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.

Forest Stewardship Council® (FSC) is an international membership association. FSC UK is one of over 40 national offices. 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.
Welcome

In some ways 2016–2017 was a year of surveys, polls and consultations! As FSC UK seeks to meet the needs of our stakeholders, whether these be certificate holders, members, retailers or the general public, it is important that we better understand these needs. Similarly, we want to reach out to those not currently engaged with us. The UK continues to be one of the leading countries for FSC Chain of Custody certification. However, the rate of growth has slowed in recent years both for chain of custody and forest management certification. It is vital that we provide support to our certificate holders, identify and, where possible, reduce barriers to certification, target key sectors and drive demand.

As well as encouraging participation in the Global Market Survey and FSC consultations, we surveyed forest owners (see page 11) and our UK certificate holders (see page 16) and undertook our annual consumer awareness poll (page 9). The resulting data will inform our work, particularly with regard to the services we provide to our certificate holders and our work to improve access to FSC certification for smallholders.

This year saw welcome progress on our National Forest Stewardship Standard (familiar to most UK forest managers as the UK Woodland Assurance Standard), which received conditional approval from FSC’s Policy and Standards Committee in April 2017.

A key focus for the year has been our project to ensure that FSC is being specified correctly. All too often we come across situations where the customer thinks they are requesting FSC certified material but, through failings in the specification process, have not adequately conveyed this to the certified company. By developing new resources and attending trade shows, we have tried to educate procurers and advise certificate holders in order to address the issue.

Encouragingly, awareness of FSC continues to grow with our 2017 survey revealing that 54% of UK consumers recognise the logo. Much of FSC’s growth, however, is due to the demand for certified materials by businesses, not the consumer, and we would like to thank all those who continue to support our mission.

This year saw welcome progress on our National Forest Stewardship Standard (familiar to most UK forest managers as the UK Woodland Assurance Standard), which received conditional approval from FSC’s Policy and Standards Committee in April 2017.

Meet the team

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Owen Davies
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UK Strategic priorities

FSC’s Global Plan for 2015–2020 states that we need to be bolder, stronger, and measurably more effective. This is as true at the national level as at the global level. Whilst we need to include domestic matters and ensure that key issues, such as supporting our certificate base and meeting contractual obligations are addressed, the FSC UK Strategic Plan has been developed in the context of FSC’s global vision and mission.

Our agreed strategic priorities are to:

- 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 (this includes certificate 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

FSC in a nutshell

FSC Forest Standards

- Preserve high conservation value forests
- Protect wildlife habitats
- Maintain economic, social & environmental forest functions
- Respect the rights of indigenous peoples & local communities

FSC Labels

- The FSC labels can be found on wood, paper and other forest products made with material from FSC certified forests and/or verified recycled sources.

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 FSC Chain of Custody certification or an FSC Trademark Licence (administered by FSC), which permits the use of the FSC trademarks but not the passing on of FSC claims.
FSC in numbers

- FSC certified forests worldwide: 193,884,364 hectares
- FSC certified forests in the UK: 1,623,926 hectares
- FSC Chain of Custody worldwide: 32,009 certificates
- FSC Chain of Custody in the UK: 2,362 certificates
- FSC Trademark Licences worldwide: 752 licences
- FSC Trademark Licences in the UK: 92 licences

Consumer recognition

- 54% of UK consumers recognise the FSC logo.
- 62% of those aged 35-44 in the UK recognise the FSC logo.
- 55% of UK consumers would rather purchase FSC certified products than products without certification

Much of our focus in the reporting period has been on the revision of the UK Woodland Assurance Standard (UKWAS), the independent standard on which the UK FSC National Forest Stewardship Standard is based. A draft of the standard intended to meet version 5-2 of the FSC Principles and Criteria was submitted to FSC International in June 2016, but was not approved by the Policy and Standards Committee.

FSC UK worked closely and constructively with both the UKWAS Steering Group and FSC International Policy and Standards Unit staff to resolve outstanding issues, including legal rights to operate, anti-corruption measures, legal controls on transport and trade of forest products, long-term economic viability, conservation areas, strategies to maintain and enhance high conservation values, protection of priority species, restoration of semi-natural habitats, workers’ rights and living wages.

A revised draft was resubmitted in February 2017, and received conditional approval in April.

