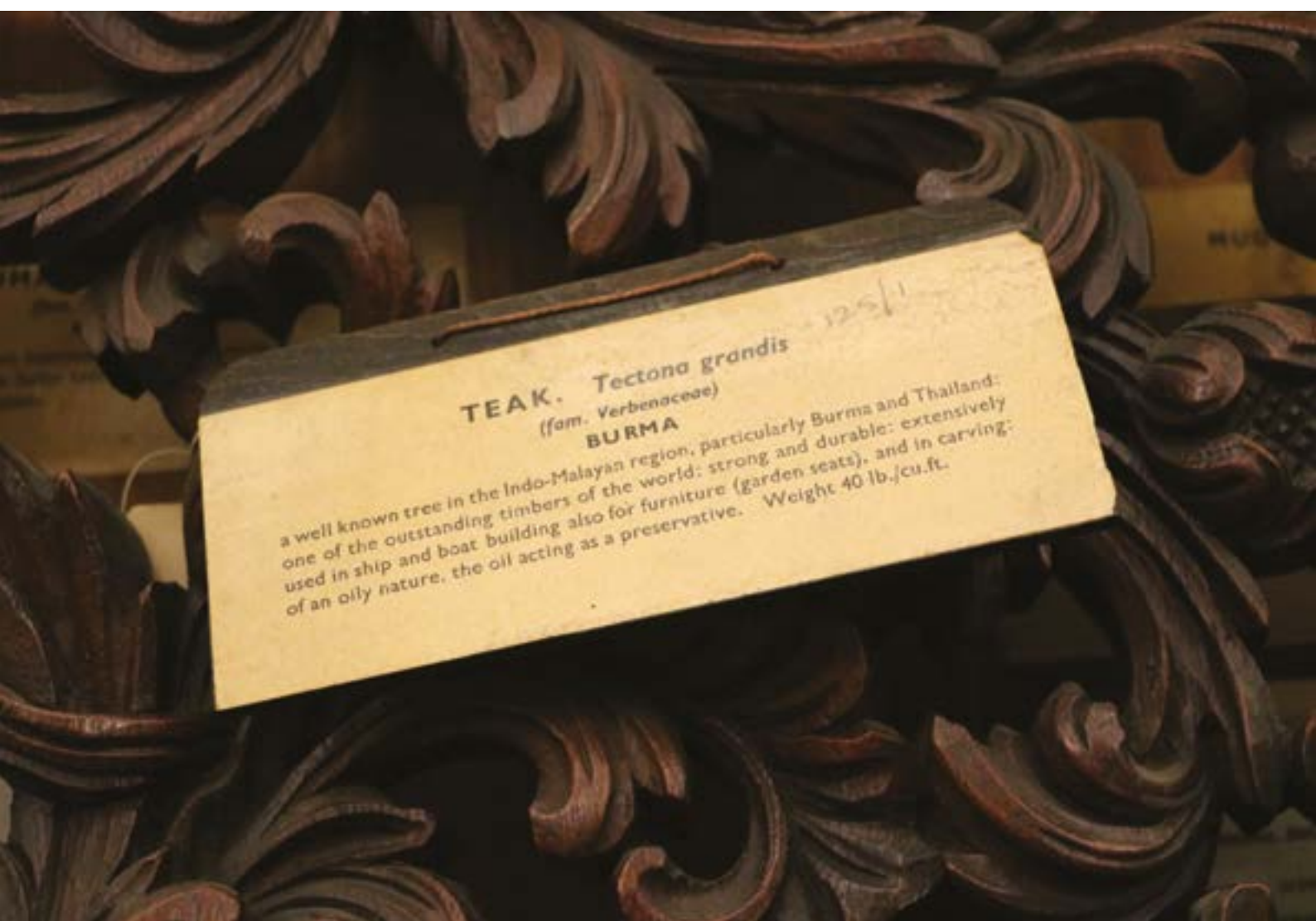


# OUR FORESTS WORK **2019/2020**



## **ANNUAL REVIEW**

FOREST STEWARDSHIP  
COUNCIL®



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**Forest Stewardship Council® (FSC) UK is a charity dedicated to promoting responsible forestry in the UK.**

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## WELCOME

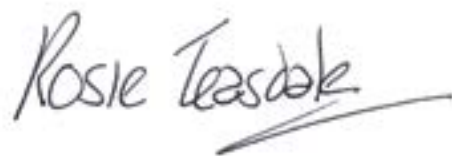
Who would have thought that we would end the financial year in a state of lockdown? Who could have imagined that such restrictions would be imposed? It seems strange to be reporting on our previous activities, out and about, when events are now all held online and meetings are virtual. As we review the highlights of the last 12 months, it is hard not to consider what the future holds. Will the way we work be changed forever? Will sustainability become even more important? What will the impact of all of this be on FSC and our stakeholders?

How FSC comes through this pandemic is contingent, to a large degree, on those organisations and individuals that make up FSC in the broader sense – the forest managers, the certified manufacturers and suppliers, the brands and retailers, the NGOs and the many others who support our work. Once again, this review demonstrates that the success of FSC UK is dependent on the commitment of others. We acknowledge the contributions of Canary Wharf Group, the Book Chain Project, Kew Gardens, UK Stakeholders for Sustainable Development, members of the Small Woods Standards Development Group, the Forestry Commission and its now-devolved national agencies, DGA Forestry, Scottish Woodlands, Traidcraft, DS Smith, BIAZA, Shepreth Wildlife Park, the Isle of Wight Zoo, BRIO, Ravensburger and Landmark & Farm Signs. And of course, we can't forget our members (page 29), and certificate and licence holders, some of whom are featured on pages 8-11.

It is easy to forget, amid the strange circumstances in which we find ourselves, that 2020 marks the 25th anniversary of FSC UK, but it is important to recognise the progress that has been made over the quarter century.

The achievements are not only through the work of FSC UK staff and trustees through the years but that of our supporters and advocates. We, at FSC UK, can bask in the reflected glory of many 'firsts' and milestones of our stakeholders (see pages 16-17).

Although it may be hard to predict where we will be in a year's time, let alone another 25, we are confident that sustainability and responsible forest management will be as relevant as ever and that, with the ongoing support of all of you, we will be able to work together to meet the challenges ahead.



