Our vision:
The world’s forests meet the social, ecological and economic rights and needs of the present generation without compromising those of future generations.

Our mission:
The Forest Stewardship Council® (FSC®) shall promote environmentally appropriate, socially beneficial, and economically viable management of the world’s forests.

FSC is an international membership association. FSC UK is one of over 40 organisations that represent FSC in a national context. It sets responsible forest management certification standards for the UK by inputting into the UK Woodland Assurance Standard, promotes the FSC system, issues trademark licences and provides a training and information service.
Globally, the focus in 2017 for FSC was the General Assembly, the gathering of members from across the three chambers of the organisation, held every three years. Taking place in Vancouver in October 2017, the Assembly was well-attended by UK-based members and FSC UK staff (see page 17). The Vancouver Declaration was launched, with UK organisations such as M&S, Mace and Canary Wharf Group plc joining others in committing to work towards more sustainable sourcing of forest products, with a preference for FSC.

In contrast to the global nature of the General Assembly, FSC UK responded to stakeholder requests for more regional events. 2017-18 saw us travel to Telford, Belfast and Leeds, engaging licence holders from the vicinities (see page 10). We hope to visit many more areas of the UK in the coming years as part of our licence holder support work.

The approval of the UK National Forest Stewardship Standard (familiar to many UK forest managers as the UK Woodland Assurance Standard) in 2017 was a major achievement and we are grateful to all those who contributed to this. The new standard became effective in April 2018 (see page 9).

The revised trademark standard for certificate holders became effective in March 2018. FSC UK was represented on the working group for this revision and we hope that the changes will make life easier for those wishing to label and promote their FSC-certified products, particularly where space is limited or time is short.

Recognition of the FSC logo continues to grow, with 55% prompted recognition of the FSC logo in the UK. We also see ongoing growth in the number of non-certified companies wishing to promote their FSC-certified products, with a 10% increase in these licence holders over the year. Although growth in chain of custody certificates has slowed in recent years, we are still seeing more companies gaining certification and a very high retention rate.

2017-18 was the final year of a three year strategic plan for FSC UK. These strategic priorities have now been redefined, with a greater focus on driving demand (see page 4). I look forward to working with many of you to realise our commitments for the coming years. Despite the challenges we face, there are many reasons to remain optimistic about the future, as we work towards Forests For All Forever.

Rosie Teasdale
Executive Director FSC UK

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This Annual Review summarises progress made against our 2015-18 strategic priorities. A new strategic plan for 2018-21 has been approved by the FSC UK Board of Directors.

**2015-18 strategic priorities**

- **Improve standards** for forest management and promote FSC Forest Management Certification in the UK for all sizes and types of forest
- **Engage, support and represent** existing and potential FSC Licence Holders to maximise demand for FSC certified products and projects
- **Inform and educate** people about FSC and forest ecosystems to foster awareness and understanding and elicit positive behaviour change
- **Ensure** that FSC is positioned as the most credible forest certification scheme
- **Improve** the effectiveness of how FSC operates as One Global Organisation

**2018-21 strategic priorities**

- **Improve standards** for forest management and promote FSC Forest Management Certification in the UK for all sizes and types of forest
- **Support and represent** UK based FSC Licence Holders
- **Increase demand** for FSC certification and FSC certified products
- **Ensure** that FSC is positioned as the most credible forest certification scheme
- **Improve** the effectiveness of how FSC operates as One Global Organisation

FSC UK is committed to the concept of working as “One FSC” and collaboration with FSC International and the wider network is integral to each of the stated priorities. There is also a communication aspect to each priority area and the information and education work is therefore cross-cutting.
Independent certification bodies are accredited by Accreditation Services International (ASI) to audit organisations against the FSC standards and award FSC certification. FSC-certified forests are audited against the appropriate national FSC standard, which is based on our global Principles and Criteria for responsible forest management.

Organisations between the forest and the end-user must be FSC Chain of Custody certified in order to pass on FSC claims and use the FSC trademarks. Retailers promoting finished, FSC-labelled products can choose to hold Chain of Custody certification or a Trademark Licence (administered by FSC), which permits the use of the FSC trademarks but not the passing on of claims.
Bucking the overall upward trend of the last few years, the FSC-certified forest area in the UK has dropped from 1,623,926 hectares in April 2017 to 1,611,064 ha in April 2018, a decrease of 0.8%.

