FSC and the Pulp and Paper Sector in context of EU TR
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FSC CoC CH < 13000 based in EU (globally >27500)

**Big part involved in pulp and paper sector:**

FSC Global Market Survey 2012 *(4595 respondents, 18,5%):*

- “Paper is the most frequently bought and sold FSC product. It is mainly traded by companies in Europe, followed by Asia. 42 percent of respondents stated that paper-based products make up the majority of their sales.”

- “Printers present the largest group of FSC certified businesses with 29.9 percent”

- *Demand for FSC certified products is increasing most for tissue paper.”*
CERTIFICATION IMPORTANT IN THIS SECTOR:

From the 2013 CEPI Sustainability Report (1):

Capacity to produce certified materials:
- 98.4% of production capacity for pulp production own a CoC certificate
- 97.6% of production capacity of recycling based paper, tissue and board is CoC certified.
- 93.2% of production capacity of paper tissue and board production capacity is CoC certified.
Actual use in 2012 of virgin certified materials:

• 76% of market pulp production is forest management certified
• 74,7% of pulp delivered to paper and board mills in Europe is forest management certified
• 64,6% of wood, chips and sawmilling by-products delivered to European mills are FM certified.
• 71,3% of total paper tissue and board produced is CoC certified.
From the 2013 CEPI Sustainability Report (3):

Actual use in 2012 of certification for recycled materials;

• 90.5% of recycled inputs for paper, tissue and board produced is CoC certified.

Trends

• CEPI shows increasing % between 2010/2008 and 2012.

How much of this is FSC is unclear, but likely at least 50% (FSC has less forest area in Europe but 50% more CoC).
Paper&Pulp and the EUTR:

- EUTR is relevant for imported paper products (except printed media and packaging used for transport/protection of an imported product).
- and for resources for paper&pulp producers in the EU (except paper scrap and bamboo based).
- The exception of paper scrap means that what FSC calls “pre- and post-consumer reclaimed materials” used in the paper&pulp sector fall outside the scope of DD.
Is recycled really recycled?

• For the EUTR it is important that operators can be confident that a “recycled” claim can be trusted.
• In case of a “mix” claim, information on origin and species is necessary for the non-reclaimed components.
• In both cases operator should be able to trust of verify any “recycled” or reclaimed claim.
FSC and EUTR

FSC supports EUTR: Legality essential step to move to sustainable forest management.

Has taken measures to increase performance against the EUTR requirements:

“Advice Notes” on:
- obligation to pass on information on country/concession of harvest and species on request
- clarification of categories of laws to be taken into account
- trade and customs laws included in CoC
- termination of tolerance for “minor components” of unknown origin
- (coming) special rule on “reclaimed materials” [non-paper scrap]
FSC can be considered “low risk” in relation to illegality……

- Legality = part of FMU requirements + CoC + CW
- CBs accredited and controlled by one global, specialized body: Accreditation Services International (ASI)
- CBs to follow risk approach: step up control when more risk – ASI can do own controls in case of doubt
- Complaints procedures open for all.
- Rules about trademark use + active follow up CBs/NPs
- Special attention for high risk countries: Russia, China..
+ Changes in CW assessment: + OCP.
.....but does not mean DDS is not necessary:  = our message to operators +:

- Responsibility remains with operator – FSC certification is only a tool inside DDS.
- Information: FSC Advice Note requires assistance from supplier on request.
- Risk Assessment in case of imports coming with an **FSC claim**: assess the status of the supplier/certificate holder, the scope of his certificate, and in case of doubt, do further research so that you in the end have a reasoned opinion why the claim can lead to conclusion of “low risk”.
- Be able to give competent authority justification of your DDS.
FSC rules governing claims:

- **FSC-STD-40-005 V2-1** (from 2007, being revised) Standard for company evaluation of FSC Controlled Wood.
4 categories of input material
for manufacturing of products with FSC claims:

- Material from FSC certified forests
- Controlled Wood
- Pre-consumer reclaimed materials
- Post-consumer reclaimed materials

*In case of mixing, post-consumer reclaimed materials are considered as equivalent to certified forest inputs, and pre-consumer reclaimed materials as equivalent to controlled wood.*
leading to 6 types of claims:

- **FSC 100%**: all inputs from FSC certified forests (no mixing even with post-consumer reclaimed).
- **FSC Mix x%**: mix of certified materials with reclaimed and/or controlled wood (x% = certified + post consumer).
- **FSC Mix Credit**: result of mix of certified materials equivalent to input of FSC 100%.
- **FSC Recycled x%**: mix of pre- and post consumer reclaimed materials (x% = post-consumer).
- **FSC Recycled Credit**: calculated share of result of mix of pre- and post-consumer materials.
- **FSC Controlled Wood**: CW, but can also include remaining part of mix/recycled credit system, so inputs from certified forests and/or recycled.
Importance of recycling

- a. complementing virgin materials
- b. price advantage
- c. *societal demand*: reduction of waste streams, more efficient use of materials, less pressure on forests.

**FSC response**: dedicated label focus on post consumer reclaimed materials (85% min.)
Confirmation of the reclaimed status:

- A valid FSC Mix or Recycled claim indicates that the supplier, or a company further up the supply chain, has validated the pre- and/or post-consumer status of the inputs, applying **FSC-STD-40-007 V2-0 on Sourcing Reclaimed Material for use in FSC Product Groups or FSC Certified Projects**.
- If an operator is importing recycled material without FSC claim, and wanting to use this for producing an FSC certified product, he must apply that standard himself.
- **Only CoC CH can use this standard & claim**
Procedure:

Obligation: to “demonstrate that its reclaimed inputs for use in FSC Product Groups or FSC Projects comply with FSC definitions for pre-consumer and/or post-consumer reclaimed material.”

• Residues from “primary manufacture” cannot be considered as reclaimed,

• From “secondary manufacture” cannot be considered if they are “intentionally produced” and/or if they have properties allowing it to be reused on site by being incorporated back into the same process.
**STEPS (1):**

- **validate and monitor the suppliers**: maintain records, define “necessary documentation evidence and actions”. And have “a contingency plan to cater for non-confirming material or supply documentation”

- **“material inspection and classification upon receipt”**

- When objective evidence upon receipt cannot be demonstrated, the company should include the supplier in a **“Supplier Audit Program”**, including at least annual on-site audits of supplier, and if necessary further up the supply chain from where reclaimed materials originated.

- Declarations of suppliers not sufficient proof.
**STEPS (2):**

- Retain evidence for **audit by Certification Body** (as part of general audit CoC certificate):
  - Range of options for type of evidence, including “*official reclaimed material classification and assortment systems*”, material samples, pictures, quality analysis report, invoices, delivery notes or shipping documents.
  - Where applicable report on the application of the Supplier Audit Program.
In case of unresolved doubts:

- (about post-consumers status): classify as pre-consumer status
- (about recycled status): apply CW requirements or do not use for FSC claim.
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<tr>
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FSC Mix Credit
FSC Recycled Credit

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