

## Newsletter Forestry and Wood Certification

No. 1/2005

Information contained in this newsletter is sent to approximately 14 000 recipients in 14 countries and is translated into 9 languages.

This bi-monthly newsletter provides information on progress in improving forest management around the world. Particular attention is given to credible forest certification, threats to forests such as illegal logging, trends in the investment sector and companies/ individuals showing leadership.

Contact the editor on hb@wwfdcp.org

AROUND THE WORLD1
Illegal Wood Depresses World Wood Prices – New Analysis
Green Groups Draft Shadow EU Legislation on Illegal Logging2
Ramin Gains Stronger International Protection Through CITES2
World Bank/WWF Alliance's Assessment of Certification Systems Progressing
UK Implements Environmental Timber Procurement
Illegal Logging In Bosnia Responsible For Natural Disasters4
Lack of Deadwood Major Cause For Biodiversity Loss in Europe4
Windstorms Require Natural Restoration
'Green Reconstruction' Vital in Ttsunami Aftermath6
New Report - Science, Biodiversity and Sustainable Forestry
Dialogue Between Russian Timber Giant and NGOs
SPECIAL FEATURE: GLOBAL PERSPECTIVES ON NATURE AND RESOURCES
Escalating Global Species Extinction
Alarming WWF Update on State of the World
Climate Change Impacts on Nature Worse Than Thought
PAPER IN FOCUS9
Greenpeace Canada and NRDC Launch Kleenex Kleercu Campaign
Japanese NGOs Urge Companies and Government To Use "Good' Paper
First FSC Paper in Brazil
Major Paper Merchants Go FSC
FOCUS ON RESPONSIBLE INVESTMENT AND CSR10
Growing Shareholder Demand for Environmental and Social Issues
NEWS ON ESC. 16

CERTIFICATION ASSISTANCE12
BACKGROUND AND FACTS12
Canada's Largest Industrial Forest Now FSC- Certified 11
FSC Comes Out Best in Yale Study
FSC Regional Bureaus Opened in Panama and Ghana11
Millions of Germans Know and Prefer the FSC Label 11
New Chain of Custody Standards

# Improving Forest Management in Europe and Around the World

# Illegal Wood Depresses World Wood Prices – New Analysis

A study released in November 2004 quantifies the economic impact of illegally produced roundwood in the global market. The study, conducted by Seneca Creek Associates LLC and Wood Resources International LLC on behalf of the American Forest and Paper Association, analyzes the impacts of illegally produced and traded wood products on the ability of U.S. producers to export into key overseas markets. It also reviews the various institutional and government initiatives to address illegal logging.

"This study, for the first time, sheds new light on the serious negative impact of illegal logging on global markets and those companies who compete in those markets", said W. Henson Moore, President and CEO of the *American Forest & Paper Association*.



Forestry and Wood Certification No. 1 – 2005

"For a long time, we have known about the environmental damage wrought by illegal logging. Now we also know the economic costs. *AF&PA* and its members believe that responsible industry players must be leaders in the effort to combat illegal logging as the current situation is having an undesired impact on not just the U.S. but the global forest products industry."

Specifically, the study examined the flow of suspicious roundwood into lumber and plywood and found that it depresses world wood prices by 7 to 16 percent on average, depending on the product. Were there no illegally harvested wood in the global market, the study estimates the value of U.S. wood exports could increase by over \$460 million each year.

"The US industry is committed to expanding the practice of sustainable forestry. Ending illegal logging is a critical first step to sustainability and makes good business and environmental sense," said Moore.

Source: American Forest and Paper Association Press release November 2004 Access the report from www.afandpa.org/ (link in the press room November 4)

#### Green Groups Draft Shadow EU Legislation on Illegal Logging

In November 2004 WWF, Greenpeace, and the Forests and the European Union Resource Network (FERN) drew up a Shadow Legislation as a response to the European Commission's Action Plan to combat illegal logging and its related trade (FLEGT), intended to press the EU to take swift action. The call for legislation is supported by a statement signed by 150 social and environmental organisations from around the world.

The NGO-drafted Shadow Legislation recognizes illegal logging and its related

trade as crime, and allows for sanctions in the event of abuse of documents certifying the wood's legality (eg, no import false declaration, notification, forged documents). It also proposes that sustainability criteria be developed in cooperation with timber-producing countries and to progressively integrate them into laws, to reassure the consumer that timber is both legal and from a sustainably managed forest.