This no doubt reflects some genuine losses – anecdotally, some group scheme members in England are not renewing their certification now that it is no longer a prerequisite for certain grants, for example – but is also to a degree an artefact of movement of group scheme members; when a group scheme closes the loss in area is registered immediately, but the movement of members to other group schemes is picked up far more slowly.

Over the same period, the number of FSC Forest Management certificates has continued to decrease, from 37 to 32, reflecting the loss of some group schemes and smaller individual certificates. Despite this, the total number of group scheme members continues to grow, from 951 in April 2017 to 984 in April 2018, an increase of 3.5%.

Overall we appear to be going through a continuing process of consolidation into fewer, larger group schemes. The general trend in certified area since 2012 is still upwards, with the current certified area well above the seven year average of 1,589,078 ha.

The official FSC National Forest Stewardship Standard was published by FSC UK and FSC International in early February as FSC-STD-GBR-03-2017, with an effective date of 1 April 2018. The user-friendly, UKWAS version is available from the UKWAS website.

"Egger Forestry’s Group Scheme continues to grow; from 1285 hectares in the first year (April 2015), to just over 5000 hectares in April 2018. Clients continue to see a material price differential between certified and non-certified material for most sales."

Simon Hart, Business Development Manager, EGGER
Engage, support and represent existing and potential FSC Licence Holders (including certificate holders) to maximise demand for FSC-certified products and projects

FSC UK remains committed to providing support to licence holders, ensuring that they receive advice, training and promotion. The retention rate for FSC certificates in the UK remains on average around 96%. The number of FSC trademark licences held by UK based (non-certified) companies rose by 10% in this period.

Clear guidance documents and easily accessible information is key to supporting licence holders in complying with, understanding and getting the most out of the FSC system to which they have committed. The Business Area of the FSC UK website has been updated this year with new resources such as factsheets, FAQs and guidance documents. Work has also begun on the development of a range of template documents to be used by certificate holders as part of their FSC compliance.

FSC licence holders receive an FSC UK Welcome Pack upon becoming FSC-certified or completing an FSC trademark licence application. 85% of certificate holders surveyed during 2017 reported that they found the packs to be useful.

72 certificate holders completed the FSC UK online Chain of Custody training in this period with 7 FSC trademark licence holders completing online FSC Trademark training. Bespoke face-to-face training has been delivered to many certified and uncertified organisations. 63% of respondents to the FSC UK certificate holder survey expressed interest in such training.

Enquiries to the free Advice Service continue to grow. The 2017 certificate holder survey demonstrated that 53% of respondents had contacted FSC UK with 73% of those reporting the quality of support they had received as ‘Good’ or ‘Excellent’.

Types of support received from FSC UK:

- Guidance on control systems
- Audit advice
- Logo/Labelling Advice
- Advice on standards
- To change certificate
- TM Approval
- Marketing Support
- Standards Consultation
- How to get certified
- Mediation with CB
- Advice on group certification
- To arrange audit
- Guidance on recycled
- Product claim advice
- Newsletter subscription
- For training

In order to increase engagement with and accessibility to licence holders, FSC UK built upon the foundations of the Regional Stakeholder Events piloted in 2016 by holding events in Telford, Belfast and Leeds in 2017/18. Feedback from the events has been very positive.

“The stakeholder events are a great way to not just meet the team but to ask those face to face questions that would be so difficult to communicate by email or phone. We’re all busy people so it’s so easy to miss detail within a new or existing standard. The stakeholder events provide reasoning behind the detail to give a much more thorough and rounded understanding of what is required.”

Paul Philbin, Quality and Environmental Manager, B&K Structures

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Inform and educate people about FSC and forest ecosystems to foster awareness and understanding and elicit positive behaviour change

Consumer awareness

The UK public care about where the products they purchase come from and how they have been sourced. Our annual consumer survey conducted by TNS* revealed that three quarters of people in the UK believe it is important for the products they purchase to have been responsibly sourced, preferring products carrying the FSC label over similar products without. 55% of people in the UK are able to recognise the FSC logo, representing an increase of 1% over 2017, with the biggest increase in recognition (8%) in the South East of England.

