Making the Most of the Forest.

This brochure is a snapshot of Forest Stewardship Council (FSC) certification success in some Eastern European countries and Asian Russia.

Its message is clear: there is increasing demand from buyers in Western Europe for FSC certified wood from the East, while a growing number of wood producers, from the River Danube to the Pacific Ocean, are seeking FSC certification.

At the start of the 21st century Forest Stewardship Council (FSC) certification is a proven tool for meeting the crisis facing the world’s forests and the industry dependent upon them.

It does so by both protecting the forest and rewarding its users with improved prosperity and long term security. There is no country on earth that can allow the wealth of its forests to be squandered. FSC certification is the viable alternative.
Foreword

We would like to congratulate the President and Government of Romania and the World Wide Fund for Nature (WWF) for their commitment to the future of the Danube-Carpathian Region, by initiating the Bucharest Summit on Environment and Sustainable Development with the participation and support of all Heads of State of the region.

The goal of the Summit is to reach across borders and win support for development in the region that makes use of its valuable natural resources without damage to its environment. The Danube River Basin and Carpathian Mountains are a vital freshwater catchment area and contain the last great expanses of old growth forest in Central Europe, harbouring Europe’s largest population of brown bear, wolf and lynx.

Together with other great forests in Eastern Europe, the future of this remarkable natural heritage is at a crossroads. At stake is not only remarkable natural diversity, but also rich human cultures that have developed in harmony with judicious use of the forests and their resources.

Consumers are eager to maintain these values by purchasing wood products that are sourced from well managed forests. In fact, there is a huge potential in Eastern Europe for the development of partnerships between companies such as IKEA and producers of wood from forests that are operated in an environmentally responsible way, that provide social benefit and that are economically viable.

Encouraging better forest use not only meets IKEA’s environmental concerns; it is common sense for a company where 70 per cent of its raw material is wood fibre. IKEA does not accept from its suppliers wood that comes from intact natural forests, or forests of high conservation value unless independently verified as coming from well managed sources; i.e., forests certified according to a standard recognised by IKEA.

IKEA’s long term goal is to source all wood in the IKEA range from verified well-managed forests, i.e. forests certified according to a forest management standard recognised by IKEA. Currently, Forest Stewardship Council (FSC) is the only certification scheme fulfilling IKEA’s long term goal. IKEA already purchases FSC certified forest products from several Eastern European countries and is eager to identify additional sources.

At present only a small percentage of the world’s forests are FSC certified. The change-over to certified forests will take time. IKEA hopes that the Bucharest Summit will represent a significant step towards further FSC certification in the forests of Eastern Europe and help meet IKEA’s long-term objective of sourcing all wood in the IKEA range from verified, well-managed forests.

Gudmund Vollbrecht
Forest Manager IKEA
What is the FSC?

The Forest Stewardship Council (FSC) is an international non governmental organization that promotes responsible forestry, respecting ecological and social values while remaining economically viable. The organization has more than 517 members in more than 59 countries and was founded by forest owners, timber industries, social groups and environmental organizations.

Membership is divided into three chambers, social, ecological and economic, each with equal voting power.

The FSC has adopted 10 global principles and criteria for responsible forestry, upon which national forestry standards are developed.

What is Certification?

The FSC accredits independent certifiers who verify that management of candidate forests meets a variety of principles and criteria. These include indigenous peoples’ rights; long term economic viability; protection of biodiversity; conservation of ancient natural woodland; and long term responsible management. Certification is followed up by regular monitoring.

What is Chain of Custody?

Chain of Custody (CoC) is the process that traces wood or fibre from a certified forest to the labeled product, establishing the claim on the final product that it comes from a certified forest.

FSC and the Forest and Trade Network

Since it was established in 1993 the global success story of the FSC has in part been driven by the support of over 700 companies in 35 countries in the Global Forest and Trade Network. The annual trade of these companies exceeds $180 billion. They include giants such as IKEA, North America’s Home Depot, the UK’s B&Q chain, OBI in Germany, Castorama in France. Their aim is to develop FSC certification of forests and forest products to ensure responsible forest management.

There are now 15 Forest and Trade Networks in Oceania, Austria, Belgium, Italy, Brazil, France, Germany, Ireland, the Netherlands, the Nordic countries, North America, Russia, Spain, Switzerland, and the UK. All the companies making statements in these pages are members of Forest and Trade Networks.