Rosie Teasdale  
Executive Director, FSC UK



## MEET FSC UK

### Staff team



Rosie Teasdale  
Executive Director



Beth Bennett  
Business Development Manager



Tallulah Chapman  
Communications Manager



Owen Davies  
Forest Standards Manager



Amy Willox  
Forestry Outreach Manager



Rachel Hembery  
Business Advisor



Beth Gratrix  
Finance & Admin Officer



Sarah Holtom  
Trademark Enforcement Officer



Georgina Davies  
Administration Assistant



Danielle Shaw  
Communications Assistant

### Trustees



Colin Bradford  
Chair



Jon Kirkpatrick  
Vice-Chair



Allen Mawby  
Treasurer



Steve Jennings



Hubert Kwisthout



Mike Bekin



Meriel Robson



Constance L.  
McDermott



John Tewson



# FSC IN NUMBERS

**Worldwide FSC-certified forests:**  
**209,760,708** hectares\*

**UK FSC-certified forests:**  
**1,619,415** hectares\*

**Worldwide FSC Chain of Custody:**  
**41,644** certificates\*

**UK FSC Chain of Custody:**  
**2,266** certificates\*

**Worldwide FSC Promotional Licences:**  
**1,103** licences\*

**UK FSC Promotional Licences:**  
**113** licences\*

**UK consumer logo recognition:**  
**67%\*\***

**UK consumer purchase preference:**  
**82%\*\***

\*Figures correct as of 1st April 2020

\*\*Kantar OnLineBus, 2020, online survey of 1,281 UK adults aged 16+  
(Recognition: Do you know this logo or have you ever seen it?; Preference: Please imagine there was a wood, paper or forest product with this logo on, and one without. How likely would you be to buy the product with this logo on, compared to the product without?)

## Democratic and inclusive

We are governed by more than 1,000 members and actively support Indigenous Peoples' rights.

## Consistent and robust

All FSC-certified forests are managed in line with the same global principles, and our certificate holders and certification bodies are accountable and independently audited.

## Credible and trusted

We consult stakeholders on changes to our standards, have a dispute resolution process and enjoy broad NGO support.

## Global and recognised

We operate globally, our iconic logo is recognised, and we help governments and organisations to meet agreed sourcing standards.

## Innovative and ambitious

We are the pioneers of forest certification and we continue to innovate, whether that means certification in new sectors or using more efficient, digital tools.

## ABOUT FSC

FSC works to take care of the world's forests for future generations – to help ensure we have Forests For All Forever. We support this through a global forest certification system that awards forest management and chain of custody certificates, and a trademark licensing scheme. When a product or packaging bears the FSC logo, customers are assured that it has been sourced responsibly.

## 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.



## HIGHLIGHTS

**APRIL  
2019**

**Public launch:**  
*FSC Project Certification and  
Canary Wharf video*



**June 2019**

**Presentation:**  
Corrugated  
and Print  
Show



**July  
2019**

**Presentation:**  
Book Chain Project event



**September 2019**

**Presentation:**  
The Print Show  
**Launch:**  
*Is it FSC?*  
A pocket-sized  
delivery checklist



**October 2019**

**Annual Members' Meeting**  
at Kew Gardens



**November 2019**

**Launch:** *Together for Forests* at BIAZA  
Education Conference  
**Presentation:** Holiday Park & Resort  
Innovation Show



**January 2020**

**Collaboration:** FSC joins UK Stakeholders for  
Sustainable Development in demanding action  
from the Prime Minister on the Sustainable  
Development Goals  
**Launch:** FSC UK  
joins Instagram



**February 2020**

**Exhibition:** Packaging Innovations

**Launch:** *Is your  
packaging  
forest-  
friendly?*  
video



**March 2020**

*Forest Matters*  
**newsletter** moves  
from bi-monthly to  
monthly





## CERTIFICATION

### Forest management certification



Our forest management certification is awarded to organisations that manage their forest operations in socially, environmentally and economically responsible ways. As part of the certification process, an organisation's current management undergoes an in-depth review to check for any areas of non-conformity with FSC's standards.

The management of both natural and plantation forests falls under forest management certification. FSC also offers streamlined certification procedures for small or low-intensity managed forests for small-scale producers.

FSC-certified forest area in the UK dropped by around 1% in the 12 months preceding April 2020. This was mainly due to the reconfiguration of the state forests in Scotland and Wales, resulting in a reduction of over 11,000 ha, about 1% of the total certified state forest area in the

UK. We will see in the coming years whether these losses are replaced by new planting. While individual forest management group schemes saw a mixture of gains and losses in certified area, overall there were losses of around 6,500 hectares. This is despite the fact that group scheme membership increased from 975 to 1,005 members in the same period. We often see a time lag between group scheme membership and certified area because of the way the certificate database is updated, so we are hopeful that we will see an increase in the total area of group schemes in 2020-21.

### Chain of custody certification

Chain of custody certification applies to manufacturers, processors and traders of FSC-certified forest products. It ensures that FSC materials and products have been checked at every stage of processing, so customers purchasing products sold with FSC claims can be confident that they are genuinely FSC certified. Any company involved in the processing or transformation of FSC-certified products (e.g. manufacturing, repackaging, pack-splitting, relabelling, cutting to size or adding other forest-based components to the product) must be FSC certified in order to apply an FSC label to their products and/or sell them with an FSC claim.

The number of chain of custody certificates in the UK increased in 2019/20, the largest growth (more than 20%) being seen in those with packaging within their scope.



### Project certification

Individual objects or buildings of any size or scale that are built or renovated can seek FSC project certification. Project certification can also be used for civil engineering projects and events such as exhibitions and festivals. Under this certification standard, several projects can be managed on a rolling basis or a single project can achieve a one-time certification.

At the end of March 2020 there were 76 valid FSC project certificates and 16 applicants in the UK. Two projects were awarded full certification during 2019/20: One & Five Bank Street, a 27-storey office building, and Canada Square Park Pavilion, a new restaurant pavilion, both Canary Wharf Group projects located on the Canary Wharf Estate.



Here are just a handful of the of the 195 new FSC chain of custody certificates issued in the UK in 2019/20:

#### Crown Sports Lockers (FSC®C152293)

design, manufacture and install premium quality changing room lockers and furniture for gyms, schools, spas, golf clubs and offices, allowing the Made in Britain manufacturer to strengthen both its own and its clients' environmental credentials. "Private and public sector clients alike increasingly seek assurance that products we install in their sites meet sustainability norms. The FSC certification confirms that our products – from board and veneers to solid wood, edging and dowels – comply with the FSC's criteria," says Nigel Porter, Crown's Production Manager.



