

FSC BoD and Sofia Ryder

FSC International Center  
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53113 Bonn

cc: Michael Spencer; Head of Marketing in FSC IC  
Heiko Liedeker; Executive Director FSC IC

## **FSC-STD 40-004 / FSC-STD 40-005**

Dear all,

most of the signatories to this letter took part in a seminar of FSC-Arbeitsgruppe Deutschland e.V. on the 18<sup>th</sup> of May, 2004 in Bonn at which the new FSC standards on COC certification, mentioned above, were presented. These new COC standards and the labelling guidelines are due to be adopted shortly by the FSC Board of Directors.

We agree with the fundamental goals of the revision of the COC guidelines, namely

- ⇒ to strengthen the market penetration of FSC and
- ⇒ to exclude wood from "controversial sources".

At the same time, however, we do not believe that these goals can be achieved by the drafts in their current state. The standards that have been presented are not yet fully developed and are a long way from being operational.

We therefore urgently appeal the Board of Directors to defer making any decisions on these proposals. We also advise strongly against starting to implement the new standards from July 2004 on a step by step basis with selected companies, since the damage to the image we fear this will cause would affect the FSC as a whole and thus all companies equally.

### **Reasons:**

- All the signatories to this letter are extremely worried that no clear and secure system to exclude unwanted wood sources is described in the current drafts. There is no clear implementation which is practicable and affordable for companies.
- It is questionable whether the drafts under discussion will provide relief to saw mills, since sorting into three or four categories is likely to increase logistical costs considerably.
- The proposed exchangeability of types and qualities of wood is likely to lead to severe market distortions.
- We take a critical view of the large number of new labels, since the complex contents of the FSC are already difficult to communicate.
- There are considerable reservations about launching a label for recycling, since the new rules would permit the marketing of FSC-labelled products that contain no FSC fibres at all. There would, therefore, no longer be any connection to responsible forest management.

- We fear that the definition of "post-consumer reclaimed wood / fibre" will lead to difficulties in the procurement of residual and waste wood, since in businesses which do not process only "FSC wood" and / or "controlled wood" this would fall under the "uncontrolled" category.
- The excessive requirements regarding the operating documentation system are too much especially for the small and medium-sized businesses that are typical in the wood industry.
- The undersigned fear that the goal of 100% FSC products will be abandoned on the basis of the current drafts.

### **"Controlled wood" and "post-consumer reclaimed wood":**

The FSC-STD 40-004 will introduce two new categories - "controlled wood" and "post-consumer reclaimed wood" - which should or can carry the FSC label in the future. However, the introduction of these two new categories will mean the abandonment of two leading principles of the FSC philosophy:

- ⇒ In the case of "**post-consumer reclaimed wood**", the connection of the product to the forest and to the origin from certified sources is lost by the creation of a separate "FSC-recycled" label in particular.
- ⇒ In the case of "**controlled wood**" the principle of "third party verification" is weakened by the "first party declaration".

The abandonment of these two fundamental principles will fundamentally call into question the reputation of the FSC which it has earned by hard work.

### **"Post-consumer reclaimed wood" / "FSC-recycled"**

In terms of environmental policy, the currently intended FSC label for recycled paper would be a setback in several European countries, since it can be considered at best a "light version" of the well-known "Blue Angel" label with regard to its requirements. Producers that do not meet the high "Blue Angel" standards required for recycled paper will be able to use the FSC logo in the future. There is a fear that the more demanding "Blue Angel" label could be driven out of the market.

Furthermore, it is not clear why there should be an FSC recycled label if a recycled share of up to 90% is also possible under the proposed FSC "mixed" label. Furthermore, we fear that the result of an FSC recycled label will be that consumers will no longer distinguish between FSC paper and recycled paper regarding environmental friendliness and as a result will prefer fresh fibre paper and recycled paper will lose out.

We also consider that it will be highly problematic to convey to FSC-certified forestry operations and customers that in the future paper products containing absolutely no fibres from FSC-certified forestry operations may also carry the FSC logo.

### **"Controlled wood"**

The newly introduced "controlled wood" category is designed to ensure that FSC products are not mixed in any way with wood from "controversial sources". We agree with this goal in principle. However, we conclude that the proposed measures will not achieve this goal. The reasons are as follows:

The first and foremost technical requirement to ensure the exclusion of wood from "controversial sources" is the existence of a clear and regularly updated list which shows

- a) which countries and regions are considered to be "high risk" or "low risk" and

- b) where exactly the forests which are considered to be "controversial sources" are situated in such countries.

According to the information provided by FSC International, there are no plans to prepare such lists. However, we believe that transferring the decision on the risk category of individual countries and regions to companies is impracticable. Companies will arrive at very differing and in some cases controversial assessments, which will endanger the credibility of the FSC system as a whole.

2. "Controlled wood" is wood from **non-FSC-certified sources**. However, it is no longer possible to identify the forestry operations from which the wood originates as soon as it has passed through the saw or paper mill. To resolve this dilemma, it is planned that the FSC-certified businesses should impose on their non-certified suppliers the obligation to physically separate controversial and non-controversial wood. However, this would involve considerable additional costs, which would be borne one-sidedly by the certified businesses.

To minimize the costs incurred by separating wood from controversial and non-controversial sources, the signatories to this letter fear that suppliers of non-certified wood will present confirmations and certificates with which they will attempt to prove that they deal solely in wood from forests managed on a sustainable basis. All past experience shows that such "non-verifiable certificates" are not worth the paper they are printed on.

3. A "third party audit" to review the "controlled sources" is not obligatory. In the opinion of the undersigned, it will therefore, for cost reasons alone, almost certainly not be implemented or will be inadequately implemented. A cornerstone of the FSC system – third party auditing – and the related certainty for companies and the statement of the label will be lost.
4. We consider that the proposal that such "controlled wood" – if mixed with FSC wood – should be enhanced with the FSC logo and the statement "excludes wood from controversial sources" is problematic even on legal grounds. Since this statement cannot be verified without complete COC (based on third party audits), such a statement would be prohibited by the courts – not only in Germany – as a misleading claim.

Accordingly, such a statement would expose every FSC-certified business to the risk of expensive warnings and claims for damages.

However, if a court were to confirm that the FSC claims are misleading, the overall reputation which we have built up in recent years would suddenly be called into question. FSC would be "dead" at least in the area of public procurement.

We also accept that the current rules on COC verification need to be revised in order to eliminate identified bottlenecks and achieve a broader market penetration.

We call on the FSC to defer the decision on the new standards and seek practicable and secure solutions in intensive consultation with all stakeholders.

Furthermore, we advise the Board as a matter of urgency not to endanger the future of the FSC by adopting a COC standard which is not fully developed. We consider it essential that FSC concentrate on its core task of promoting sustainable forest management. The revision of the COC guidelines must therefore be guided by the goal of promoting sustainable forest management.

The undersigned:

**Companies**

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**NGO**

Greenpeace Germany  
Robin Wood  
urgewald  
WWF Austria  
WWF Germany

**Certifiers / Auditors**

Consultant / Auditor  
Consultant / Auditor  
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