Consumer Confidence in the FSC

FSC has won respect as a global, independent, non profit, non governmental international benchmark for assurance that the products bearing its label have been produced without forest destruction.

Over 23 million hectares of forest in 48 countries have been certified by the FSC since its foundation.

The destruction of earth’s forests has been so extensive that only half of the original cover is left and its future remains uncertain, threatened by clearance, fires and illegal logging.

Consumers, however, are not standing idly by. Alarmed by knowledge of forest decline they are increasingly demanding assurance that the wood products they purchase are from responsibly managed forests.

The credibility of the FSC label satisfies public concern as well as offering the businesses that qualify to display it competitive advantages.
FSC Certification of Romania’s Forests Will Satisfy Western Buyer Demand

FSC certification of Romania’s more than six million hectares of forest, its great stands of beech, the oak woodlands on its plains and highland conifers, is eagerly anticipated by markets in Western Europe.

Among companies waiting at the gate are Netherlands based Sardius B.V and Hendrik Trading, whose owner, Henk Elders, has been importing Romanian wood since 1986.

Elders wants to continue buying from Romania. But in order to satisfy the increasing demand for FSC products he is having to turn to other Eastern European countries whose forests are FSC certified.

“We would be happy if FSC certified wood was available from Romania,” says Elders, whose two companies provide wood products from Eastern Europe to home improvement retail chains in Holland and Germany.

“I would rather switch tomorrow to Romania than next week,” says Elders, whose companies together have an annual turnover of $15 million.

He believes that buyer demand in Western Europe is swinging increasingly in favour of FSC certified products and will soon dictate that it is the only wood product acceptable in the big home improvement market.

“I would rather switch tomorrow to Romania”

The announcement of the National Forest Administration (NFA) in November 2001 – that it will apply to FSC certify 1 million hectares of forest in the next 2 years – is a long anticipated signal which confirms that this point is not lost on Romania. FSC certification will ensure that Romania has access to a rapidly growing market offering long term security.

Romania’s forest sector is assisted on its path toward certification by the Working Group for Forest Certification at the Transilvania University of Brasov.

Romania’s Most Important Consideration is the Market

For a country in economic transition, such as Romania, the most important consideration is the market, and the market demand is for FSC certified wood, according to Ioan Abrudan, a member of the working group.

At present, a significant amount of Romania’s forest products is exported to the Middle East and China.

“But with FSC certification we can export to western markets where we will obtain higher prices,” predicts Abrudan.

As part of the Global Environmental Facility (GEF) funding for biodiversity conservation management Romania has been provided assistance to initiate FSC certification of its forests and a pilot area of 32,000 hectares has already been pre-assessed in June 2001 by Soil Association Woodmark.

Romania’s forests are about to undergo a major transition, as a significant part of the state owned forests are returned to private ownership, in a process known as restitution. Fears have been raised about the future of the forests and their management.

However, Abrudan believes that FSC certification could provide the incentive for them to be managed sustainably because of the financial rewards and market access that certified wood offers.

Winter in Piatra Craiului Natural Park

Romanian forests shelter more than 5,000 brown bears

Total Forest Area in Romania
6.3 million hectares, or 27 per cent of the country. Seventy per cent of the forest is broadleaf, of which 32 per cent is beech and 18 per cent oak. The balance of the forest in coniferous growth includes Norway Spruce, 21 per cent and Silver Fir 5 per cent.
Russia, with more trees than any other country on Earth and home to the planet’s greatest contiguous forests, the snow forests of Siberia, has been the focus of intense international concern about the future of its timber resources.

In the Russian Far East there have been documented reports about illegal logging, and wasteful and environmentally damaging practices threatening the forests’ future and the species they support, such as the Siberian tiger and Amur leopard.

However, at the beginning of 2001 significant steps towards FSC certification of millions of hectares of Russian forest are underway.

**Two Million Hectares in 2001**

According to Yuri Kukuyev, head of Russia’s forest service and First Deputy Minister of Natural Resources, more than two million hectares of forest will be certified in 2001.

The State Forestry Service announced that 10 large holdings, including the Arkhangelsk pulp and paper mill, Volga Vologdalesprom and Bratskko komplektk holding have announced they have begun FSC certification.

