



FOREST STEWARDSHIP COUNCIL

Secretariat

Avenida Hidalgo 502 • Oaxaca 68000 • Oaxaca, México
Tel. +52 951 514 6905 • Fax +52 951 516 2110 • www.fscoax.org

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FSC response to the Rainforest Foundation's Press Release claiming major deficiencies in FSC's systems

FSC is an international accreditation and standards setting body. FSC sets standards for forest management at national and international levels. It further sets standards of practice for the inspection of forests (forest management certification) and forest product processors (chain of custody certification). It accredits forest certification bodies, 12 globally, that operate certification schemes that meet FSC's rules and requirements and use FSC endorsed forest management standards. Together these certification bodies have certified over 29 million ha of managed forests and issued over 2200 chain of custody certificates worldwide. The FSC 'checkmark and tree' trademark appears on well over 10,000 products available to the consumer.

FSC monitors its accredited certification bodies at least annually to ensure compliance with its rules and procedures. Certification bodies in turn monitor their clients at least annually to ensure compliance with FSC's standards for forest management and chain of custody, the use of the FSC trademarks and for the use of claims to good forest management.

In its press release Rainforest Foundation (RF) draws attention to 3 specific issues. Each issue and FSC's response to it are outlined below.

- 1 *Timber companies under the FSC system include those that have been implicated in gross abuses of human rights, including the torturing and shooting of local people.*

FSC has never and will never certify (or maintain certification of) any company, community or private forest owner involved in such practices. FSC takes these issues extremely seriously, will immediately follow up on any such allegations and take all steps necessary to ensure that entities involved have no possibility of participating directly or indirectly in FSC's systems.

Unfortunately the only reference FSC can find to this issue is in fact in the RF press release itself and not in the draft report by RF in our possession. FSC will act immediately if more information is made available to us.

- 2 *Timber companies under the FSC system include those that are logging in pristine rainforests containing some of the world's most endangered wildlife, such as the Sumatran tiger.*

This point FSC believes refers to the certification held by PT Diamond Raya in Indonesia. RF raised some concerns over a year ago about this certification including some about tigers. Several of their concerns were found to be valid by the respective certification body and it in turn required PT Diamond Raya to take comprehensive action. However concerns over tigers were not upheld as repeated audits have found evidence that wildlife, including tigers, are actually moving into the certified area as a result of improved forest management in the certified area. FSC will continue to monitor this case closely.

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Millions of indigenous and local people live in and from the world's forests. To prevent loss of their livelihoods, FSC has purposely introduced the possibility of logging in 'pristine forests' or High Conservation Value Forest (HCVF) subject to extreme precautions. The extraordinary biological values in any such area are protected under FSC Principle 9. This Principle on HCVF requires special precautions that must protect the integrity of the forest ecosystem.

- 3 *Timber companies under the FSC system include those that have falsely claimed to comply with the FSC's audit requirements such as by allowing 'uncertified' wood to be labelled with the FSC 'seal of approval'.*

Only products containing wood from FSC certified sources are awarded the FSC trademark and logo. FSC allows the combination of certified and uncertified wood in products. In such cases the FSC content of FSC certified wood is clearly stated on the label. And the uncertified wood must not come from illegal sources, from High Conservation Value Forests (HCVF), from areas in which social conflicts are unresolved and from genetically modified trees. FSC as well as its accredited certification bodies monitor the implementation of these rules closely.

FSC is cited as a clear and credible label by many authorities including for example in the UK's Green Claims Code. FSC UK engaged with relevant UK government agencies (DETR (now DEFRA)) to ensure the FSC's continued compliance.

Wherever FSC, its accredited certifiers or its National Initiatives find practices that breach FSC's timber tracking, chain of custody or labelling rules comprehensive action is taken immediately to have such products withdrawn and the FSC label removed. The only example given in the RF report was dealt with. The certificate of the Indonesian company Perum Perhutani was **withdrawn** in October 2001 after the company had been found not to be compliant with FSC's standards.

- 4 The press release further states the report calls for the FSC to cancel its contracts with its accredited certifiers in order to *'eliminate conflicts of interest in the audit process'*.

FSC was set up by its members as a global accreditation body using existing national and international auditing firms to implement its certification program to avoid the enormous investment necessary to create its own global certification logistics. Certification bodies (audit firms) have to undergo rigorous assessment by the FSC to achieve and maintain their accreditation with the FSC.

Certification bodies are reimbursed for the effort whether a certificate is awarded or denied. And the FSC is currently funded through donations from private and public donors and independent of the number of certificates it issues. Therefore, neither the FSC nor the accredited certification bodies have any vested interests in the awarding of certificates as claimed by RF.

The FSC model is extremely well established internationally. It is in fact very similar to the one used by, for example, the International Standards Organization (ISO) for the evaluation of compliance with their standards.

- 5 The press release lastly states that whilst FSC has been in receipt of the report since September but has not responded to it.

In fact Rainforest Foundation were invited to present their findings to the FSC Board of Directors in September. In their letter to FSC of 11 October 2002, they state 'we were very encouraged by the constructive nature of the discussions'. Overall Rainforest Foundation representatives spent 4 days with FSC board and staff members discussing ongoing work and issues highlighted in the report. Many of the discussion were very constructive and useful.

FSC certainly welcomes comments and constructive criticism from all types of organisations. Whilst we welcome the RF report for its extensive research we find that it cites many cases that have long been solved and in some cases major rule changes in FSC have resulted.

FSC is a learning organization. It consistently seeks to improve itself drawing on the help and experience of its many stakeholders. FSC represent a major change in the quality of forest management around the world. Some of the cases referenced in the RF press release refer to certified areas that are literally islands in seas of forest destruction. Such progress has earned FSC the support of many global NGOs such as Greenpeace, WWF and Friends of the Earth.

For further information please contact FSC Secretariat:

Carolina Hoyos

Head of the Communications and Marketing Unit

choyos@fscoax.org

Tel: + 52 951 51 46905 (México)