**Jennifer Newman Studio (FSC®C156000)** are known for bold, adaptable contemporary furniture designs that get noticed. At their Bedfordshire workshop they use FSC-certified birch plywood, together with recycled steel and aluminium, to create a range of designs for dynamic indoor and outdoor environments including canteens, terraces, break-out spaces and buzzing creative studios.

The **Unique Paper Company (FSC®C154851)** manufacture and supply high quality, design-led gift wrap and decorative accessories to retailers and distributors worldwide. A large majority of their products are manufactured and produced in their own factories in Suffolk and Essex, using water-based inks and FSC-certified paper as standard.

**Simplyhealth (FSC®C155117)** The leading health cash plan and dental plan provider achieved FSC certification in early 2020. The certification applies to products such as envelopes and paper for information leaflets and posters, and the company's FSC licence code appears on the labels of all Simplyhealth printed materials. "Being FSC certified further demonstrates our commitment to complying with the highest environmental standards," says Richard Gillies, Chief Operating Officer.

#### The Box Factory

(FSC®C147497) is one of the largest independently owned, high volume manufacturers of FSC-certified corrugated cardboard packaging in the UK. In 2019 they became FSC certified, enabling them to assure their customers that materials are responsibly sourced.





## TRADEMARK LICENSING

Consumers rightly have high expectations that the forest-based products they buy are sourced responsibly and do not contribute to deforestation. Promotion of FSC-certified products and packaging by brands and retailers empowers consumers to make informed choices about the products they purchase. We encourage retailers, brand owners, and other organisations to use the power of our brand by creating their own unique and compelling promotional campaigns and materials. Through these tailored campaigns, businesses can communicate their commitment to responsible forest management to their customers – all supported by our influential FSC trademarks.

We carefully monitor and protect the way our trademarks are used. By making sure our trademarks are used appropriately, we keep them credible – and that's what enables businesses to benefit from the trust we've built with consumers globally.

Organisations that do not need chain of custody certification may be eligible for an FSC promotional licence to authorise them to use our registered trademarks in promotional materials. 10% of all FSC promotional licences worldwide are held by organisations in the UK.

To support UK promotional licence holders and applicants FSC UK has created two guides: *Using your FSC promotional licence* and *Applying for an FSC promotional trademark licence*. A printed version of the new *FSC Trademark Use Guide for Promotional Licence Holders* was also produced for distribution to UK licence holders.



Here are a few of the new promotional trademark licences that were issued in the UK in 2019/2020:

**Smol** (FSC®N002987) use the FSC label on their boxes to show that the packaging used for their eco-friendly laundry and dishwasher tablets is responsibly sourced, they use their licence to promote their FSC-certified packaging online.

Home and garden retailer, **wilko** (FSC®N003171) have been “freeing-up hard-working families to be the best they can be for 90 years, with products that simply help and prices that respect customers’ hard-earned cash”. As an omni-channel retailer they are committed to “designing everyday home and garden products that not only get customers’ jobs done but are ethical and sustainable too.” Their timber policy sets out their desire to source from well-managed forests and supports the use of UK government-recognised timber certification schemes, particularly FSC. They sell a range of FSC-certified products, including stationery and garden accessories, both online at wilko.com and in more than 400 stores across the UK.”

McCain created the first ever frozen chip and went on to become the world’s largest manufacturer of frozen potato products. **McCain Foods (GB)** (FSC®N003076) have pledged to source all their cardboard

from sources guaranteeing FSC standards by the end of 2020 and plan to communicate this on their packaging.

The **British Heart Foundation** (FSC®N003124) fund millions of pounds’ worth of vital research each year into heart and circulatory disease and related conditions, such as diabetes. They sell FSC-labelled greetings cards to help fund their work. Their trademark licence enables them to promote these to customers using the FSC trademarks in point of sale materials.

All the gift boxes and product cartons ‘modern apothecary’ **Neal’s Yard Remedies** (FSC®N003110) use to package their award-winning natural and organic health and beauty products are FSC certified and labelled. They also purchase FSC-certified paper and card for use within their business.



©Neal's Yard Remedies



## ECOSYSTEM SERVICES



©NEPCon, Preferred by Nature/M. C. Fraisse

Ecosystem services are the benefits that people obtain from nature. Forests provide society with a wide range of benefits, from reliable flows of clean water to productive soil and carbon sequestration. In the UK, the value of woodland ecosystem services was estimated at £3.3 billion in 2017 (ONS, 2017). Yet, the role responsible forest management plays in the protection and provision of ecosystem services is often not fully recognised or rewarded.

In FSC-certified forests, valuable ecosystem services are protected and in 2018, FSC introduced an additional procedure to demonstrate and communicate the positive impacts of responsible forest management on ecosystem services. These verified positive impacts aim to facilitate payments for ecosystem services and provide access to other non-monetary benefits for those who responsibly manage forests and who take action to preserve forest ecosystem services.

The procedure requires a comparison between present and past data to evaluate the positive contribution to specific impacts. It focuses on

the restoration or conservation of five types of forest ecosystem services - biodiversity, carbon, watershed services, soil conservation and recreation. Impacts can be verified for one or multiple ecosystem services at the forest site level.

A key benefit of the Ecosystem Services Procedure is that it is integrated within the existing global FSC system. An independent certification body evaluates the process and, if verified, each proposed positive impact results in a so-called 'ecosystem service claim'. Both forest managers and those who financially support the protection of ecosystem services in FSC-certified forests can use FSC ecosystem service claims to tell impact stories for specific forest sites, highlighting their unique features alongside the widely recognised FSC trademarks.

Furthermore, FSC 100% certified forest products originating from forests with demonstrated positive impacts can carry ecosystem services claims and be promoted with this added benefit.

### Learning from others

In the past year we have focused on promoting the Ecosystem Services Procedure in the UK to certificate holders, our members, and other interested stakeholders. We also engaged with organisations around the market development of verified impacts and considered how FSC UK can best support forest managers and potential sponsors to work together and create new partnerships.

With much interest from forest managers, we hope to see verified impacts in the UK soon. In the meantime, we have been learning from other cases around the world that have successfully implemented the procedure. There are currently 35 ecosystem service claims in over 1,951,674 ha of certified forests in 9 countries. From these cases, the most common impacts verified are those around carbon, biodiversity and watershed services, indicating the interest and demand from markets for these services.

