

# FSC<sup>®</sup> *NEWS*

General Assembly 2017

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# 05



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# FUN STUFF

Can you spot yourself in one of these photos from the Gala Dinner?



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# FAQs

**Q:** *If I am unsure of what to do during the members' assembly, how can I find out more?*

**A:** There are instructional videos available, embedded into a 360 degree view of the general assembly. You can find these videos on the general assembly website.

**Q:** *Can we amend motions from the floor during the members' assembly?*

**A:** No, the amendment needs to be submitted by the proposer in advance, supported by two seconders.

**Q:** *Can I propose a new motion?*

**A:** Yes but it will not be prioritized and will only be dealt with when all other motions have been voted on.



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# Communication Needs to Become a Priority

**Jesse Cruz**  
FSC International

It's been 20 years since mixing was first introduced into the FSC system, and social and environmental chamber members want clear communication around mixing, the 'FSC MIX' product label, and controlled wood.

The 'FSC 100%' and 'FSC RECYCLED' product logos are relatively simple and easy to understand, but a recent study shows that the 'FSC MIX' product logo is not as clear – and that's a problem for social and environmental chamber members.

Two thousand consumers in the USA, Germany and China were asked about their perceptions of FSC labels. The results revealed that consumers have very little awareness of the different labels in the FSC system.

But it's not the labels social and environmental members are concerned about, they are concerned about the entire component that allows noncertified inputs to enter the system.

**How important are 'FSC MIX' products to the FSC portfolio and why was it allowed in the first place?**

A study in 2014 found that the sale value of 'FSC Mix' is USD 250 Billion, and the estimated sale of controlled wood

is USD 110 Billion. It is a component which plays a critical role in the system.

In the early years of FSC, a product could only carry the FSC product logo if it was manufactured exclusively with material sourced from FSC-certified forests.

Mixing was first introduced in 1997 after forest product manufacturers made it clear that keeping FSC-certified material separate from non-certified material was prohibitively expensive and logistically implausible. This was especially true for pulp and paper companies that deal with large supplies of timber.

Manufactures needed a way to allow non-certified inputs to mix with FSC-certified material in their production. So in 2004, FSC created the controlled wood standards to better define the limits of using uncertified materials in FSC-certified products.

## How do we communicate about mixed materials?

FSC needs to find a way to continue developing the 'Controlled Wood Strategy' between now and the next meeting in June 2018. Members are asking FSC to focus on strategic communications and to bring in the right people to continue these discussions, rather than employing the traditional ways of communication through newsletters and online consultations.

While a decision on the 'FSC MIX' product label will not be taken until 2019, FSC will focus on communicating and educating stakeholders about mixing and controlled wood.

# Setting Ambitious Goals for the Use of FSC

## High-Level Forum focuses on FSC in our Daily Lives

**Brad Kahn**  
FSC USA

Fuelled by a sense of urgency to address pressing global challenges, companies are setting ambitious goals for their use of forest products. Two such companies – SIG and IKEA – shared their goals and dug into the details of what it takes to meet them in the high-level forum, “FSC in our Daily Lives.”

Opening the session, Samuel Sigrist, SIG’s CFO, explained the company’s ambition to be “net positive,” meaning it would contribute more to society and the environment than it takes out.



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As one of the world's leading suppliers of packaging for the food and beverage industry, SIG has a goal of 100% FSC-certified and labelled packaging by 2020. Currently at more than 80% FSC, Sigrist emphasized the importance of having a group of committed people – including senior leaders – driving the initiative from the beginning.

Supplying 33 billion cartons per year, SIG's scale is massive but it committed to FSC nonetheless. “We made a choice that responsibility is a license to operate and a means to differentiate our products,” Sigrist noted. “It is very clear that FSC is the only credible standard to go with,” he added.

One of the reasons for SIG's choice was the fact that FSC has the backing of multi-stakeholder groups. “It is true basic democracy that I see here at the GA,” Sigrist explained. To other companies considering commitments to 100% FSC, Sigrist said, “the key is to have a bold vision and a bold target. If you have a team together coordinated across the value chain, you are set up for success.”