This builds on the Commission's current proposal, presented in July 2004, which aims to implement a credible chain of custody to ensure the legality of timber imports from countries that choose to partnership agreements with the EU. The Commission European and European Parliament have each recognized that illegal timber imports from countries without agreements will remain a partnership problem, as will crimes associated with the trade, but these concerns have not been addressed to date. "Europe needs to remove illegal wood from the market to ensure a level playing field for legal traders and the survival of the world's forests", said Beatrix Richards, WWF's Forest Policy Officer for Europe.

Source: WWF, Greenpeace, FERN Press release 14 December 2004

## Ramin Gains Stronger International Protection Through CITES

An important decision of the *Thirteenth Conference of Parties to the Convention on International Trade of Endangered Species of Wild Fauna and Flora (CITES CoP13)* was the listing of *Ramin*, an Asian rainforest tree commonly used for picture and window frames, in Appendix II. Appendix II lists species that are not necessarily now threatened with extinction but that may



Forestry and Wood Certification No. 1 – 2005

become so unless trade is closely controlled. International trade in *Ramin* is now allowed only with special permits which certify that conditions are met which make sure that trade will not be detrimental to the survival of the species in the wild. *Bigleaf Mahogany* received similar protection two years ago.

Ramin is particularly threatened by illegal logging and uncontrolled trade. Forests where Ramin grows are also home to endangered species such as orang-utans and tigers, which are losing their habitat because of clearing for agriculture and impacts of illegal logging.

WWF and TRAFFIC believe this CITES listing ensures that export volumes of *Ramin* are maintained within levels that will ensure the species' survival in the wild, assist states in tackling illegal logging, and stimulate international co-operation to control the illegal trade of this tropical hardwood. It can also provide increased assurance to importers and consumers that the *Ramin* they purchase is not from illegal or unsustainable sources. Indonesia and Malaysia have been the predominant *Ramin* exporters.

Source: WWF Press Release 14 October 2004; CITES www.cites.org; TRAFFIC October 2004

#### World Bank/WWF Alliance's Assessment of Certification Systems Progressing

The World Bank/WWF Alliance for Forest Conservation & Sustainable Use (Alliance) is progressing with the field test of its methodology for the assessment of forest certification systems (QACC). The Alliance regrets PEFC's decision not to participate in the assessment study, despite the Alliance's accommodate the efforts to concerns expressed by the PEFC Council. preceding discussions, both FSC and PEFC

have reiterated their acceptance of the underlying Alliance principles on which the QACC is based. Before being field tested, the QACC has been revised based on the considerable feedback by PEFC, as well as FSC and the independent review panel.

"The World Bank and WWF have a requirement to reliably and transparently assess whether existing certification schemes are consistent with the principles of good forest management defined by the Alliance in 1999", said David Cassells, The World Bank's Alliance Co-Chair. These principles provide the benchmark for measuring progress toward the Alliance's certification target of 200 million hectares under independent certification by 2005. These principles were subsequently adopted by the Bank in its Operational Policy on Forests, stipulates that industrial-scale harvesting operations are only eligible for financing by the Bank if they are certified, or adhere to a time-bound action plan for achieving certification, under a system that meets the Bank's standards for responsible forest management."

The QACC was developed to provide criteria and indicators with which to evaluate whether existing schemes are in accordance with these principles. The current QACC consultation process was designed to ensure questions are fair, unbiased appropriate. In the interest of transparency and full disclosure, the Alliance's correspondence **PEFC** and to the Questionnaire for Assessing the Comprehensiveness Certification of Schemes/Systems are available on the Alliance's web site, www.forest-alliance.org.

Source: The World Bank/WWF Alliance Press release October 14. More information on the tests can be downloaded from the Alliance website www.forest-alliance.org



Forestry and Wood Certification No. 1 – 2005

## **UK Implements Environmental Timber Procurement**

Four years after the announcement of its environmentally friendly timber buying policy the British government has now detailed how it will implement it - a move which WWF hopes will increase UK demand for timber from well-managed forests.

The announcement of concrete steps follows an independent assessment by the UK Department for Environment, Food and Rural Affairs (DEFRA) of five different forest certification schemes. The assessment was undertaken to establish which schemes could provide assurance to government buyers that their timber comes from "legal and sustainable" sources. The report from the government's Central Point of Expertise on Timber (CPET) shows that two of the schemes assessed — the Forest Stewardship Council (FSC) and the Canadian Standards Association (CSA)—guarantee that their certified products come from "legal and sustainable" sources. The other three are only able to guarantee legality according to the study.