It has also been valuable to hear about the various business models adopted by forest managers and the approaches they have taken to gain benefit from measuring and demonstrating the impact of their management activities. These range from receiving activity-based payments from corporations investing to support forest management activities as part of their environmental and sustainability commitments, to community-managed forests marketing their ES claims to stakeholders in their supply chains and forest enterprises collaborating with conservation organisations.

Spanish certificate holder, Biesca (FSC®C125951), has shown how the Ecosystem Services Procedure can be used to form alliances with new organisations. Biesca collaborated with the Fund for the Protection of Wildlife (FAPAS) on reforestation activities

aimed at improving the habitat of the Cantabrian brown bear, which is native to the area. FAPAS planted fruit trees within the Biesca certified area to supplement the food source of the bears and prevent them from hunting for food in areas vulnerable to poaching. In addition to this Biesca, in conjunction with the electrical company EDP, plans to carry out forest restoration near a reservoir to improve water supply and demonstrate positive impacts on watershed services.

The procedure can also be used by forest managers and owners for personal assurance of the quality of their management and to credibly share this with the public.

### Looking forward

At FSC UK we recognise the innovative opportunities the procedure offers to connect a range of stakeholders, drive incentives for well-managed forests and provide additional benefits for forest managers with various motivations around management approaches.

We look forward to the next year, in which we aim to further promote the value of the procedure to wider audiences in the UK forestry and land management sector. A new post of Forestry Outreach Manager has been created within FSC UK and was filled in late 2019. A key part of the role is promoting FSC's ecosystem services certification in the UK, with a focus on expanding opportunities for forest managers and potential buyers of ecosystem services. The procedure also offers FSC UK a way to build new alliances, engaging, for example, with organisations outside of the forest supply chain, who are interested in investing in and supporting responsible forest management and the preservation of ecosystem services in UK woodlands and FSC-certified forests globally.



## FOREST DETECTIVES

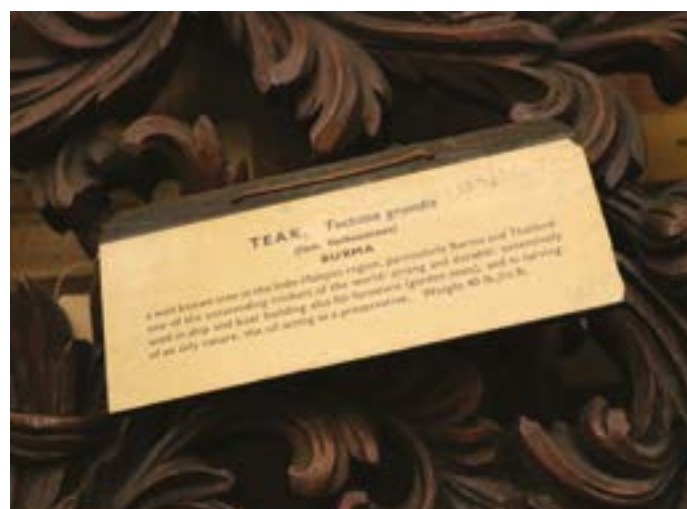


Our 2019 Annual Members' Meeting took place at Cambridge Cottage, Kew Gardens, the former royal residence of the Duke of Cambridge, where attendees enjoyed a presentation from Kew's Research Leader – Wood & Timber, Dr Peter Gasson, and a behind the scenes tour of Kew's research facilities. Peter was joined by Phil Guillery, Supply Chain Integrity Director at FSC International, and Roger Young CEO of Agroisolab UK Ltd, in explaining the project. An update on FSC's work, with a call for input to the review of the global strategic plan, was also delivered by Executive Director of FSC International, Kim Carstensen.

Kew Gardens was a fitting location, providing an opportunity to celebrate their collaboration with FSC and US Forest Services on a Global Timber Referencing Project, which aims to support the fight against illegal logging and strengthen the integrity of the FSC system.

The European Union estimates that between 20 and 40% of the global timber trade comes from illegal sources and costs the governments of developing countries between €10-€15 billion a year in lost revenues<sup>1</sup>. Illegal logging destroys forests, reduces precious habitat for wildlife, depresses world timber prices, and reduces income for forest communities. However, clamping down on these practices has proven difficult, as current databases of geo-referenced wood samples are very limited, making it almost impossible to verify the origin and species of some timber products.

The Global Timber Referencing Project involves building the world's largest database of geo-referenced wood samples from regions of the world where illegal logging is prevalent. Tree samples collected from FSC-certified forests will join those collected by the likes of Charles Darwin and David Livingstone at Kew Gardens. Scientists there will identify and store the species in their library, hoping to eventually feature all species at risk of illegal logging. To begin with, FSC will collect over 200 samples from commonly traded wood species in FSC-certified forests of Nicaragua, Honduras, Guatemala, and Peru. Eventually, the work will expand to include samples from all FSC-certified forests of timber producing regions.



However, being able to identify the tree species is not enough to combat illegal logging, we also need to be able to tell where the wood came from. This is due to laws differing across countries as a species can be legal to trade in one country and illegal in another. To address



this challenge, scientists at AgroisoLab will use stable isotope ratio analysis to specify the place of growth. This method is commonly used to pinpoint where food comes from, but AgroisoLab is currently one of the only companies using it on timber. Roger Young of AgroisoLab told The Observer: "We want to be able to take a sample – oak from furniture, beech from flooring or pine from a table – and provide its true identity and place of growth. If we can do that, we have a chance to halt illegal timber sales."



The innovative project has garnered substantial media attention over the past year, including features by The Guardian, BBC, CNN and Nature. Those involved are optimistic that the