The absence of certification of its forests and industrial wood processes is bringing Russia great material harm, Kukuyev told the Interfax Russian News agency. Experts in his ministry estimate that Russia is losing from $700 to $800 million each year because the price of Russian wood on the world market is 20 to 30 per cent lower than wood from other countries.

The first Russian FSC certificate was awarded the trading group Pricebatch (Altai UK) Ltd, and Kosikhinsky Leskhoz Forest Unit, in March of 2000, to manage and process wood from 32,800 hectares of forest in the Altai region in the south of Siberia.

The companies’ major customer is The Body Shop. But Pricebatch says that demand is such that the sale of certified Altai wood could be doubled. Further FSC certification of forest in the vast mountainous region of Altai Sayan, home to a number of endangered species, but plagued by illegal logging, has been announced by Pricebatch.

The logging industry in the Far East of Russia is also taking steps to better manage and protect forest resources. A club for responsible forest management has been formed in the region in partnership with WWF Russia. Among its members is the biggest logging and wood processor in the Far East of Russia, the company, Terney Les. In addition, Terney Les has announced that it will start FSC certification of its forest management at the end of 2001.

**Second Certification**

In late December, 2000, the Arkhangelsk division of Holz-Dammers Moers Gmbh, in the north west of Russia, became the second forest operation in Russia to win FSC certification of 230,000 hectares of forest and sawmills.

The German based Dammers group produces glued wood panels and other glued products and is a major supplier of OBI and Praktiker, the German based pan-European home improvement chains. OBI is also a member of the

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**Benefits of FSC Certification in Russia**

FSC certification in Altai has provided not only economic and environmental benefits: working with local authorities the certified forests operators are providing financial and technical assistance to boarding houses, orphanages, schools and hospitals. Preference is also given to hiring local workers.
German Forest and Trade Network (Gruppe ‘98) as well as the FSC working group and FSC International.

“Dammers decided to start FSC certification because of market demand and the position of our buyers,” said Josef Rombs, Dammers’ general director, in Arkhangelsk.

“Our company has invested significant amounts of money and effort to improve forest management and we expect that our expenditure will be profitable.”

The Arkhangelsk Oblast (region) is Russia’s second forest products exporter with good access to European markets. Governor Anatoly Efremov of Archangelsk has endorsed a forest industry development programme that includes FSC certification of 5.2 million hectares of forest by 2005.

The number of companies in the Arkhangelsk Oblast interested in certification is “surprisingly high”, says Arkady Orlov, coordinator of the Arkhangelsk FSC group.

Total Forest Area in Russia
763 million hectares out of a territory of 1,708 million hectares. In 1999 Russia exported wood products valued at $3.3 billion.

Breaking the Ice – Pioneer FSC Certification Process in Russian Federation

In 1997 WWF – together with the Swiss Agency of Development and Co-operation – took the first steps towards FSC certification of Russian forests by initiating a project in the Komi Republic, northwest of the Ural mountains.

Test certification of the 800,000 hectare Priluzje Model Forest has been undertaken in the Autumn of 1999.

In November 2001, Komi has drawn closer to the goal of establishing an example for sustainable boreal forest management with a draft set of regional standards. Przemyslaw Majewski, Project leader of Komi, says that “there is a realistic chance for the standard developed in Komi to become a regional standard for the entire region of the European North of Russia.”

The Model project has also changed the way forests are perceived. For the first time representatives of industry, administration, local population and NGOs discussed together the main problems of forestry in the region and how to address these. The work to create conditions for social and economic development while preserving biodiversity has generated substantial political interest and support from the Republican Government.

V. A. Grachev, Head of Russia’s Parliament, the Duma, is encouraging Russia’s governors and forest industry committees to seek FSC certification of forests. Meanwhile, Syktyvkar Forest Enterprise, the “Komi giant in wood processing” declared publicly to work towards FSC certification of its logging companies in Komi.

G8 Pledges to Halt Illegal Logging Promote Responsible Forestry

The leaders of the Group of Eight (G8), the USA, Canada, Germany, UK, Italy, Japan, France and Russia, say they are opposed to illegal logging and want to promote responsible forestry. Together, the countries consume more than half the world’s wood and paper.

At the August, 2000, Okinawa G8 summit they declared that they will “examine” how best to combat illegal logging, “including export and procurement practices.”