WWF welcomes that the UK policy is now being implemented with concrete steps. WWF regretted however that social criteria were not included in the CPET assessment. The only certification scheme which currently fulfils WWF's own criteria for responsible forest management, which takes into consideration social as well as environmental concerns, is the FSC.

Source: WWF UK November 9 2004

## Illegal Logging In Bosnia Responsible For Natural Disasters

The *Institute for War and Peace Reporting* (*IWPR*) recently reported severe damages caused by illegal deforestation in Bosnia.

**Ecologist** Nijaz Abazdic said that uncontrolled exploitation of Bosnia's natural resources may be responsible for several recent disasters, such as a massive landslide that covered part of the motorway near Kiseljak, or another that changed the course of the river Bosna. "We must stop turning a blind eye to this alarming situation," he told IWPR. Illegal exploitation of wood is thought to be a key cause of soil erosion. although widespread fires and the 1992-95 war also played their part, when woods were chopped down for military needs, heating and illegal export.

Bosnia is a major exporter of wood for the Italian furniture market

According to Adid Saric, Sarajevo Canton's Minister of Economy and Forestry "It is difficult to react because it is unclear which authorities bear responsibility." He added that arresting looters, even when they are caught red-handed, is difficult. If forest rangers spot thieves, they must report them first to the authorities. This gives most culprits plenty of time to get away. The lack of uniform government rules regulating the exploitation of wood, particularly oak, pine and beech, has made the business of looting this precious natural resource painfully easy.

Source: Press release Institute for War and Peace Reporting December 1 2004 www.seeurope.net

# Lack of Deadwood Major Cause For Biodiversity Loss in Europe

The lack of veteran trees and deadwood in



Forestry and Wood Certification No. 1 – 2005

Europe's forests is a major cause of biodiversity loss, according to a recent report by WWF. The report, *Deadwood -- Living Forests* reveals that a third of forest-dwelling species rely on dead or dying trees, logs, and branches for their survival. The removal of decaying timber and old trees from Europe's forests has led to a drastic decline in species such as insects, beetles, fungi, and lichens. Woodpeckers, bats, and squirrels which nest in hollow trees have also lost their natural habitat. Species relying on deadwood for food and/or shelter make up the single biggest group of threatened species in Europe.

According to the report, deadwood is at a critically low level, mainly due to a lack of recognition for its importance, inappropriate management practices in commercial forests and even in protected areas. In western Europe forests have on average less than 5% of the deadwood expected in natural conditions.

WWF maintains that forests with dead and veteran trees are often much healthier and resistant to disease, pests, and climate change than young tidy forests. The report outlines how deadwood keeps forests productive by providing organic matter and nutrients for trees, preventing soil erosion, and providing long-term storage for carbon, which mitigates some of the impacts of climate change.

WWF is calling on European governments, forest owners, and industry to help conserve biodiversity by increasing the amount of deadwood in managed forests, by up to 20-30 cubic metres - about 1 truckload - per hectare by 2030. It also wants an end to what it calls perverse subsidies that require the removal of deadwood, for instance after storms

Source: WWF Press Release October 25 2004 Access the report on

 $http://www.panda.org/downloads/forests/deadwoodwithnotes.\\ pdf$ 

## Windstorms Require Natural Restoration

Recent windstorms in Slovakia and Sweden caused severe forest damage. Storms not only cause economic and social losses, but management reaction to them is the largest cause of damages to biodiversity. "Close to nature restoration" after windstorms is a must according to WWF.

In Slovakia mid November 2004 the most heavily damaged area was Tatra National Park, covering 2.5 million cubic meters of softwood, which represents 90% of the annual extraction in this category of wood in Slovakia.

Similarly, in early January a big windstorm swept from the UK through northern Denmark and Southern Sweden. The damages particularly in Sweden are higher than expected covering 75 million m3, again 90% of the annual wood use in the country.

WWF believes that storm fall needs to be treated as natural process through close to nature restoration, requiring sufficient amounts of deadwood to be left on the ground, replanting with indigenous species and avoiding the use of chemicals and radical infrastructural development in the area. WWF calls on landowners not to cut away the high stumps, dead trees and particularly those retention trees that have been identified as ecologically important during certification processes.