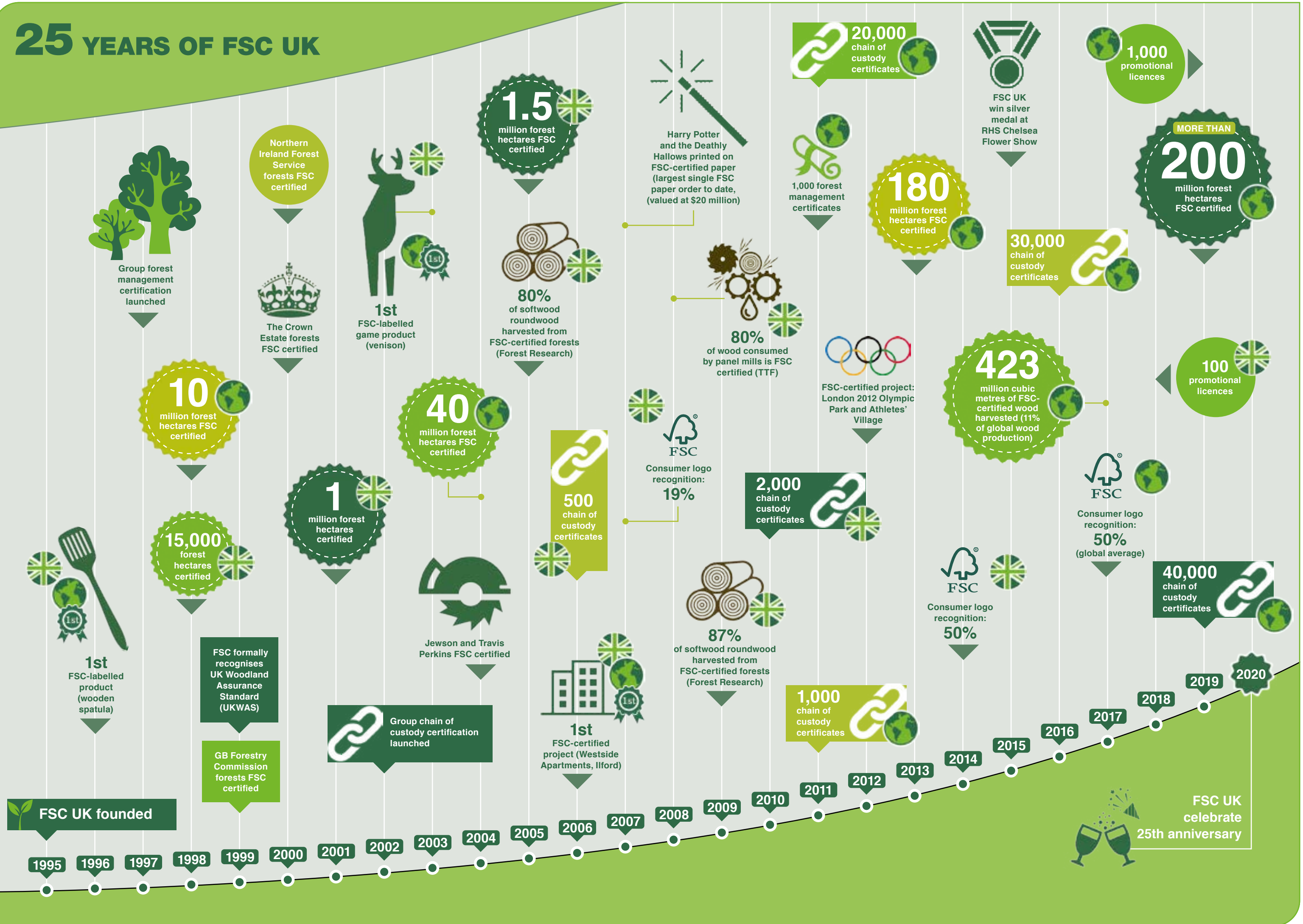


project could significantly reduce illegal logging, with Robert Young telling Nature: "Once the industry — the traders — begin to see there's a method that works, it's the equivalent of a policeman on the block. The chance of them being caught now is no longer zero."

<sup>1</sup>NEPCon 'Preferred by Nature' <https://www.nepcon.org/sourcinghub/info/illegal-logging-0>



# 25 YEARS OF FSC UK





## SMALL WOODS PROJECT

Tasked with producing a forest management standard tailored to the realities of small woods in this country, FSC UK's project Standards Development Group (SDG) exceeded all expectations and produced not one but two standards.

Group discussions identified a range of woodlands for which the relevance or accessibility of FSC certification were in doubt, including relatively large woods owned or managed by communities. To cover this wide range of woods, the SDG worked methodically through our existing national forest stewardship standard (widely known as the UK Woodland Assurance Standard, or UKWAS) and decided which requirements to keep, modify or drop; in this way they succeeded in shortening the standard from more than 160 requirements to fewer than 100. They also tried to present the requirements in more widely accessible language.

While it is a significant step forward, the resulting standard – which the SDG has agreed to refer to as the Low Intensity Management Standard – is still some way away from the more radical vision we set out in the last annual review. In fact, it fits quite neatly into FSC's existing approach to addressing scale, intensity and risk in national standards. So this standard is going to be fed into the review and revision process which will lead to UKWAS 5.

Returning to the original vision for the project – using the FSC Principles as a loose framework, identifying the real issues and risks in small woodland management, and developing a small number of indicators to address those specific issues – we have drawn out key requirements of the Low Intensity Management Standard and used them to produce a draft zero for a Small Woods Standard, aimed at the very smallest (up to 10 hectares) and lowest risk woodlands.

While this is a significant departure from FSC's normal standard development processes, we feel that there is a growing international appetite for innovative solutions to the challenges faced by smallholders. So we're raising our aspirations, and formally registering a separate standard development process for the Small Woods Standard. If we are successful in getting the standard approved, it will form the basis for FSC forest management certification for small woods in the UK – and who knows, it might inspire a new generation of smallholder standards all around the world.

***“I believe that the Small Woods Standard has a lot of potential to make certification more relevant and accessible to small woodland owners. In combination with a supportive certification group scheme structure, it could unlock opportunities for owners to demonstrate the quality of their management – including to buyers of their products in some cases – and to help secure their legacy of stewardship.”***

Ian Baker, CEO, Small Woods Association





## ARBOREAL ANNIVERSARIES

Over the past year, we have celebrated some significant forestry milestones. Here, we reflect on the centenary of the Forestry Act of 1919, that established the Forestry Commission, and two decades of FSC forest management certification by some of the UK forestry industry's major players.



A century ago, following the end of the First World War, woodland cover was at an all-time low in the UK and many of the forests we know today simply did not exist. In September 1919, the Forestry Commission was established by the Forestry Act to undertake a tree planting mission of truly epic scale, replanting our woodlands, creating a future supply of home-grown timber, and providing thousands of jobs for demobilised servicemen. The vision of reforesting Britain had captured the political and public imagination. Fast forward 100 years and woodland cover has more than doubled, with over 10% of England and 6% of Wales now covered by trees.

In the late 1990s, the establishment of the Scottish Parliament and the Welsh Assembly saw responsibility for forests split by national borders, with the creation of Forestry

Commission England, Scotland and Wales as sub-departments of the Forestry Commission of Great Britain. Further changes followed in April 2013, when Forestry Commission Wales merged with other agencies to become Natural Resources Wales (FSC®C115912), and in April 2019, when Forestry Commission Scotland was split into two separate bodies: Forestry and Land Scotland (FSC®C123223) and Scottish Forestry. Publicly owned forests in England remain the responsibility of the Forestry Commission, through its sub-agency Forestry England (FSC®C123214).