One of our priorities is to improve standards for forest management and promote FSC Forest Management certification in the UK for all sizes and types of forest. We recognise that there are barriers, real or perceived, to smallholders gaining certification. To this end, we have been working with others to identify these barriers and assess the potential for increasing certification of smaller woodlands.

The recent increase in hectarage is despite a continued downward trend in the number of FSC Forest Management certificates in the UK. The number of certificates peaked at over 100 in 2009, and has since fallen to around 40. However, this is in part due to a move away from individual certificates and towards group schemes.

Between April 2016 and April 2017, the total number of Forest Management Group Scheme members in the UK increased by 4.85% (from 907 to 951).

FSC certified forest area worldwide

In April 2017, more than 196 million hectares (ha) of forest in 82 countries were managed according to FSC standards, showing a 32% increase from 149 million ha in 2012 and a 5.3% increase from 2016.

FSC certified forest area in the UK

The FSC certified area in the UK (1,623,926 ha) has decreased from its peak of 1.69 million ha in 2007. However, over recent years there has actually been a slight upward trend in the certified area.
In 2016 FSC UK carried out a small survey in partnership with Coed Cymru, Farming Connect, Llais y Goedwig, the Small Woods Association and Woodland Trust Wales.

What are your objectives as a woodland owner/manager? Please rate the following options from 1 (least important) to 5 (most important)

- Wildlife benefits, like protection of particular species or habitats: 4.1
- Personal recreation: 4.0
- Production of wood and wood products for your own use: 3.5
- Wider social benefits, like outdoor education: 3.2
- Other tangible benefits, like flood prevention or soil protection: 2.6
- Sale of wood and wood products: 2.6
- Production of non-wood forest products, like nuts, mushrooms or venison, for your own use: 1.7
- Sale of non-wood forest products: 1.5

A total of 42 responses were received. Respondents owned or managed between one and 15 woods, with a median of one and a mean of two. The mean area of individual woodlands owned or managed by each respondent ranged from 0.4 to 107.9 hectares, with a median of 4.2 ha and a mean of 12.1 ha.

Given the predominance of non-market benefits among the highest scoring objectives, it is perhaps not surprising that relatively few small woodland owners see the relevance of certification; the sale of wood and the production and sale of non-wood forest products were the lowest scoring objectives.

It was clear that a proportion of small woodland owners know too little about certification and its potential benefits to make an informed decision, while a greater proportion are put off by issues of cost and paperwork, or do not see or seek economic benefits.

FSC’s exploration of risk-based approaches to the development, implementation and auditing of national forest stewardship standards is highly relevant to relieving some of the perceived barriers of cost and bureaucratic burden. In the meantime, we will continue to promote forest management group schemes as the best route into certification for most owners of small woodlands.

In July 2016, FSC UK and the Woodland Trust ran a joint workshop in Shropshire on the restoration of plantations on ancient woodland sites. The workshop covered certification requirements and recommended best practice, and gave peers the opportunity to exchange experiences.

FSC UK wants to do more to support existing FSC certificate holders and those considering FSC Forest Management certification. We hope that by providing access to experts and opportunities to learn from the experiences of others we will make certification more accessible to all. Most importantly, we hope there will be benefits in terms of the quality of woodland management.

We continue to work to raise the profile of forest management certification in the UK and beyond; in 2016-17 this included continuing our annual lectures to forestry students at Bangor University and speaking at a certification conference in Dublin and the Small Woods Skills Share event in Sheffield.
Chain of custody certification

FSC Chain of Custody certificates worldwide

The number of Chain of Custody certificates increased from 22,788 globally in 2012 to 32,009 in 2017, an increase of 40%. The number of certificates in April 2017 show an increase of 5.8% from the previous year.

![Chart showing global number of certificates over years](image)

FSC Chain of Custody certificates in the UK

The number of Chain of Custody certificates increased from 2,216 in 2012 to 2,362 in 2017, an increase of 6.6%.

Although growth in FSC Chain of Custody certificates in the UK has slowed in recent years, the continued high market demand for FSC certified material has much wider geographical impact, acting as a driver for certification in other countries, within the supply chain and, ultimately, at a forest level.

It is encouraging to note the increase in trademark licences (page 21) and the relatively high level of interest in project certification (page 20) in the UK, both of which have an impact on FSC certification throughout supply chains. Again, the influence of the retail and construction sectors reaches way beyond our borders.