"Replanting with native species is a precautionary measure for the future", said Daniel Vallauri, WWF specialist on restoration. "The emphasis on even-aged, evenly thinned stands in forest management has diminished the resistance and natural regeneration ability of forests. In particular the replacement of mixed forests with pure



Forestry and Wood Certification No. 1 – 2005

crops (especially of spruce or poplar) has led to these pure forests being particularly susceptible to disturbances like storms."

"The small forest owners that were struck by the Swedish storm, must gain help from industry and authorities to restore their forests to an ecologically sounder state, by these measures also guaranteeing a more wind-proof forest for the future", said Hans Berglund, WWF forest officer in Sweden. "If we do not change forestry in Southern Sweden we will be hit again soon, with the same tragic consequences for nature and people."

In November 2004 a Swiss study on the effects of the storm Lothar in 1999 was the Swiss published by Agency for Environment. **Forests** Landscape and (BUWAL). The study recommends to make forests more natural and thus more storm resistant. It also highlighted that from an economic and ecological point of view it is important to leave more storm timber in the forest.

Sources: WWF Press release November 25; WWF Sweden January 2004; Swiss Study "Findings from Managing the Storm"http://www.umweltschweiz.ch/buwal/de/fachgebiete/fg \_wald/rubrik3/uebersicht/index.html#sprungmarke18

#### 'Green Reconstruction' Vital in Ttsunami Aftermath

In the aftermath of the tsunami disaster, WWF is calling on governments to support the devastated communities by ensuring that efforts to rebuild their livelihoods are environmentally sustainable.

"Healthy ecosystems can save lives," said Isabelle Louis, Director of the WWF Asia Pacific Programme. As humanitarian needs for food and shelter are met, WWF calls for long-term green reconstruction efforts. They should capitalise on natural defence mechanisms, appropriate coastal zone planning, rehabilitation of habitats, and restoration of sustainable livelihoods.

WWF also supports steps to undertake the tsunami impact and natural disaster risk assessments. These are vital so that coastal ecosystems, such as coral reefs, mangroves, marshes, and forests that buffer the impact of tsunamis are appropriately rehabilitated and restored.

While WWF recognises the immediate need for timber for emergency housing and workplace needs, it is strongly advocating that timber for long-term reconstruction efforts should be harvested from responsibly managed forests. Indiscriminate logging could contribute towards other calamities in the future, such as landslides and flooding.

Source: WWF International Press release January 10 2005

# New Report - Science, Biodiversity and Sustainable Forestry

The National Commission on Science for Sustainable *Forestry* (NCSSF) recently released report entitled. Science, and Sustainable *Biodiversity* Forestry. intended to provide a resource for forest managers, practitioners, researchers, and policy makers. The report presents 18 findings in four key areas: 1) landscape patterns; 2) disturbance dynamics; biodiversity indicators; and, 4) adaptive management.

"This report is a welcome addition to the debate on good forest management", said Duncan Pollard, Head of the WWF European Forest Programme.

The National Commission on Science for Sustainable Forestry (NCSSF) has the mission of improving the scientific basis for the development, implementation and evaluation of sustainable forestry practices in the United States. The Commission is an independent, non-advocacy, multistakeholder body and includes eminent scientists and leading forest management professionals



Forestry and Wood Certification No. 1 – 2005

from academic, government, industry and environmental organizations.

Source: National Commission on Science for Sustainable Forestry January 2005 (NCSSF) <a href="http://NCSSF.org">http://NCSSF.org</a>

## Dialogue Between Russian Timber Giant and NGOs

On December 10, 2004 JSC Terneyles and international and Russian environmental NGOs signed an agreement to seek a solution which meets the interests of local, indigenous people, forest industry and the public regarding the natural resources and ecosystem of the Samarga river basin. JSC Terneyles agreed to carry out research on the potential for establishing a nature protection territory in part of Samarga river basin. Until the results of this research are ready the company will refrain from constructing roads and logging operations within the territory.

As part of the agreement regular meetings of *Terneyles* Company and NGOs will take place to agree on the development and protection of nature resources of the Samarga river basin.

At the end of December 2004 JSC Terneyles became the first timber enterprise in the Russian Far East, which FSC certified all its leasehold territories (1 400 000 hectares of forests). JSC Terneyles is a key supplier for Japanese markets and one of the largest companies in the Russian Far East.