Ulf Johansson, Global Wood Supply and Forestry Manager for IKEA, took the stage next to describe the company's drive to “create a better everyday life for many people.” With revenues growing to more than 40 billion Euros across more than 400 stores in the last fiscal year, Johansson explained that “climate change is driving our decisions now.” With that in mind, IKEA has a goal to be climate positive by 2030.





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By 2020, the company has a goal of 100% of forest materials from “more sustainable sources” – defined as FSC or recycled. IKEA is currently using 76.8%, with 100% FSC from high-risk countries. For a company that trades in approximately 1% of the world’s forest products, IKEA’s scale and accomplishments are significant. Nonetheless, he offered that, “most things still remain to be done,” in a nod to Ingvar Kamprad, IKEA’s founder.

Asked about other forest certifications, Johansson said he constantly monitors other systems, but, “today there are no other systems that are as qualified, with transparency and including stakeholders, in the same way that FSC does.”

As for the path to 100% more sustainable sources, Johansson was clear that fibre board supply in Central Europe was one of their biggest challenges. Today, small and medium-sized forest owners in the region are not yet convinced that FSC is the right way forward, he added.

When asked by moderator, Karin Helmstaedt why IKEA does not use the FSC label on its products, Johansson leaned forward and explained that with only 76% FSC now,

it could be possible that labelled and un-labelled products would appear side-by-side. “There is lots of internal discussion about this,” he noted.

During the discussion, the presenters were asked what FSC could do to improve. Sigrist asked for FSC’s help with storytelling. “We need FSC to help us by creating stories to explain to consumers what responsibly managed forests are and why people can do something good by picking an FSC-labelled product over the other one,” he said.

Responding to the same question, Johansson asked FSC to move more quickly. “We need to focus and not try to move too many things. We need to understand that we can take a decision without everything being perfect,” he noted.

In closing, both presenters were asked whether they would choose FSC again if they did it over. “No doubt,” answered Sigrist. Saying, “same here,” Johansson added that, “I am now group certified as a forest owner in Sweden. It works very well.”



# "Forests For All Forever" Requires Forest Restoration

**Richard Donovan**  
Vice President of Sustainable Forestry,  
Rainforest Alliance

Much like IFLs, there is broad support, in principle, for forest restoration through the FSC system. We still lack consensus on the path forward to widespread restoration, but the Rainforest Alliance believes the FSC system should stand solidly behind restoration, and publicly positioned itself as its champion. We are currently supporting the first stages of creating a verification framework for sound restoration, in collaboration with organizations like WRI, WeForest, PARTNERS and TreeSisters.

Reasons for enshrining forest restoration in the FSC system are many and diverse. Throughout this General Assembly we have seen much discussion about enhanced inclusion of Indigenous peoples in FSC—robust forest restoration throughout FSC-certified forests provides opportunity for Indigenous peoples to maintain or expand forests within ICLs.

For increased biodiversity conservation, climate change mitigation, and carbon sequestration, forest restoration is an obvious step in the right direction. Article 5 of the Paris Agreement explicitly calls for forest protection to reduce the impacts of climate change—but without expanding forests' capabilities as a carbon sink through restoration, we will not meet our greenhouse gas reduction goals.

Economically, forest restoration could integrate nicely with a future payment for ecosystem services (PES) mechanism. Though PES is still in the pilot phase, initial testing suggests promising results. Restoration also offers the possibility for certificate holders to enter the forest-carbon credit and finance marketplace. Importantly, restoration is a very marketable and easily communicated story to consumers. When combined with impact data, forest restoration is a relatable and emotional subject for consumers, and could increase consumer awareness of the FSC brand.

And finally, restoration would help drive the FSC mission to protect forests for the future.

However, we also recognize that restoration is complicated. It requires a lot of time and resources to do the requisite local and landscape-level analyses and stakeholder engagement. There's no single way to restore a forest landscape. Much more than "just planting trees," restoration could include agroforestry, protecting naturally regenerating forests, or incorporating managed plantations—or all of the above. So what could restoration within FSC look like? There is the proposal set forth by 2017 Motion 7, which would require organizations which have been involved with large-scale conversions between 1994 and 2017 to restore the forest as a part of achieving certification. Perhaps there is an opportunity for companies to gain extra recognition or financial support for restoration work. Perhaps restoration can be an incentive to participate in PES. Or perhaps FSC can become the leading forest certification system for auditing and approving forest restoration projects.

