

Forest Stewardship Council  
Because Forests Matter



**What is FSC and How Does it Work**

James Sandom – Asia-Pacific Regional Representative

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Name: James Sandom

Position: Regional Director Asia-Pacific Region

- Working for FSC for 1 year
- Director of FSC-accredited certifier
- General Manager of an FSC-certified company producing 60,000m3 of certified timber to SE Asian manufacturers supplying product to European and N American retailers
- Auditor for FSC and ISO 14000

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Contents of presentation

- Brief introduction and background to FSC
- Requirements
- Structure and key elements of FSC certification
- National Initiatives
- FSC and developments in China

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**Introduction and background to FSC**

- 1980s and early 1990s – world's forests under threat – 11-15 million hectares disappearing every year
- Failure of international and national efforts (programmes and initiatives such as CITES; TFAP; World Bank Masterplans; bilateral and multilateral development projects, UNFF etc)
- Perceived failure of international stakeholders of 1992 UNCED World Summit in Rio (Earth Summit) to address the issues
- These stakeholders looked for new solutions

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**Forest Certification**

- Radical new solution proposed after the Rio Earth Summit
- Take the concept of certification and apply it to forestry
- Use the trade in timber

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**Certification**

- Certification - a process that provides evidence to another party that an organisation has met certain, predetermined standards – either in terms of quality, quantity or minimum levels of performance
- Forest certification – the process of assessing the way a forest is managed, together with the associated manufacturing processes, against a set of pre-determined standards

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**Forest certification**

- Certification not a new idea – commonly encountered in industry and in the organic agricultural sector
- What was new - taking the concept of certification and applying it to forest management and forest products

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**FSC Forest certification**

- Essentially certification is a neutral exercise – simply assessing a quality of performance against a standard
- But the aim of many of the original supporters of forest certification was to use certification as a means - to promote and stimulate improvements in the quality of forest management
- Unique – first time anyone had tried to actively engage the commercial trade in timber and use it in this way
- These aspirations determined the aims and objectives of FSC and had a strong influence on the structure of the FSC and its certification scheme

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**How could forest certification be made to work?**

- Must be based on 'good' forest management – definition of good forest management - standards
- What is the best model - existing models (eg organic trade) not appropriate or too slow
- Led to early stakeholders designing their own model
  - initially international environmental NGOs
  - some governments and aid donors
  - some committed end users, retailers, manufacturers

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**Key features of a viable certification scheme (I)**

- Workable and practical
- Acceptable to commercial players: retailers, traders and the general public
- Take off quickly and gain an instant and significant market presence quickly – needed committed demand
- Needed to offer realistic commercial incentives and benefits to customers
- Need to work in the absence of a 'green premium'
- Needed to have a brand identity and a logo that could be recognised and allows customers to make a choice
- Needed to have a credible chain of custody system

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**Key features of the certification scheme (II)**

- International in scope
  - Global impact
  - Systems and processes, principles and standards are applied consistently round the world
- Applied and accepted 'locally' - locally relevant
- Independent and objective
  - Independent of influence of any one stakeholder group
  - Objective, third party processes
  - Transparent and accountable
- Needs to be credible and 'foolproof'
- Avoid conflict with international trade laws

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The result is what exists today as the certification scheme known as

**FOREST STEWARDSHIP COUNCIL**

# What is FSC and how does it work - James Sandom

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### Structure I

- Membership organisation – broad stakeholder membership - evenly distributed (economic, social and environmental members divided into chambers)
- Certification based on principles of good forest practise. FSC is based on 10 principles, and together with the 53 criteria these also form the basis of the certification scheme
- FSC does not undertake certifications itself – instead it functions as an accreditation organisation – accredits or contracts certifiers to act on behalf of FSC and conduct certifications based on FSC standards

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### Structure II

- To be globally applicable but locally applied and with full local stakeholder involvement FSC developed a system of National Initiatives and local working groups – endorsed by FSC
- Full chain of custody – forest to retailer
- Licensing systems – on and off product: logo and claims control
- FSC system based on dedicated demand – customers committed to purchasing FSC-certified product

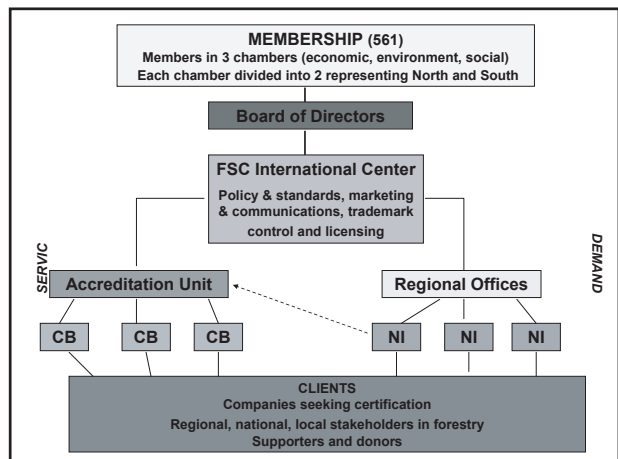
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### Structure III

FSC certifiers conduct two types of audit and certificate

- Audits of 'producers' - forest management units
- Audits of 'processors' – chain of custody