Source: WWF Russia, Far Eastern Branch; Green Peace, Russia; Bureau of Regional Public Organizations; Pacific Environment Center; Wild Salmon Center; Center for Nature Conservation December 2004

# Special Feature: Global Perspectives on Nature and Resources

#### **Escalating Global Species Extinction**

IUCN. According to The Conservation Union, the situation facing global biodiversity is escalating. The 2004 IUCN Red List of Threatened Species reveals that a total of 15,589 species face extinction. In 1996 already one in eight birds (12%) and one in four mammals (23%) were threatened with extinction (falling into the Critically Endangered, Endangered or Vulnerable categories). This infamous line-up has now been joined by one in three amphibians (32%) and almost half (42%) of turtles and tortoises. The Red List Index is a new tool for measuring trends in extinction risk.

People, either directly or indirectly, are the main reason for most species' declines. Habitat destruction and degradation are the leading threats but other significant pressures include over-exploitation for food, pets, and medicine, introduced species, pollution and disease. Climate change is increasingly recognised as a serious threat.

"Governments are starting to realise the value of biodiversity and the critical role it plays in their peoples' wellbeing. Species provide food, medicine, fuel, and building materials. They help filter water, decompose waste, generate soil and pollinate crops. Recognition of this is growing but governments need to mobilize far more resources. The private sector also needs to play a central role by actively promoting and pursuing the sustainable use of the world's natural resources", said Mr David Brackett, Chair of IUCN's Species Survival



Forestry and Wood Certification No. 1 – 2005

Commission. "Although 15,589 species are known to be threatened with extinction, this greatly underestimates the true number as only a fraction of known species have been assessed. There is still much to be discovered about key species-rich habitats, such as tropical forests, marine and freshwater systems or particular groups, such as invertebrates, plants and fungi, which make up the majority of biodiversity", said Craig Hilton-Taylor, IUCN's Red List Programme Officer.

The IUCN Red List is available as a searchable database online at www.iucnredlist.org.

The Global Species Assessment is available from the IUCN Bookstore http://www.iucn.org/bookstore/ or can be downloaded from the IUCN website www.iucn.org/ from 17 November. Source: IUCN November 2004

## Alarming WWF Update on State of the World

WWF's Living Planet Report 2004 shows that humans currently consume 20% more natural resources than the earth can produce, and that populations of terrestrial, freshwater and marine species fell on average by 40% between 1970 and 2000. "We are spending nature's capital faster than it can regenerate", said Dr Claude Martin, Director General of WWF International. "We are running up an ecological debt which we won't be able to pay off unless governments restore the balance between our consumption of natural resources and the earth's ability to renew them."

The "footprint" of an average North American is not only double that of a European but seven times that of the average Asian or African. The report warns that pressure on the earth's resources will only increase as these regions develop and consume more. "Sustainable living and a high quality of life are not incompatible",

said Jonathan Loh, one of the authors of the report. "However we need to stop wasting natural resources and to redress imbalance in consumption between the developing and industrialized worlds." While WWF is striving to fulfil its mission of building a future in which humans live in harmony with nature, it is also calling on governments to act on their commitments to significantly reduce the rate of biodiversity loss by 2010. These commitments were reiterated at the meeting of the UN Convention on Biological Diversity in Kuala Lumpur this year. The meeting also set national and regional targets for creating networks of protected areas, including new which will help safeguard parks, biodiversity.

Source: WWF Press Release October 21 2004

# Climate Change Impacts on Nature Worse Than Thought

The impacts of climate change on wildlife and nature are worse than scientists had previously feared, according to a recent report commissioned by WWF. The report Extreme Weather, does nature keep up? reveals that nature is struggling against the impacts of extreme weather and that many species and ecosystems will die out, as their natural responses to global warming will be inadequate.

The report goes one step further than previous studies by analyzing the impact of increased extreme weather events on nature. The combination of an increase in temperature and increased variability of severe weather events place species and ecosystems at an even greater risk than feared.

Since 1900 the world's average temperature has risen by 0.7 degrees Celsius. The report reveals that the natural world's response to



Forestry and Wood Certification No. 1 – 2005

this increase has been more dramatic and widespread than predicted.

It shows that the effect of climate change is now visible in every part of the world and in every ecosystem — plants are flowering earlier than they have for the last two hundred years; increased droughts have led to more forest fires; and glaciers are retreating.

Source: WWF International Press release December 14 2004

### **Paper in Focus**

# Greenpeace Canada and NRDC Launch Kleenex Kleercut Campaign

In December *Greenpeace Canada and US-based NRDC (Natural Resources Defense Council)* have launched a campaign targeting Kimberly-Clark's Kleenex brand of tissue products, which they claim is devastating Canada's boreal forest. Visit www.kleercut.net to learn more.