We think it is important for the FSC to send a strong global message in support of forest restoration around the globe. To us at the Rainforest Alliance, it is clear there is room within the system to incorporate forest restoration. For the reasons stated above, we are supporting FSC GA Motion 19.



To read more articles go to [ga2017.fsc.org/](https://ga2017.fsc.org/)



# Thinking Small is the Key to Big Success

**Malika Kanatbek kzy**  
FSC GA Youth Reporter

7.6 million hectares of the world's smallholder-owned forests are FSC certified.

FSC has been working with the smallholders project for more than 15 years, getting new innovative ideas and implementing them into actions. However, the FSC smallholder programme has developed organically over time as adaptations of the large-scale FSC model. Approaches that are used for small-forest owners in one context do not always work in others. Therefore, the New Approaches initiative to smallholder certification was created. The goal of the initiative is to develop a modern, positive, hands-on, and rights-based approach to smallholder certification within the FSC system.

On 9 October 2017, members of the smallholder project held a side meeting at the FSC General Assembly 2017, where they shared current findings, latest developments, and their action plan.

"We are not going to start from scratch; we want to use and learn from the past experience, include some additional innovative thinking, and make a revolution," explained Vera San-

tos, New Approaches Project Manager. She also added, "You might ask 'what's new?' and one thing we completely believe in is that now the smallholders project has a truly global team which consists of members from all over the world."

According to Satu Leppanen, Key Account Manager, globally there are 4,000 million hectares of forest land. The majority of forest land is owned by public authorities, their share being approximately 75 per cent. Another 11 per cent of global forest land area is owned by individuals and another 3 per cent by communities. Thus, communities own 550 million hectares of forest land. That indicates that there are hundreds of millions of hectares of forest land are owned by smallholders and only small proportion of them are FSC certified.

Of the 196 million hectares of FSC-certified forests, smallholders own 7.6 million hectares; however, this figure has not grown since 2015. From the experience of Africa and the global South, one of the main challenges is limited skills and knowledge.

Other parts of the world meet other problems. For example, in Finland smallholders use contractors to manage forest operations. As a solution to this, the New Approaches team presented the idea of contractor certification.

"Certifying forest contractors is not a new idea, it was first piloted in 2009–2012. It provided some good results, but there were inconsistencies in the way that pilot testing was done. It did not get included into the system just yet. We tried to engage with stakeholders, members, certificate holders, and they supported this idea," said Lauri Ilola, Marketing and Development Manager.

Lauri presented three potential scenarios for contractor certification within the FSC system:

- Allow forest contractors to become members of forest management group certificates
- Allow third-party forest contractor certification schemes as verification tool
- FSC develops an FSC forestry contractor certificate.

Annah Agasha, East Africa Project Manager, presented a new scenario from a Southern perspective:

- Start at the national level: in Eastern Africa, smallholders typically join formal forest grower associations.
- Start at the regional level: in Central America, it is common for smallholders to enter into informal and verbal contracts.
- Revisit the 'Modular Approach Programme', which emphasizes legal compliance as a first step.

The side event ended with questions and a feedback process. The New Approaches team promised to publish all the proposed solutions and decisions concerning the smallholders project later this month.



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# Footballs and Wetsuits – FSC Rubber is Hot Hot Hot

**Ida Rehnström**  
FSC Denmark

It was a uniform yes! to more FSC-certified rubber from all speakers at Wednesday's rubber session. From producers to buyers, the message was consistent - the market is ready. But when discussions moved to the "whys" and the "hows" of FSC-certified rubber, the voices got more diverse.

First up – a football! The first ever FSC-certified rubber product and the vision of Mr. Martin Kunz. He is the director of the Fair Rubber Association and he shared his experience as a pioneer in the world of fair trade FSC-certified rubber products. Producing all sorts of products in a sustainable way - from rubber boots to baseball caps, the

organization is continuously expanding. One of the major challenges for Martin and Fair Rubber is the fact that consumers still don't get the connection between rubber and the FSC-label "These days I spend half my time explaining why the FSC logo appears on rubber products. People only realize it's on paper or wooden products."

