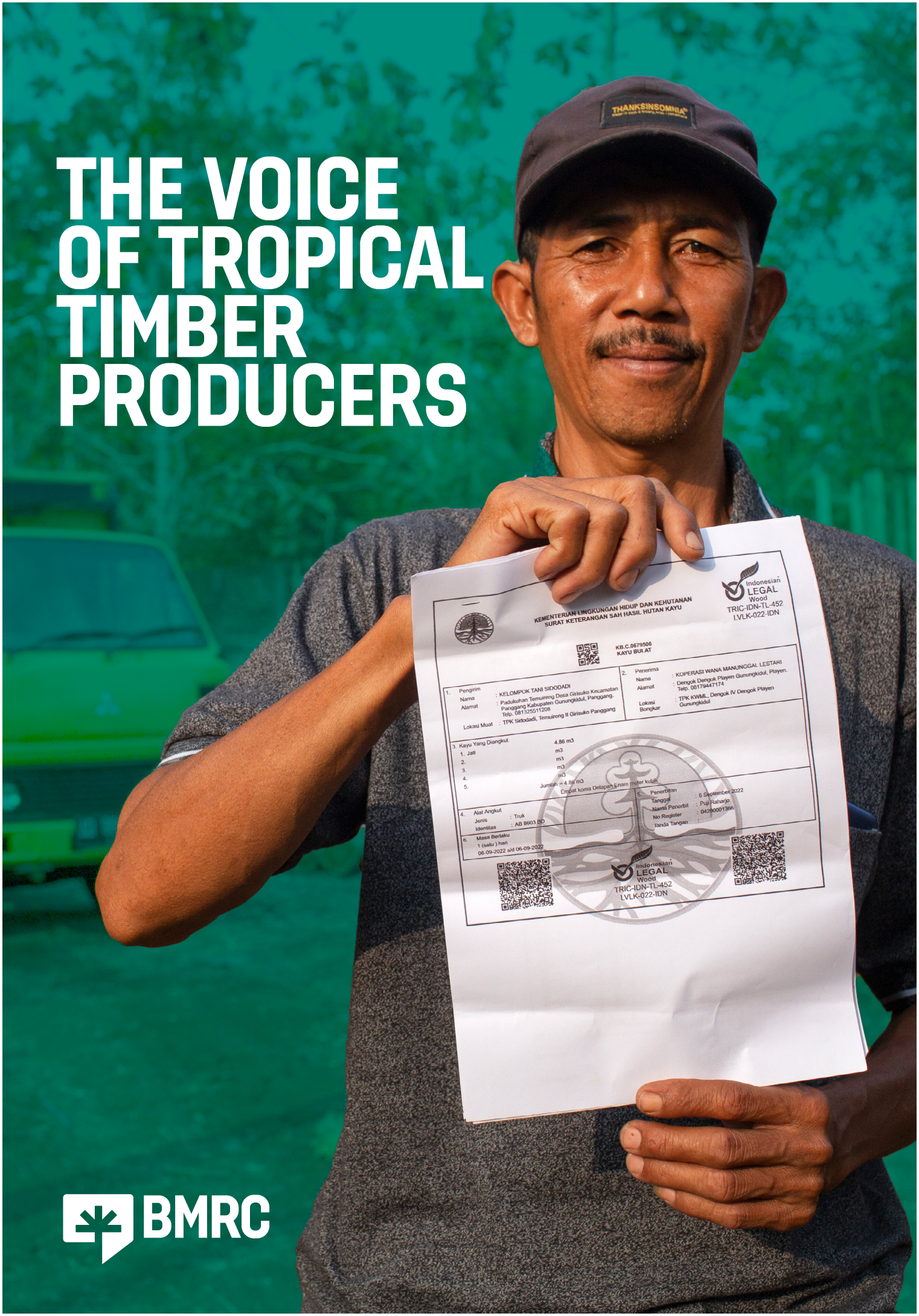

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