# Japanese NGOs Urge Companies and Government To Use "Good" Paper

Greenpeace Japan, Friends of the Earth Japan, WWF Japan, Global Environmental Forum, and Japan Tropical Forest Action Network (JATAN) in October jointly called on Japanese companies and Japanese government agencies to procure their paper from ecologically sound sources. The organizations are concerned destruction of valuable forests in countries where the Japanese paper market is sourcing Joint recommendations organizations highlight the need for sound procurement policies and action plans as well as maximum public transparency.

Source: WWF Japan October 2004

#### First FSC Paper in Brazil

One of Latin America's largest integrated producers of pulp and paper, Suzano Bahia Sul Papel e Celulose, now produces FSC certified paper. Out of the total pulp production capacity of 1.1 million tons and a total paper production capacity of 820000 tons, FSC certified uncoated paper and market pulp will total 650000 tons. According to *Suzano*, a significant portion of the production of both these products is destined to foreign markets, particularly the UK. "The FSC will strengthen Suzano's activities, especially in the European and North American markets, where company may explore new niches. Obtaining the forest management and the chain of custody process certification by the FSC trademark most definitely represents a differential in the market. Today, clients choose suppliers based not only on price and product quality, but also on initiatives developed by the company that show responsible. serious and consistent performance", stated Rogério Ziviani, International Business Director of Suzano Papel e Celulose.

Source: WWF-Brazil e-mail regina@wwf.org.br January 21 2005; Suzana Bahia Sul S.A.Press Release available at: http://www.suzano.com.br/fsc/default\_en.htm

#### **Major Paper Merchants Go FSC**

In December 2004, the 2nd largest paper merchant in Europe, *Antalis Ltd.*, obtained FSC Certification for its operations in the UK. This certification is in addition to the operations in Switzerland, which had already been FSC COC certified earlier.

Similarly, G. Schneider & Söhne GmbH & Co.KG, the 6th largest paper merchant in Europe with an 8% market share (volume) has recently obtained FSC COC certification for all of its 13 German operations.



Forestry and Wood Certification No. 1 – 2005

South African based *Sappi Kraft* has recently obtained FSC COC certification for *Kraft* pulp, mechanical pulp linerboard and newsprint.

Sources: Antalis Email: liz.wilks@antalis.co.uk.; G.Schneider& Söhne com@schneidersoehne.com;

www.schneidersoehne.com; Dudley.Gardner@sappi.com

# Focus on Responsible Investment and CSR

#### Growing Shareholder Demand for Environmental and Social Issues

Mainstreaming Responsible Investment, a recent report released by the International Non-Profit Institute AccountAbility and the World Economic Forum highlights the failure of the financial community to consider social and environmental factors in investment decisions

The report paints a picture of rising pressures for change in the financial community, driven largely by the changing composition of corporate share ownership - due to population aging and the related growth in private retirement savings.

"The real owners of capital in today's markets are you and me, the intended beneficiaries of the pension funds, mutual funds and insurance companies. The responsibility of institutional investors must be to meet our intrinsic interests. These go far beyond short-term financial returns, both because financial returns are effected over the long term by the investments' social and environmental impacts, and because we depend on the long-term vitality and health of our economies, communities and the natural environment. Our interests must be that trustees and fund managers acting on our behalf take account of material social and

environmental aspects of corporate performance", said Simon Zadek, Chief Executive of AccountAbility.

The report is the outcome of a series of three expert roundtables during 2003 and 2004. The report's findings have emerged from two in-depth discussions vears of with findings and practitioners. Its recommendations draw directly from the perspectives of pension fund trustees and executives. portfolio managers mainstream asset management firms as well as of buy-side and sell-side analysts.

To download a copy of the report, click go to http://www.accountability.org.uk/news/default.asp?id=144 Source: ASRIA Press release January 13 2005 www.asp.sriworld.com/asria

#### **News on FSC**

#### **New Chain of Custody Standards**

Following 2 years of revision the FSC has finalised the new Chain of Custody rules which affect the production, manufacturing and labeling of wood products. The new standards are effective from 1st October 2004. To download the final versions of the chain of custody standards and for other information about the new chain of custody standards and how they affect you, please go to www.fsc.org/coc.