FSC UK commits a large percentage of its resources to licence holder support, thereby ensuring that existing FSC certified organisations receive advice, support, training and promotion. See page 19 for further details of current ways in which we support our licence holders.

Support of licence holders helps to ensure high retention of certificates.

See page 16 for details of a survey carried out in 2016 to help ascertain FSC UK’s service delivery. We plan to carry out annual surveys of our licence holders to ensure that we continue to provide relevant support.

The retention rate for FSC certificates in the UK currently exceeds 95%, with over 60% of certificates having been held by organisations for over five years. FSC UK will now monitor longevity of FSC certificates in order to appropriately acknowledge and celebrate long-term commitment to FSC.

“From occasional meetings we have with Italian certificate holders during trade fairs or consultation/training meetings, we believe that Italian certificate holders and suppliers consider the UK market among the most sensitive of world markets in terms of social-environmental requirements and the need to serve it is among the main reasons to seek FSC Forest Management or Chain of Custody certification” – Diego Florian, Director FSC Italy
Certificate holder survey

It is important that we offer the most appropriate services to UK based FSC certificate holders, within our remit and resource levels, and that these services are regularly reviewed and monitored. Once reviewed, these services need to be identified and promoted to our certificate holders.

During June 2016 FSC UK carried out a survey of FSC certificate holders to help ascertain our service delivery strategy. The survey received a response rate of 5.81% (108 respondents) and we hope that the results are therefore representative of UK certificate holders’ experiences.

Types of support received from FSC UK:

30.8% of respondents stated that their organisation had received advice from FSC UK prior to becoming certified. 46% of respondents stated that advice they had received from FSC UK on the FSC standards was very useful. 48% found notifications of revisions of FSC standards, interpretations and updates very useful.

Advice on the FSC standards is a core service which we offer to our certificate holders and as previously mentioned, to which we devote a large percentage of our resources.

In response to being asked about the regularity and location of FSC stakeholder events, the majority of answers indicated that our stakeholders would be in favour of more regular, regional events. See page 18 for more details of stakeholder events.

From the survey it was clear that ‘Access to markets’ is a recognised benefit of FSC certification. Customer demand and the sustainability requirements of customer supply bases were listed as drivers for certification. Incorrect specification of FSC certified materials and lack of understanding of FSC in supply chains were cited as perceived barriers to the expansion in trade of FSC certified materials. This information has greatly informed the FSC UK Specification Project as detailed on page 22.

“HarperCollins have contacted the FSC Advisory Service many times and have always had good, helpful discussions that have yielded successful outcomes, increased our knowledge and understanding of the FSC standards and resulted in the strengthening or our Paper environmental policy” — Adrian Sutcliffe, Group Production & Purchasing Manager, HarperCollins

FSC UK’s services include the following:

- Online and on-site training
- Advice on the FSC standards
- Notification of revision of standards, interpretations and updates
- Online business resources
- Marketing/Communications support
- Fibre Testing of FSC certified products
- Stakeholder events
- Forest Matters Advanced Edition Magazine
Licence holder support

On 15 June 2016 FSC opened the third public consultation on the Chain of Custody Certification Standard (FSC-STD-40-004 V3.0). The following day FSC UK were at the NEC in Birmingham to gather initial feedback from UK stakeholders.

Presentations were given by staff from FSC UK and FSC International. Participants took part in group discussions and workshops based on the draft Chain of Custody Certification Standard and some of the questions it posed to stakeholders.

In response to positive feedback from FSC stakeholders, FSC UK will provide a programme of regional events throughout 2017.

The revised FSC Chain of Custody Certification Standard was published on 1 January 2017

All FSC Chain of Custody certificate holders will have been evaluated against the new standards by 31 March 2018. FSC UK have developed guidance and launched updated online training in line with the new standard.

We continue our work to increase our level of engagement with existing FSC Licence Holders. The FSC UK Certificate Holder welcome pack was launched in 2016 and is currently being sent to all new and re-issued certificate holders.

A Trademark Licence Holder pack was launched later in the year and is now being sent out to new licensees and upon renewal. Bespoke resources have been developed and circulated to trademark licence holders including buyers’ and suppliers’ guides.

Online training has been relaunched with updated ‘Chain of Custody’ and ‘What is FSC?’ modules on a new Learning Management System platform. This training is offered free to FSC Certificate Holders and FSC Trademark Licence Holders.