## Natural rubber – a driver for deforestation

With a growing natural rubber sector in Guatemala, Mr. Mario Rafael Rodríguez, Market Specialist at Econegocios Occidente set out his thoughts on rubber and FSC: "Natural rubber is one of the most important world commodities, therefore best practices are crucial for ensuring a sustainable supply in the long term."

Pointing out that rubber is a driver for deforestation, he sees certification as a way to better social rights as well as providing deforestation-free natural rubber. Some of the benefits of FSC to him include: "Permanent jobs, protection of natural forests and rivers, benefits to surrounding communities, protection of wildlife and biodiversity."

## World's first FSC-certified wetsuit

To Mr. Jeff Martins, CEO at Yulex there is no doubt that natural rubber is the future. The synthetic rubber is based on oil and is non-renewable.



“Right now tire manufacturers control the global rubber markets using 70% of all rubber. Footwear is second with 10%.” But it looks like this is going to change.

The right way to move forward for Yulex is using natural rubber, but to avoid issues like deforestation, chemicals (for growing trees) and human rights abuse, FSC certification is the best option for them. They just launched an FSC-certified wetsuit in collaboration with Patagonia, winning several awards for the project. Despite stating that these products are not the cheapest ones on the market, Jeff is not nervous about the business side of certified rubber.

“I see times are changing, I see a new generation of consumers, especially millennials, coming through and they are willing to pay for and support the products we put into the marketplace.”

He was backed up by Mr. Ila Farshad, Sales and Marketing Manager at Vita Talalay, who produces FSC-certified foam for bedding companies. He too shared that in his experience consumers are willing to pay more for certified and healthier products.



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## BMW and elephants

At BMW they have not yet integrated FSC-certified tires due to a lack of supply, but they already use FSC as a part of their car interiors. BMW noted that they view FSC as a robust certification scheme for natural rubber. The road to getting BMW to a point where they can ensure FSC-certified tires will include more dialogue with local partners, information meetings on FSC on the ground and more collaboration.

At the other end of the spectrum is WWF where Aditya Bayunda from WWF Indonesia is trying to solve a specific challenge. They are faced with a big area of tropical forest in Sumatra, home to endangered species such as tigers, elephants and orangutans. They plan to use the rubber plantations as buffer zones and income generation for the area. But it needs to be certified. He noted that “these are exciting times for FSC,” with lots of potential for certifying important areas. But he encourages FSC to recognise this growing demand and to:

- 1) Find mechanism for smallholder certification (most rubber producers are smallholders);
- 2) Create innovative NTFP standard for rubber; and
- 3) Make sure there is an added value for certified rubber at the end of the production cycle.

To read more articles go to [ga2017.fsc.org/](http://ga2017.fsc.org/)

We thank the Fair Rubber Association for their donation of footballs for the FSC General Assembly 2017



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to support them in understanding how their policies are being implemented and what progress has been made,” said Carr.

The policies require, among other things, that companies do not source from the world’s ancient and endangered forests or other controversial sources. There is also a strong and consistent preference for FSC certification in all the policies.

### FSC catwalk

Cecilia Brannsten, Sustainability Business Expert at H&M group, was the next to present. She was a living example of textiles made of responsibly sourced wood, wearing clothes made of FSC-certified eucalyptus fibres – a choice that was applauded by all the attendees.

H&M promotes the use of fabrics that come from FSC-certified plantations or forestry, and Brannsten presented a new sourcing goal at H&M: “We will have 100% recycled or other sustainably sourced materials by 2030, and there of course cellulose fibres and FSC play an important role.”

### The story must go to the consumer

Halfway into the session, the attendees got an insight into viscose producers’ work with responsible sourcing and FSC. FSC-certified ENKA Group uses wood fibre pulp as its main raw material and only buys from FSC-certified partners.

“We were FSC-certified in 2016. We started to roll out this story last year and the same year the first customer in our supply chain became FSC-certified. We are planning further roll-outs until the year 2020 to bring this down to garment makers and end users,” explained Till Boldt, Managing Director at ENKA Group, who then presented a challenge: “In the fashion industry, most of the consumers are just looking for prices. It’s a difficult matter to offer sustainable products and to bring the story to the consumer. There are big players in the fashion industry thinking about how to do this and I can only compliment them, this is the right way.”