Chain of custody certified companies who have questions about the interpretation of the new standards and the new labels should contact their certification body. Companies who are not FSC certified can contact an FSC accredited certification body, their National Initiative or Regional Office. For contact details go to www.fsc.org.



Forestry and Wood Certification No. 1 – 2005

Source: FSC International December 2004

## Millions of Germans Know and Prefer the FSC Label

The Forest Stewardship Council logo is known by 13% of timber consumers in Germany according the Environmental **Awareness** Report Germany, released recently by the Federal for Environment, Nature Conservation and Nuclear Safety Germany.

The study highlights that Germans recognize that the FSC logo represents environmentally friendly and socially responsible timber. It found that more than one third of those consumers who know the logo prefer FSC-labelled products when buying timber.

Source: FSCNews + Notes Vol. 2 Issue 10 - October 29th, 2004 www.fsc.org; http://www.umweltbewusstsein.de/

## FSC Regional Bureaus Opened in Panama and Ghana

The new bureaus for Latin America and Africa have been established to assist the development of FSC in these regions. This is part of an FSC decentralisation process which has started in 2002.

Source: FSC Working Group Germany FSC-Newsletter - 2004/16 www. fsc.ihb.de

#### **Revision Process on Plantations**

FSC seeks to revise Principle 10 on plantations in a wide stakeholder consultation process over the coming two years.

Source: FSC Working Group Germany 2004/21 - 23. Dezember 2004 http://www.fsc-marktplatz.de/newsletter/artikel.php?id=349

#### **FSC Comes Out Best in Yale Study**

A study of forest certification systems from Yale University has evaluated FSC as the best certification system. The study noted significant differences in how various systems deal with exotic species, genetically modified trees, pesticides and control mechanisms.

Source: FSC Germany Working Group FSC-Newsletter 2004/18 fsc.ihb.de/content/artikel.php?newsid=42&id=308

## Canada's Largest Industrial Forest Now FSC- Certified

British Columbia largest industrial forest, managed by Tembec, was recently awarded FSC certification. "Certifying TFL 14 is a significant milestone for British our Columbia operations, bringing us closer to our goal of obtaining certification of all 40million acres of Canadian forest under our management by the end of 2005", said Tembec President and CEO, Frank Dottori. "With the FSC seal of approval, Tembec's customers now have the extra assurance that the products they buy from us are the results of good forest management and practices." So far, Tembec has obtained the FSC certification for 3 million hectares including the TFL 14 certification. In January 2001, Tembec and WWF Canada signed an historic accord to implement sustainable forest management.

Tembec is a leading integrated forest products company, well established in North America and France. With sales of approximately \$4 billion and some 11,000 employees, it operates 50 market pulp, paper and wood-product manufacturing units. Tembec markets its products worldwide and has sales offices in Canada, the United States, the United Kingdom, Switzerland, China, Korea, Japan, and Chile.

Source: WWF International November 2004; Tembec November 2004



Forestry and Wood Certification No. 1 – 2005

### **Background and Facts**



The Forest Stewardship Council is currently the only credible timber certification system supported by WWF. The FSC label makes it possible for buyers to choose forest products that come from forests managed to the highest environmental and social standards and from legal sources. As global system FSC offers market incentives for improving forest management around the world.

#### **Key Statistics**

Status: January 2005

Total area of FSC certified forests: 46.941.721

hectares

Number of countries with FSC forests: 60

FM certificates: 674 COC certificates: 3466

For regional maps and data on certified areas in Europe, Africa, Asia – Pacific, Latin America and North America go to <a href="http://www.certified-forests.org">http://www.certified-forests.org</a>

#### **Programme Information**

For Information on the Forest Stewardship Council (FSC) www.fscoax.org

Network

Global Forest And Trade www.panda.org/forestandtrade

Forests For Life Programme, WWF www.panda.org/forests4life;

www.panda.org/forests/goodwood

**Certification Basics** 

An Introduction to Forest Certification: (2001) <a href="http://www.proforest.net/objects/introtocert.pdf">http://www.proforest.net/objects/introtocert.pdf</a>

**NGO Positions on Certification Systems** 

**Behind the logo (2001)** -In-depth report of the four biggest forest certification schemes (CSA, FSC, PEFC & SFI) analyses the strengths and weaknesses of each scheme and aims to provide companies, governments and NGOs with the facts needed for informed decision making.