“The online training provided by FSC UK has been well received by our teams and this has enabled our Sustainability Managers to focus on other work to promote FSC rather than on in-house training” — James Douglas, Head of Sustainability — Construction, Lendlease

Bespoke face-to-face training has been delivered to many certified and uncertified organisations during 2016-2017 along with FSC trademark licence holders and NGO’s. Feedback from sessions has been very positive and we have seen a high level of engagement throughout the training.

“I found the event very informative and useful to gain an understanding of the proposed risk-based approach to transactional verification” — Mark Grainger, Environmental & Quality Systems Manager, Moores Furniture Group
FSC project certification is project and site specific. It can be used for virtually any type of new build or refurbishment project, and for permanent or temporary structures.

In the 2016-17 financial year, five projects were completed in the UK, including Great Portland Estate’s 30 Broadwick Street (FSC-P001668).

FSC UK is inputting into the current revision of the FSC Chain of Custody Standard for Project Certification FSC-STD-40-006.

The FSC logo is available for promotional materials and marketing campaigns, giving retailers, brand owners, and other organisations the opportunity to promote FSC labelled products.

By holding an FSC trademark licence agreement, companies can create their own unique and powerful point-of-sale materials, signalling to their customers their commitment to responsible sourcing.

FSC’s Trademark Service Programme also offers participants advice on the best ways to use and promote FSC branded products.

The number of organisations holding an FSC trademark licence in the UK continues to increase steadily. Our work is currently focussed on improving our guidance and support of our existing licence holders, whilst engaging with potential licence holders.

Project certification, an integral part of our responsible sourcing policy, is targeted for all Great Portland Estates developments. Working closely with BAM Construction Ltd and the design team we achieved full project certification for 30 Broadwick Street, with 100% of all timber products used in the building certified to FSC Chain of Custody standards.” — Martin Quinn, Senior Project Manager, Great Portland Estates plc

© Great Portland Estates

There has been a 12% rise in the number of organisations holding an FSC trademark licence in the UK since 2015.
FSC UK Specification project

During 2016–2017 the Business and Communications teams worked together on a project aimed at increasing and improving specification of FSC material, primarily in the print and construction sectors.

Issues have previously been identified where businesses and other organisations have timber and paper procurement policies but are not enforcing them correctly.

We are aware of situations where the customer selects a supplier based on their FSC status but does not specify FSC certified products. There are also cases where uncertified companies verbally confirm that a product is certified, even though they are unable to pass on an FSC claim. The result is that non-certified material may be supplied where certified material was required.

Such incorrect specification can result in a perceived lack of demand and, consequently, companies failing to renew their certification. This project, which will continue into the following year will seek to address this.

Maintaining and increasing demand for FSC certified products is one of FSC UK’s primary aims

In 2016–2017 the team took a broad approach to specifiers, attending Edie Live, The UK Print Show and Timber Expo.

Across the three shows we spoke with:

- Sustainability Managers
- Environmental Consultants
- Environmental Analysts
- Safety & Environmental Managers
- Print Buyers
- Printers
- Print Managers
- Procurers
- Purchasing Directors
- Architects
- Supply Chain Managers
- Surveyors

New resources, including a procurement factsheet and template procurement policies for the private and public sectors, were created for the events and circulated.
Expenditure

Expenditure was higher this year compared with last (£353,476 compared with £291,376) due to the increased staff costs and overall expenditure as we seek to meet the charity’s increased commitments. It is anticipated that expenditure will continue to increase, primarily due to growing staff costs as the team grows to deliver the charitable objects and contractual obligations.

Our main areas of expense are 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 months’ 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

UK members

Environmental Chamber

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

Economic Chamber

- B&Q Plc
- Blueline Office Furniture
- Boots UK Ltd
- Bound Oak Ltd
- Chartwell PM Ltd
- Confederation of Forest Industries
- Exova BM TRADA
- The Forest Company Ltd
- Home and Leisure International Ltd
- HSBC Holdings plc
- Hubertus van Hensbergen (individual)
- Kingfisher plc
- Lend Lease Europe
- Mike Bekin (individual)
- Mondi plc
- Premium Timber Products
- Soil Association Certification Ltd
- Timber Trade Federation UK

Social Chamber

- Fair Rubber e.v.
- Hubert Kwisthout (individual)
- Constance Lynn McDermott (individual)
- The National Trust
- Ben Vickers (individual)
Forest Stewardship Council® (FSC®) UK is a charity dedicated to promoting responsible forestry.

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