Today, these devolved agencies are continuing the good work started by the Forestry Commission in 1919 and last autumn they all celebrated another important milestone: 20 years of FSC certification.

Forestry England look after more than 1,500 forests, producing 1.3 million cubic metres of timber and welcoming over 230 million visits each year, securing over £26billion in natural capital value for our nation. James Simpson, Director of Operations at Forestry England, reflected, "The Forestry Commission's decision to embrace forest certification in 1999 was a critical moment in our history; we recognised the need to demonstrate sustainable forest management and to welcome the independent evaluation which underpins all credible forest certification standards."

"We have never looked back. The Forest Stewardship Council have been a positive part of this century of forestry achievement in the UK, a century in which our industry has blossomed into a multi-purpose enterprise, operating with confidence in our positive environmental credentials, and secure in the knowledge we are part of the solution to combat the impacts of a heating planet."

The Welsh Government's Woodland Estate (WGWE) supplies around 850,000 tonnes of FSC-certified timber – over 50% of all timber in Wales – each year, which directly supports thousands of jobs and contributes to the Welsh economy.

Rachel Chamberlain, Team Leader Estate Planning at Natural Resources Wales, explained, "Our commitment to maintaining FSC certification is as strong as ever, and this is supported and endorsed by Welsh Ministers. Woodlands play a vital role in our landscape and the level of ambition for the future role of trees and woodlands in supporting decarbonisation, climate change adaptation, nature-based solutions, resource efficiency, health and well-being is high."

"The forestry sector in Wales faces the same challenges associated with Brexit, climate change, pests and diseases as the rest of the UK but 20 years of FSC certification of the WGWE means it's in good shape to face the future."

**DGA Forestry LLP** (formerly David Goss & Associates) (FSC®C011541), one of Scotland's longest-established independent forestry consultants, also celebrated 20 years of FSC forest management certification in 2019.

Established in 1972 by David Goss, DGA was one of the first private forestry companies in the UK to achieve the standard.

James Anderson, Partner at DGA Forestry said: "It [FSC certification] demonstrates to our clients that we are aiming for the highest possible standards of sustainable forest management, environmental protection and ethical behaviour."

**Scottish Woodlands** (FSC®C020901) celebrated a significant milestone: the 20th anniversary of the day it became the first forestry company in the UK to establish and run a group certification scheme. That same year saw Scottish Woodlands also deliver the first ever load of FSC-certified timber to a UK sawmill.

Stuart Wilkie, Certification and Environment Manager for Scottish Woodlands said: "Almost all the major timber markets in the UK are looking to source FSC-certified material, so over 80% of all the timber we sell is FSC 100% and around 15% is FSC controlled wood. We simply could not harvest and market the quantities of timber we do from our clients' forests and other forests without our FSC certificates."



## CHARCOAL:

### from the Namibian savannah to supermarket shelves

Turning to charcoal production is one way that Namibian farmers are adapting to the negative impacts of climate change. Producing charcoal provides farmers with a source of income and clears the bush of invasive tree species.

For three years now, the southern African country of Namibia has seen a succession of droughts. Farmers typically rely on livestock and cattle husbandry as their main sources of income, but the drought has made it difficult to find grazing areas and water for livestock. In response to this uncertainty, some Namibian farmers have learned to diversify their activities and during the dry season, they produce charcoal.



This charcoal is made from harvesting bushes that invade the savannah, typically thorn bushes and invasive tree species. They are unwanted because they spread rapidly, negatively impact local ecosystems and biodiversity, and absorb scarce groundwater. To produce charcoal, farmers harvest and cut the bushes and burn them in kilns for hours to turn them into charcoal. This harvesting for charcoal production contributes to clearing the bush which helps to restore the ecosystems of the area which have been affected by generations of human activities.

FSC-certified charcoal from Namibia can be purchased here in the UK. Barbecue product

suppliers Rectella International (FSC®C015372) and Jumbo Charcoal (FSC®C013932/ FSC®C015680) teamed up with Traidcraft to introduce a range of fair trade charcoal for Co-op.

After noticing a gap in the UK market for fair trade charcoal, Rectella partnered with Namibian company Jumbo Charcoal and worked with Traidcraft to assess their supply chain. They looked at generic fair trade standards such as working conditions, fair pay, and health and safety, and introduced a business model similar to that used by Fairtrade International to certify products like chocolate and coffee.

Traidcraft requires farmers supplying fair trade charcoal to be audited to ensure they meet FSC standards. Alistair Leadbetter of Traidcraft explains, “Namibia faces a significant problem from bush encroachment, which impacts negatively on the biodiversity of the land, on the ability to replenish groundwater, as well as the viability of farming. Bush encroachment was caused by poor land management in the early to mid-20th century. The environmental rigour that FSC brings is therefore crucial to us in Traidcraft and within the wider world of fair trade.”

Another key element of the fair trade model that Traidcraft helped Rectella and Jumbo to develop is the Fair Trade Premium. Alistair says, “This premium is 10% of the factory gate price of all charcoal sold as fair trade. The Premium Fund is then democratically managed by the Premium Committee based at Jumbo. They have used the money for projects such as housing, bicycles, education and water supplies.”

The FSC-certified range of fair trade charcoal products, including instant barbecues and packs



of easy light charcoal, produced by Rectella and Jumbo in collaboration with Traidcraft is sold under the Co-op label in their supermarkets throughout the UK.

Over the past few years, FSC has performed wood anatomy testing and transaction verification on products from companies trading charcoal in FSC supply chains, to help ensure the veracity of product claims. This work has been supported by FSC UK and other FSC offices.

A 2018 investigation by FSC and Assurance Services International (ASI) revealed that non-conforming charcoal carrying the FSC label had entered the market. FSC responded by terminating 63 FSC certifications and removing products from sale.

In December 2019, FSC International released new statistics that show violations in its charcoal supply chain have been significantly reduced. A round of 5,000 tests on species composition in 2019 found none to be problematic. This

result indicates a significant improvement in the integrity of FSC product claims in the charcoal supply chain.

FSC will continue to perform wood anatomy testing and transaction verification on FSC-certified charcoal to maintain the integrity of the charcoal supply chain.