### Consumers are looking for more than prices

Fiona Wheatley, Marks & Spencer (M&S), who presented the food, fashion, and home retailers’ commitments from Plan A towards responsible sourcing of wood products, had a different perception of consumers’ focus on prices: “I disagree that prices are the only thing people are looking for. I think they are looking for the right products in the right environment at the right price, and your brand values add to that offer.”

Ending the session on FSC and Fashion, Manohar Samuel, of Birla Cellulose, underlined the value of collaboration to ensure sustainable forest-based textiles: “Just see this table. I’ve got two of my esteemed brands here, M&S and H&M; we have Till from ENKA, who buys pulp from us; and we have Canopy bridging this path from forest to fashion.”

# Will FSC be Fashionable?

**Morten Brodde**  
FSC Denmark

What do a fashion brand, an ENGO, a retailer, and two viscose producers have in common? Well, they were all panellists in Wednesday’s session on FSC and fashion and are working together to ensure responsibly sourced forest-based fabrics.

Will FSC be fashionable? Listening to the panellists in today’s session under the title ‘Fashion and FSC: From Forest to Consumer’, FSC is on the agenda in the fashion industry. And why is that? Forest-based fabrics such as rayon, viscose, modal, and lyocell are increasingly being used to manufacture textiles, and are generally more environmentally friendly than synthetic textiles or cotton, if the cellulose comes from well-managed forests or plantations.

### Policies are changing the supply chains

The first presenter was Amanda Carr, Campaign Director at non-profit Canopy, who is collaborating with companies to make their supply chains more sustainable. Four years ago, they put out a call to the fashion sector to collaborate to conserve ancient and endangered forests: 105 fashion brands, retailers, and designer partner are now a part of a coalition.

“Now, over 70% of the global production of these fibre types have CanopyStyle policies in place. Policies that mirror what the brands are looking for. And we have begun to audit them



# Gender issues at GA: always present but not always correct

An op-ed piece by NEPCon

FSC has made very tangible steps forward on gender through its adoption – in 2015 – of Criterion 2.2 in the new FSC Principles and Criteria (P&C V5-2 EN); which commits FSC to promoting Gender Equality in its work. Criterion 2.2 is articulated through nine indicators designed to enhance the consistency of the implementation of gender equality in all standards of the FSC system.

At the General Assembly, however this commitment has not been consistently demonstrated. For instance, there was general discomfort and confusion following the prize-giving at the Gala Dinner. Further, many event panels have been overwhelmingly dominated by men, including the first high level forum. The inconsistency between intent and action was disconcerting.

On a more positive note, Tuesday morning's Women in Forest Business session was dynamic and inspiring (see FSC News 04). And during the Members' Assembly on Thursday morning, a statement was read, as follows:

"FSC must acknowledge that gender equality is a precondition to turning its transformative vision into reality. Achieving gender equality, empowering all women and fully realizing their human rights are essential to achieving sustainable development. Integrating gender equality with the Mission of FSC requires a profound conceptual understanding of both concepts and their interlinkages, which are missing in today's transformative process to FSC 2020. We call for prioritizing gender equality in the strategic agenda. We want to see more women's participation and leadership in high levels of the decision-making. Gender parity is not only good for FSC, [it] is good for the society."

Nancy Vallejo (Social South) – who drafted the FSC Guidance document *Promoting Gender Equality in National Forest Stewardship Standards* – noted that FSC's Strategic Plan commits to implementing a system-wide gender equality strategy, including *creating an institutional culture and normative framework that facilitates improving gender sensitivity within the system*. Nancy applauded the fact that the issue of gender was raised "from the floor" during the 2017 General Assembly, and commented further that "It is important that FSC now moves from words to actions and, in particular, to implementation at various levels: local, national, and international."

Nancy commended the FSC Guidance document as a means to create awareness and steer progress by Standards Development Groups as they adapt the concept of gender to their own national realities.

NEPCon's Mateo Cariño Fraisse has utilised the FSC Guidance document during numerous forest management evaluations; and makes the observation that the document has led to very positive impact and real implementation of change relating to gender in the FSC system.

Awareness is there, now we need to implement in meaningful ways in our every day work. This is an issue that we can solve with the simply application of our attention.

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