Lacey and FSC - Knowing your sources
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Where does your wood come from?

- Deforestation = 20% world’s carbon emissions
- Conversion of natural forests
- Illegal logging
- Critical habitat & endangered species
- High conservation values, e.g. old growth
- Other ecosystem services, clean water
- Native peoples rights
- Local community input & benefit
- Labor issues
Forest Stewardship Council

- The global, consensus voice of responsible forestry
- Founding values: balance, democracy and transparency
- Standards negotiated by ENGO’s, social activists and landowners
- Comprehensive, prescriptive standards and on-the-ground impact
- Independence from industry
How FSC works

• Set standards
  ✓ Forest management
  ✓ Chain-of-custody

• Accredit certifying bodies

• Authorize product labelling
Global foundation, global impact

3 chamber membership
Environmental, Social, Economic
Global North & South

264 million acres certified in 81 countries
12,000 + chain-of-custody companies
FSC Certification

• Market-based, non-regulatory forest conservation tool
• Give economic value to protection of forest ecosystems and communities
• Third-party verification of forest management practices, chain-of-custody, and product labeling
FSC’s 10 Guiding Principles

1. Compliance with Laws and Principles
2. Tenure and Use Rights and Responsibilities
3. Indigenous Peoples' Rights
4. Community Relations & Worker's Rights
5. Benefits from the Forest
6. Environmental Impact
7. Management Plan
8. Monitoring and Assessment
9. Maintenance of HCV Forests
10. Plantations
Global Extent of FSC
As of 1/1/09

- **North America**: 34.79% of total certified areas (37'168'457 ha), 157 certificates
- **Europe**: 45.58% of total certified areas (48'696'568 ha), 412 certificates
- **Asia**: 2.41% of total certified areas (2'572'263 ha), 71 certificates
- **South America & Caribbean**: 10.85% of total certified areas (11'601'685 ha), 243 certificates
- **Africa**: 4.86% of total certified areas (5'195'542 ha), 41 certificates
- **Oceania**: 1.50% of total certified areas (1'600'361 ha), 30 certificates

Total certified area: 106'834'864 ha
No. countries: 81
Total no. certificates: 954

Source: Map FSC Denmark 01/01/08
Regional values FSC International 31/12/08
Market channels surge in U.S.

Chain of Custody Certificates - US

- 1/1/2003: 220
- 1/1/2004: 302
- 1/1/2005: 347
- 1/1/2006: 360
- 1/1/2007: 418
- 1/1/2008: 588
- Now: 1,492

- 1/1/2003: 3
- 1/1/2004: 15
- 1/1/2005: 32
- 1/1/2006: 75
- 1/1/2007: 145
- 1/1/2008: 574
- Now: 1,031
Evolution of FSC

• Has succeeded beyond belief especially in past several years

• European & North American lopsided adoption of forest certification is entirely predictable

• 12,000 companies certified brings current and potential energy

• Core strategy: Build logo recognition and value in developed world to drive demand for forest certification in Asia, Africa and Latin America

• It’s happening
FSC-certified product origins

FSC-certified wood and pulp can originate from:

• FSC certified forests
• Post consumer recycled content
• Combination of FSC-certified wood fiber, recycled content and other controlled sources.
The Label

The FSC check tree logo identifies FSC-certified products

These FSC Product groups contains a mixture of FSC certified material and other controlled sources

This FSC product group contains 100% FSC certified materials

This FSC product group contains 100% post-consumer reclaimed material
FSC Chain-of-Custody & Controlled Wood

• 1994: FSC introduced third party verified chain-of-custody to the global forest products industry

• 2006: FSC formally launched Controlled Wood system to weed out most egregious practices

• 2009: FSC-COC-40-004 v2 requires Controlled Wood on all non-certified sources
FSC Controlled Wood

Avoid trading and sourcing wood or wood fiber from the following categories:

a) Illegally harvested wood;
b) Wood harvested in violation of traditional and civil rights;
c) Wood harvested in forests where high conservation values are threatened by management activities;
d) Wood harvested in forests being converted to plantations or non-forest use;
e) Wood from forests in which genetically modified trees are planted.
Controlled Wood Risk Assessment

- Identify country of origin
- Assess “Risk Indicators” in Annex 2 of FSC-STD-40-005
- Identify state, province, eco-region or forest mgmt district
- Assess indicators for any designations not considered “low risk” in Step 1
- Identify Forest Management District of origin
- Field verification (samples) at FMD (Annex 3 of 40-005)
Risk Assessment: Illegally harvested wood

• Evidence of enforcement of logging related laws in the district

• A robust and effective system of licensing, harvest permits, and other documentation demonstrating legality of harvests and wood purchases are present in the district

• Little or no evidence or reporting of illegal logging in the district of origin

• Low percentage of corruption related to harvesting permits and related law enforcement
<table>
<thead>
<tr>
<th>Requirements related to illegally harvested wood</th>
<th>Examples of sources of information</th>
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<tbody>
<tr>
<td>1. The district of origin may be considered low risk in relation to illegal harvesting when all the following indicators related to forest governance are present:</td>
<td>FSC National Initiatives (contacts from <a href="http://www.fsc.org">www.fsc.org</a>); The Royal Institute of International Affairs (<a href="http://www.illegal-logging.org">www.illegal-logging.org</a>); Environmental Investigation Agency (<a href="http://www.eia-international.org">www.eia-international.org</a>); Global Witness: (<a href="http://www.globalwitness.org">www.globalwitness.org</a>); Telapak (for Indonesia - <a href="http://www.telapak.org">www.telapak.org</a>); UK Government’s Department for International Development (DFID) EU FLEGT process: <a href="http://ec.europa.eu/comm/development/body/theme/forest/initiative/index_en.htm">http://ec.europa.eu/comm/development/body/theme/forest/initiative/index_en.htm</a></td>
</tr>
<tr>
<td>1.1 Evidence of enforcement of logging related laws in the district</td>
<td>Transparency international index (<a href="http://www.transparency.org">www.transparency.org</a>) Corruption perceptions WWF (<a href="http://www.panda.org">www.panda.org</a>); ELDIS (<a href="http://www.eldis.org">www.eldis.org</a>) regional and country profiles <a href="http://www.cites.org">www.cites.org</a></td>
</tr>
<tr>
<td>1.2 There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.</td>
<td>NGOs and involved stakeholders</td>
</tr>
<tr>
<td>1.3 There is little or no evidence or reporting of illegal harvesting in the district.</td>
<td></td>
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Stepping Forward

• 2008 FSC General Assembly motions on Controlled Wood enhancements and certifying body performance

• International review of FSC Principles & Criteria to prioritize revision of Principle 1

• Continuous improvement of Controlled Wood risk registry

• Certifying bodies, NGO’s, and others working on specific legality verification (common standard)

• NGO’s providing consumer education

• Third party stepwise approaches: Forest Trust and WWF’s GFTN

• FSC-US engaging NWFA and other trade associations in multifaceted approach