Kim Carstensen, Director General of FSC said: “Consumers want to be confident that when they buy an FSC product, it meets the highest social and environmental standards. Therefore, the integrity of our supply chain is at the core of everything we do. If we hear reports of misuse of the FSC label, we will investigate and take action where needed. This includes suspending guilty parties from the FSC scheme.”

Looking forward, FSC has begun development of a blockchain-based transaction verification platform. A pilot study will take place in 2020, with a plan to consult stakeholders before introducing it into the FSC system.



## PACKAGING



Paper and paperboard made from forest fibres are a popular choice for packaging. These materials are commonly considered to be sustainable alternative to plastic packaging as they can be biodegradable and recyclable. However, they can also be a product of deforestation or poor forestry practices if not responsibly sourced. This threatens not only brand reputation but our forests and the wildlife and people who depend on them.

Consumers are selective about where they spend their money, with 68% of UK shoppers stating the environmental impact of a product's packaging affects their purchasing choice.<sup>1</sup> The same survey revealed that 88% of UK consumers want on-pack information about packaging sustainability.

FSC-certified packaging helps to show consumers that an organisation is committed to ensuring that materials are responsibly sourced. We are the most credible forest certification system, with 80% of consumers surveyed



<sup>1</sup> European Consumer Packaging Perceptions study, Pro Carton, 2018

<sup>2</sup> Differentiating the FSC brand B2B segmentation and brand positioning research conducted by B2B International on behalf of FSC International, 2016

<sup>3</sup> Consumer survey carried out by Kantar via OnLine Bus on behalf of FSC UK, 2020

agreeing that FSC is the market leader in forest certification,<sup>2</sup> and 82% of shoppers in the UK preferring to choose a product bearing the FSC label than one without.<sup>3</sup>

In 2020 we once again exhibited at Packaging Innovations at the NEC in Birmingham. We produced promotional plaques, highlighting both companies' FSC certification and FSC UK's presence at the show, which were

distributed to more than 40 FSC-certified exhibitors. An updated version of our sector-specific publication *FSC in Packaging* was made available to stand visitors and FSC UK presented on the Ecopack seminar stage. Our new video, *Is your packaging forest-friendly?*, which was launched at the event, showcases the benefits of sourcing and purchasing FSC-certified packaging, to help ensure *Forests For All Forever*.

### Packaging providers, DS Smith, become members of FSC

DS Smith Plc (FSC®N002933), a leading provider of sustainable packaging, joined FSC as international members, based in the UK, in 2019.

Most packaging and paper products manufactured by DS Smith are made using recycled fibres, collected by their Recycling Division and recycled at their network of paper mills. They also purchase recycled and virgin papers from external suppliers, looking to buy from sustainable sources and support certification as per the DS Smith Fibre Sourcing Policy. 100% of DS Smith sites in Europe are chain of custody certified and can supply chain of custody certified packaging. Many of DS Smith's customers have publicly committed to zero deforestation by 2020, supported by the actions of their supplier. DS Smith remains committed to supporting initiatives that promote forest management and chain of custody, and ensuring, through traceable and transparent supply chains, that any virgin fibres in their products originate from well-managed forests or

other controlled sources. DS Smith have chosen to select the FSC scheme across the majority of their operations.

Sam Jones, Sustainability Strategy Manager at DS Smith commented, "Chain of custody certification schemes have value where they credibly substantiate a sustainable product story to a consumer, usually through data and supply chain traceability and transparency. There is still work to be done and certification schemes like the FSC need to continually evolve to make use of the best methodology and technologies for collecting, analysing and sharing supply chain data.

Jeremy Harrison, Chief Marketing Officer at FSC International commented, "We recognise that we cannot solve complex environmental issues on our own. Collaboration with stakeholders – including with businesses like DS Smith – is crucial in continuing to develop the effectiveness of certification. Collaboration drives the innovation required to improve our system and continue to create value for the end consumer, communities and the environment."



## TOGETHER FOR FORESTS:

### launch of FSC zoos and aquariums project



©Shepreth Wildlife Park

In late 2019 we attended the British & Irish Association of Zoos and Aquariums (BIAZA) education conference where we launched the UK's *Together for Forests* project, supporting BIAZA members to source sustainably and encourage their visitors to do the same.

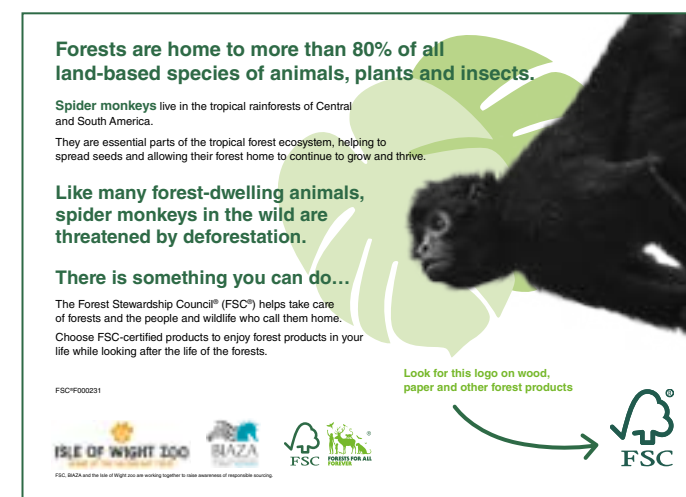
Modern zoos and aquariums provide a place to see animals from around the world and a great day out. They are also engaged in conserving the natural world and educating and inspiring their visitors to do the same.

Inspiring people to help conserve the natural world is in fact one of the four strands of BIAZA's mission. In recognition of this and the synergies between our organisations, in 2018 we signed a memorandum of understanding to recognise the mutual interests of the two organisations in terms of improving sustainable operations, maximising opportunities for increased awareness and education

surrounding sustainability and creating a basis for mutual collaboration and establish areas for co-operation.

We also know that there are already quite a few sites that use FSC-certified and labelled materials and some that promote FSC to their visitors. However, promotion was found to be inconsistent and when surveyed, many BIAZA members either stated that they did not have a responsible purchasing policy or that its implementation was inconsistent.

And so, we created a project to work with BIAZA and their members to ensure that they understand FSC and can confidently and correctly specify and procure FSC-certified materials. We want to encourage BIAZA members to have the FSC label applied to their printed materials and explore the ways we can work together to encourage visitors to be aware of and choose FSC-certified products.