Tree charter

FSC UK is proud to be one of more than 70 organisations involved in the formation of the Charter for Trees, Woods and People, which was launched on 6 November 2017, the 800th anniversary of the 1217 Charter of the Forest. The Charter sets out the principles for a society in which people and trees can stand stronger together.

https://treecharter.uk/

Vancouver declaration

The Vancouver Declaration, a public promise made by businesses across the globe to work towards more sustainable sourcing of forest products, was launched at the FSC General Assembly in October 2017. Supporters include Canary Wharf Group Plc, Marks & Spencer, Mace, Community Playthings and Falcon Panel Products Ltd.

Forest map

At the end of 2017 FSC UK’s map showing the locations of FSC-certified forests in the UK was relaunched. Location data was collected from FSC public summary audit reports and through direct contact with forest owners and managers. In total 2,927 forests were plotted.

*As an FSC certificate holder with FSC 100% certification, we at Bereco receive invaluable support from the FSC team. The marketing tools available are of great benefit and the team are always on hand to assist with any questions or additional resources.*

Catherine Hadwick, Group Marketing, Bereco Group

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Prompted recognition of the FSC logo, by region.

Purchase preference for products bearing the FSC logo, by region.

Some of the highest levels of recognition were in those aged 35-44 (62%) and 18-24 (60%). The lowest level of recognition was 43%, found in those aged 65+. The survey also shows that 69% of people are more likely to purchase a product bearing the FSC logo than a similar product without and this figure jumps to 75% if there is clearly no other visible difference between the products.

*Face-to-face survey of 1102 UK adults (16-65+) conducted by TNS (Fieldwork 31/01/2018-04/02/2018)
SC is widely recognised as the most credible forest certification scheme and FSC UK has a role to play in maintaining this credibility and ensuring that the scheme is appropriately recognised by consumers, businesses and government.

With the growing recognition of the FSC logo in the UK, there is an associated growth in the number of companies seeking to benefit from this without holding certification or a trademark licence. This directly undermines the integrity of the system and acts as a disincentive for those operating within the system and abiding by our trademark standards. FSC UK has a dedicated Trademark Enforcement Officer working to address unauthorised use of our trademarks. By becoming more proactive in our fight against trademark infringements we are not only reducing the risk of inaccurate claims, we are also bringing companies into the system.

Both bamboo and charcoal value chains for the retail market in Europe have been identified as being at an elevated risk of false claims. Additional quality assurance measures for these product lines, including transaction verification, have been implemented by FSC, in conjunction with Accreditation Services International (ASI), Certification Bodies, Certificate Holders and Network Partners. FSC UK contributed by supplying FSC-labelled charcoal products for fibre-testing to determine species composition. There are indications that the implementation of the additional measures has resulted in an increase in demand for bamboo and charcoal products from FSC-certified forests.

We hope to engage with UK retailers to continue this work and, as part of this, an overview of FSC’s wood identification work was presented at a British Retail Consortium Timber Workshop in November 2017.

FSC is committed to facilitating consistent and timely evaluation of complaints and appeals raised by stakeholders against decisions, performances or any other issues within the FSC scheme. To support this, FSC UK has adopted the Dispute Resolution Guidance for Network Partners and developed a Facilitated Dialogue Protocol for use in specific cases.

"Reading the literature in the links you supplied me with certainly made it clear that we really need to hold a licence ourselves to be able to display this information. We actually look on this as a positive and as a branded company ourselves, can see the benefits of being registered particularly in the market in which we operate."

R Calland-Scoble, Operations and Commercial Director, The Paperbox Ltd
Improve the effectiveness of how FSC operates as One Global Organisation

If we are to deliver FSC’s mission effectively, it is vital that FSC International and the wider FSC network work together towards our common goals. FSC UK is fully committed to greater collaboration, whether this be through bilateral discussions, sharing best practice, participating in working groups or contributing to regional or global meetings.

The Forest Network is an initiative of Network Partners from Europe, the CIS countries and North America. This collaboration brings together FSC International and Network staff working on National Forest Stewardship Standards to share best practice and find solutions to common issues. FSC UK hosted the November 2017 meeting in Edinburgh, with a field trip to Castlecraig forest, part of the UK’s largest private forest management group scheme, managed by Tilhill Forestry. This field trip aimed to highlight some of the challenges and realities of UK forestry practices.

During 2017-18, two new members have joined FSC in the UK; Kronospan in the Economic Chamber and Jon Kirkpatrick in the Environmental Chamber. The 2017 Annual Members’ Meeting was held at Kew Gardens in September, ahead of the General Assembly. The timing of this gave UK proposers of Motions the opportunity to present their ideas and discuss them with the membership. Changes to FSC UK’s governing documents were approved at the meeting; these clarify the route to membership and should help ensure chamber balance on the board.