Follow up report: Footprints in the Forest (2004) – In depth report on Canadian Standard's Association (CSA), Forest Stewardship Council (FSC), Programme for the Endorsement of Forest

Certification (PEFC), Sustainable Forestry Initiative (SFI), Australian Forestry Standard (AFS), Sistema Brazileiro de Certificação Florestal (CERFLOR), Certificación Forestal (Certfor) and the Malaysian Timber Certification Council (MTCC). <a href="http://www.fern.org/">http://www.fern.org/</a>

## Make Your Own Judgement About Certification Schemes

Assessing Forest Certification: A Practical Guide: (2002)

http://www.proforest.net/objects/Assessing%20Forest%20Certification/assessing%20schemes.pdf

#### **Certification Assistance**

All aspects of certification and more on responsible forest management:



#### Where to Sell and Buy Certified Timber

Global search for FSC certified timber and products:

<u>www.certifiedwood.org</u>: This database allows you to search by type of timber and timber species, by product type and supply chain position and country.

On <a href="www.fsc-info.org">www.fsc-info.org</a>. you can search for FSC certified species all over the world. Search mechanism include species ( open query), tenure and country.

## Global search for FSC Forest Management and Chain of Custody certificate holders

www.fsc-info.org.

On <u>www.certifiedwood.org</u> you can confirm certification status of a company

#### Global search for FSC certified forests:

<u>www.certifiedwood.org</u> The advantage of this certified forest list is the contact details like telephone numbers are included.

Most up to date information on which forests and which companies are certified can be found on the main FSC International website <a href="www.fscoax.org">www.fscoax.org</a> -

Let's leave our children a living planet.



Forestry and Wood Certification No. 1 – 2005

however here information is mainly aimed at providing an overview rather than to help establish contact.

Check approved FSC certifiers on www.fscoax.org

For a comprehensive list of FSC-certified producers and wholesalers of office and publication paper as well as printers in Europe for to www.panda.org/forestandtrade;

#### **Assistance With Group Certification**

A Practical Guide to Developing a Group Scheme for FSC-Accredited Certification of Forests: *Final Draft* (2001)

http://www.proforest.net/objects/gscheme2.pdf

#### Responsible Investment

For Investment guidelines by the Worldbank/ WWF Alliance go to

 $\underline{http://www.panda.org/downloads/forests/wwfinvestm}\\entpol?oct03final.pdf$ 

#### **Learning From Others**

400 companies are part of the WWF co-ordinated Global Forest and Trade Network (GFTN), committed to responsible forest management and trade. They represent a wide range of actors including forest owners, timber processors, construction companies, retailers, investment agencies and local authorities. Members vary from small family-owned businesses to world scale leading companies such as IKEA and the Home Depot. They are committed to gradually producing, trading and/or sourcing independently certified forest products. Find more information about GFTN at: http://www.panda.org/forestandtrade/

To learn from the experiences of other companies who are already part of the network get in touch with one of the forest and trade network co-ordinators. Contact details can be found on <a href="http://www.panda.org/forestandtrade/">http://www.panda.org/forestandtrade/</a>

## Multiple Solutions for the World's Forests by WWF

WWF works on forest conservation through a multiplicity of approaches and strategies which are pursued together with regional and global partners: Credible Forest Certification, High Conservation Value Forests, combating illegal logging and forest crime, preventing forest fires, restoring damaged and

degraded forests and forest protection. WWF's *Forests* for Life Programme has developed position papers on global forest issues which are available on <a href="http://www.panda.org/about\_wwf/what\_we\_do/forest\_s/what\_we\_do/policy\_events/index.cfm">http://www.panda.org/about\_wwf/what\_we\_do/forest\_s/what\_we\_do/policy\_events/index.cfm</a>

The <u>World Bank/ WWF Alliance</u> was formed in 1998 and draws on the comparative institutional strengths of the partner institutions:

- the Bank's access to policy dialogue, convening power, analytical capacity and financing operations,
- WWF's strong field presence, private sector partnerships, public trust and forest conservation expertise.

By combining the strengths of the Bank and WWF, and their partners, the Alliance is uniquely positioned to effect changes in forest policy and practices, to help safeguard biodiversity, and alleviate poverty. With forests being depleted globally at a rate of 28 hectares per minute, the stakes are high. Urgent, significant and coordinated actions on a global scale are needed to arrest the precipitous and relentless declines in forest cover, the concomitant loss of biodiversity, and the effects on the livelihoods of forest-dependent people.

For more information on the World Bank/ WWF Alliance go to <a href="www.forest-alliance.org">www.forest-alliance.org</a>