Certificates for 5 years – annual monitoring by FSC-accredited auditors



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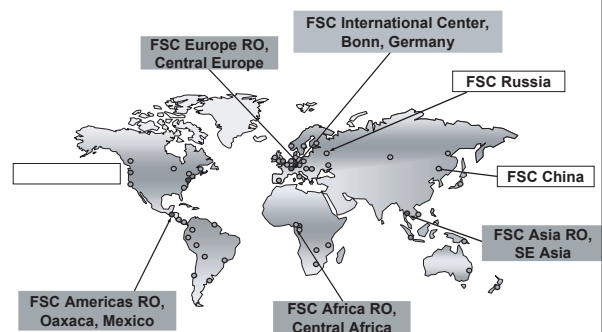
FSC regional offices:

- Africa – Ghana or Cameroon
- Europe – Amsterdam
- Asia-Pacific – Bangkok
- Latin-America – Oaxaca, Mexico

A key element of FSC is the 31 National Initiatives in different countries round the world

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Global Network



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### DIFFERENCES AND SIMILARITIES

- From the start of the certification debate there has been disagreement about the most appropriate structure
- Led to the development of a number of other models and certification schemes – many of which are represented here today
- Each scheme has its own proponents and supporters and FSC is no different
- More importantly perhaps, supporters of the FSC model believed (and most still do) that it is the scheme that remains truest to the original purpose of certification – that is, promoting and contributing towards genuinely sustainable forest management
- Consequently when any 'comparison' of standards or certification schemes is made it should be this characteristic which should determine whether a scheme is judged 'more' or 'less' successful

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### New initiatives

In response to stakeholder suggestions and market pressures FSC is undertaking a number of developments of its systems and processes:

- streamlined certification for small and low intensity managed forests (SLIMFS programme)
- improved social criteria and a clearly defined social strategy which will underpin the FSC certification system
- development of a step-wise approach to certification
- modifications to FSC chain of custody requirements and control of sources (FSC has been at the leading edge of developments)
- development of specific guidance for certifiers and stakeholders on applying FSC standards (P2 and P3 Guidance)

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### FSC and China (I)

- China is a major global player in the international trade in timber and forest products
- Already China is a major 'consumer'
  - importer of timber for domestic consumption
  - an important manufacturing and processing country – with products going to Europe and N America
- Trend is for China to expand its manufacturing capacity and its consumption of round timber, plywood, paper and manufactured boards

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### FSC and China (II)

- China also has the potential to be a major supplier of timber – even though this might be mainly for the domestic market

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### FSC and China (III)

- If China is important to the timber trade then it is also important to FSC – and the other certification bodies
- It is particularly important for FSC because China's potential demand could significantly influence the trade and those wishing to supply it with timber
- If Chinese manufacturers require FSC certified timber then this would act as a massive incentive for forest suppliers to change and improve their forest management practises

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### FSC and China (IV)

- The development and adoption of appropriate standards of forest practice and performance based certification could also help China domestically - avoiding the problems previously experienced resulting from deforestation or non-sustainable forest practises

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### Supply and demand in China

- China already has considerable experience of certification
- A number of major manufacturers based in China want to move towards FSC certification – for instance IKEA which already has invested heavily in developing local systems and processes to assist its own suppliers
- Increasingly Chinese companies and other China-based European manufacturers want to access and assure themselves of European and N American markets
- In fact Chinese manufacturers are already receiving certified raw materials into China – but absence of certified chains of custody means that certification is 'lost'
- Result – rapid increase demand for FSC certification

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### Development of local standards for China (I)

- Under FSC system FSC-accredited certifiers can certify immediately using their own 'generic' standards which are specific to that certifier
- The generic standards are a requirement of FSC accreditation and are fully compatible with FSC Principles and Criteria
- FSC accredited certifiers can use these standards – suitably modified through a local stakeholder consultation process – as the basis of a certification in the absence of national standards

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### Development of local standards for China (II)

- But FSC's preferred option wherever possible is to develop National Standards (or sub-national), through an inclusive process involving the input of all local stakeholders
- FSC normally does this through a formally constituted and FSC-accredited National Initiative
- But increasingly FSC is trying to be flexible in its approach without compromising its goals (UKWAS; LEI; MTCC etc) or the credibility of the certification
- Currently FSC is assisting China with the development of its National Standard with the aim of ensuring that it will be fully FSC-compatible

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### 3 Closing Comments (I)

- FSC is 10 years old.
- It has had considerable success over the last 10 years and there are now over 40 million hectares of forest that are FSC-certified.
- But it is important to realise that this alone is not an indicator of success
- What is important is that we now have 40 million hectares of forest that can demonstrate (objectively and credibly) that they are practising 'good' forest management according to the principles and criteria of the FSC

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### 3 Closing Comments (II)

- It is important not to forget that certification is a trade-based mechanism
- Certification is also a commercial product or service and consequently obeys the normal laws of supply and demand
- Certification is demand-driven – and getting certification successfully established (whether it delivers SFM or not) is dependent on demand in the market place
- Many certification initiatives and schemes have failed because they have failed to recognise this simple fact

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### 3 Closing Comments (III)

- As a trade based mechanism forest certification has many advantages
- But it also has distinct and clear certain limitations and these should be clearly understood
- Where there is no trade in forest products certification may have no role to play
- Certification cannot, therefore, solve all the problems of the world's forests
- This is particularly important if SFM is your goal – certification can be a powerful tool but it is not the only tool in the box.