The UK was well-represented at the General Assembly with 12 members attending. Members of FSC UK staff provided administrative support at the event and our Forest Standards Manager, Dr Owen Davies, presented at one of the workshops.

In 2018 FSC UK’s Executive Director, Rosie Teasdale, was appointed to FSC International’s Regional Coordination Team for Europe. This Regional Coordination Team will act as an Advisory Board to the European Regional Director, identifying and prioritising regional issues so that they can be better considered in FSC International’s strategic decision making and planning. The team will also provide leadership and oversight across a range of key Strategic Themes, encouraging greater regional collaboration in these areas to improve FSC outcomes across Europe.

“The trip to Scotland was my first ever to this part of the world. There was a field trip to see how the half century old conifer stands are being managed. What an experience! I must admit it differs a lot from my homeland scenes, for example, in Lithuania the maximum clear felling area should not be bigger than 8 hectares but in Scotland there is not a big headache to foresters if they cut 20 ha during the process of old stand transformation into new ones.

I met very dedicated hard working local forestry specialists too. They lead the Scottish forestry during these economically difficult times still taking care about the ecological side of the forest holdings by introducing broadleaf species to make stands more species-versatile and wind resistant. To me this is a perfect example of real, sustainable forestry.”

Aidas Pivoriunas,
FSC Lithuania
Income

Over the financial year under review there was once again a surplus of income over expenditure. We began the year with an opening balance from the previous period of £637,886 and have ended with a carry forward of £734,383. It should be noted that this carry forward figure includes the reserves fund of over £246K.

Membership revenue continues to increase. However, most income is received under the Principal Cooperation, Service and Licence Agreement (the Activity Compensation Fee) with FSC Global Development. This is currently calculated on a formula which is primarily based on the Annual Accreditation Fee (AAF) charged to certified companies in the UK. The apparent decrease in this in 2017-18 in comparison with the previous year is due to the relative strength of the $USD against £GBP (the Activity Compensation Fee being calculated in $USD).

FSC UK would like to thank all those who have supported our work over the last financial year and particularly Sainsbury’s for their donation to FSC UK following their ever-popular Christmas card recycling scheme.

Expenditure

Expenditure was slightly higher this year compared with last (£357,960 compared with £353,476) and it is anticipated to increase further in 2018-19, with a significant amount being allocated to the budget to drive demand for FSC certification and FSC-certified products. Our main areas of expense during the reporting period were licence holder support and our work on information and education.

Reserves Policy

The reserve fund has been established to meet the working capital requirements of the charity and, if necessary, cover the cost of closing the charity. At the end of the reporting period over £246K was held in reserve. The Steering Group is confident that, at the equivalent to 6 month’s expenditure, the charity would be able to continue at worthwhile activity levels in the event of a temporary significant drop in funding. The estimated cost of closing the charity should not exceed 50% of reserves.
Meet the Trustees

Colin Bradford
Chair

Mark Barthel
Vice-Chair

Allen Mawby
Treasurer

Mike Bekin

Jon Kirkpatrick

Hubert Kwisthout

Constance L. McDermott

Meriel Robson

John Tewson

UK Members

Environmental Chamber

Mark Barthel (individual)
Born Free Foundation
Fauna & Flora International
Florin Ioras (individual)
Greenpeace UK Ltd
Jon Kirkpatrick (individual)
Meriel Robson (individual)
Hannah Scrase (individual)
Sian Jones (individual)
Soil Association
The Woodland Trust
WWF UK
Zoological Society of London

Social Chamber

Fair Rubber e.v.
Hubert Kwisthout (individual)
Constance McDermott (individual)
The National Trust
Ben Vickers (individual)

Economic Chamber

B&Q Plc
Mike Bekin (individual)
Blueline Office Furniture
Boots UK Ltd
Bound Oak Ltd
Chartwell PM Ltd
Confederation of Forest Industries
Exova BM Trada
Home and Leisure International Ltd
HSBC Holdings Plc
Hubertus van Hensbergen
Kingfisher Plc
Kronospan Ltd
Lend Lease Europe
Mondi Plc
Premium Timber Products
Soil Association Certification Ltd
The Forest Company Ltd
Timber Trade Federation UK
Forest Stewardship Council® (FSC®) UK is a charity dedicated to promoting responsible forestry.

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