We created a pack of resources for BIAZA members to help them use and promote FSC. The pack contains information on FSC, procurement policies, buying and printing on FSC-certified materials, promoting FSC, using the FSC trademarks and pledging to support forests. The pack also contains information on a range of promotional resources available both online and by post from FSC UK.

In the summer of 2019, we trialed some promotional initiatives at two BIAZA member's sites. When we visited Shepreth Wildlife Park near Cambridge we identified that an old vivarium used for displays would work perfectly to display FSC-certified products and educate visitors about FSC. We secured donations of a selection of forest-themed, FSC-certified toys from FSC certificate holders BRIO (FSC®C133361) and Ravensburger (FSC®C111262) and these were artfully arranged by the team at the zoo. We also supplied information to aid the creation of an accompanying sign explaining FSC.

At the Isle of Wight Zoo we designed and financed the manufacture and installation of two physical signs. One sits outside the spider monkeys enclosure and informs readers a little about spider monkeys, the threat that

deforestation poses to their natural habitat and the choice of FSC forest products that can help to protect forests. The other is sited outside the lemur enclosure and allows visitors to interact with the sign and pose as a lemur, in addition to informing them about FSC, hopefully taking the odd selfie as they do. Tracy Dove, Education and Conservation Manager says that the team love them and use them in their presentations.

In 2020 we will be distributing the *Together for Forests* packs to BIAZA members. We will also be on hand to support and advise. We would like to work with a further 3 to 6 sites in the short term to situate bespoke FSC signs, designed to support the information and interpretation requirements of the zoo whilst also spreading the FSC message.



©Landmark and Farm Signs

Working *Together for Forests* we can help to make sure that people are not only aware of the plight of the world's forests, home to 80% of the world's terrestrial biodiversity, but also how they can take tangible action to protect them.

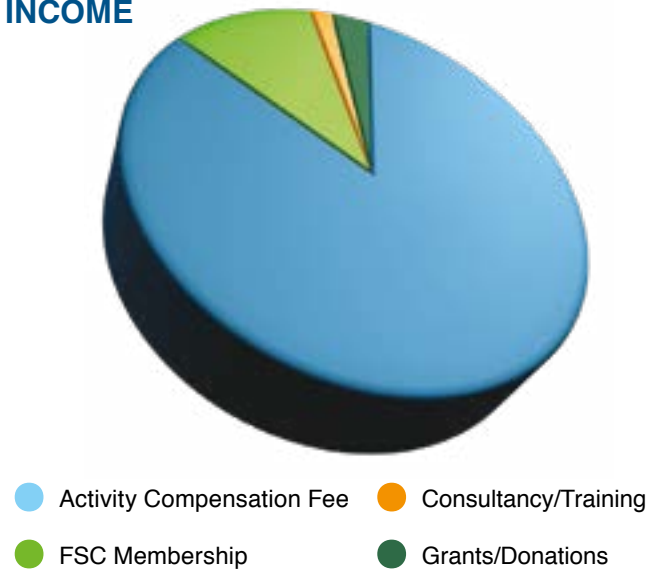


# FINANCE

## Income

Over the financial year under review income exceeded expenditure by £26,800. We began the year with an opening balance from the previous period of £788,082 and have ended with a carry forward of £814,882. It should be noted that this carry forward figure includes the reserves fund of over £246,000.

### INCOME



Membership revenue reduced slightly, providing £49,484 of income during the reporting period. However, most of the 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.

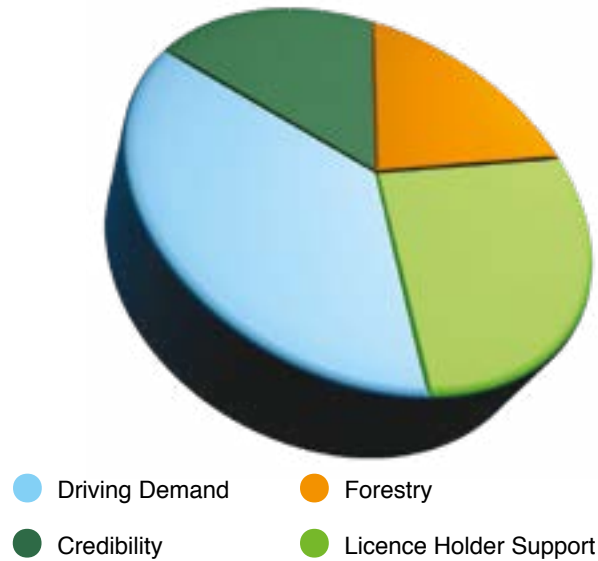
## Expenditure

Expenditure was lower this year compared with last (£399,340 compared with £417,307).

## Reserves Policy

The Steering Group considers the charity's requirements for reserves in light of the main risks to the organisation. A policy had previously been established whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be equivalent to 3 months' of expenditure. In 2015 it was agreed that this policy should be extended to 6 months' of expenditure. At the end of the reporting period over £246,000 was held in reserve.

### EXPENDITURE



The reserves are needed to meet the working capital requirements of the charity and, in the worse-case scenario, to cover the cost of closing the charity. 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 trustees also wish to ensure that the estimated cost of closing the charity does not exceed 50% of reserves.

# UK MEMBERS

FSC is a democratic organisation governed by its members. Members apply to join one of three chambers: environmental, social or economic. There are 1,158 FSC members in 89 countries.\*



## Environmental Chamber

- Born Free Foundation
- Fauna and Flora International
- Dr Florin Ioras (individual)
- Steve Jennings (individual)
- Jon Kirkpatrick (individual)
- Meriel Robson (individual)
- Hannah Scrase (individual)
- Soil Association
- The Woodland Trust
- WWF UK
- Zoological Society of London

## Social Chamber

- Dr Marcus Colchester (individual)
- Fair Rubber e.v.
- Hubert Kwisthout (individual)
- Llais y Goedwig
- Constance Lynn McDermott (individual)
- The National Trust
- Ben Vickers (individual)

## Economic Chamber

- Mike Bekin (individual)
- Stephanie Bishop (individual)
- BlueLine Office Furniture
- BM TRADA
- Boots the Chemist
- Bound Oak Ltd
- Confederation of Forest Industries (CONFOR)
- DS Smith plc
- The Forest Company
- Hubertus van Hensbergen (individual)
- Home and Leisure International Ltd
- HSBC Holdings plc
- Kingfisher plc
- Kronospan Ltd
- Lend Lease Europe
- Mondi plc
- Soil Association Certification Ltd
- Timber Trade Federation

\*Correct as of 31 March 2020





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