Illegal logging and destructive practices remain a grave threat to the future of the world’s forests, which are vital to maintaining biodiversity and act as a sink for the gases causing climate change.

In August, 2000, the UK government became the first G8 member to honour the commitment by putting in place binding rules for its agencies and departments to purchase only wood from sustainable and legal sources.
Hungary began the process of FSC certification in its forest industry in 2000 when the operators of a large state owned forest won certification and a major saw mill made a commitment to FSC certification.

In December, 2000, the company NYIRERDO Rt., which operates 60,720 hectares of state owned forest in the east of Hungary, obtained an FSC certificate. The NYIRERDO certificate declares that the company operates the mixed forest in compliance with the conservation, social and economic requirements of the Forest Stewardship Council. “Sustainable forest management has been the primary goal of the foresters of NYIRERDO for decades,” said Gabor Kovacs, director general of the company.

**Market Strength**

“This certificate recognizes our efforts in this direction. We hope that our FSC certification will strengthen our current market position and perhaps it will open up new markets for us.”

Demand for FSC certified wood from Hungary has been expressed in Holland and the UK.

ERDERT, a former state owned wood processing and trading company, in February 2000, began Chain of Custody certification at its largest processing site in the east of Hungary. Its decision was rewarded with an order worth nearly $1.5 million for finished timber from Scottish Woodlands Ltd., the company that undertook the steps for ERDERT to qualify for certification.

To win the order ERDERT had to agree to achieve Chain of Custody within eight to 12 months. It will supply finished timber products, such as cladding to the UK retail market.

Scottish Woodlands, one of the first UK companies to achieve FSC certification and among the largest in the UK private sector, said that “ERDERT’s significant increase in the volume of exports is based on the commitment to undergo FSC certification”.

While demand for FSC certified wood exceeds supply, some buyers may be willing to start buying from a source that is in the process of becoming FSC certified, says Scottish Woodlands.

“Clearly this commitment must be documented, and it must include a detailed program of activities against set deadlines”, Scottish Woodlands says.

**Total Forest Area in Hungary**

1.76 million hectares, 18.9 per cent of the country; one of the lowest ratios in Europe. State ownership of the forest is expected to remain at about 60 per cent.
The operators of Latvia’s state owned forests and its 160,000 private forest owners have started implementing FSC certification of the country’s 2.9 million hectares of forest.

Market demand for FSC certified wood, particularly from the United Kingdom, is quickening the pace of certification.

Five months after the company Latvijas valsts mezi (LVM), early in 2000, took over management of 1.4 million hectares of state forest, it announced that it wanted to certify half of it within two years and the rest as soon as possible.

By October 2001 203,000 hectares have been certified. Riga municipality has also set a signal for sustainability with certification for 65,766 hectares of its forests.

Small Owners

The first steps toward certification of Latvia’s private forest properties were hailed as “great news for UK companies sourcing FSC timber”, by FSC-UK Director Anna Jenkins.

The Latvia Forest Owners Consultative Centre was set up to allow small property owners to jointly apply for certification at an affordable cost.

In late March, 2001, ten private owners of 2,400 hectares of forest and four sawmills, represented by the company Forest 2000, became the first group of suppliers and producers to simultaneously win group certification.

British use of Latvian wood dates back to the 18th century when the masts of HMS Victory, the flagship of Admiral Horatio Nelson, were made of Riga pine.

Because of its commitment to FSC certification the British wood products company, Grange Fencing, is underwriting the cost of certifying its most important Latvian suppliers.

Latvia’s main export market for timber is Europe and over 40 per cent of it is exported to the UK as sawn timber, plywood and wood based panels, making Latvia the third largest supplier of wood to the UK.

But Latvia has also stepped up their own production efforts with FSC products. The biggest Latvian veneer company Latvijas Finieris has begun mid 2001 to produce goods from FSC certified wood for local as well as international markets.

The first FSC Chain of Custody certificate was awarded to Mebejlu Platnes, a company producing laminated pine boards, at the end of 1999. By October 2001 the number of Chain of Custody certificates issued have risen to 16.

Total Forest Area in Latvia
2.9 million hectares, or 44 per cent of the territory of Latvia, the largest forests among Baltic states.
State ownership accounts for 53 per cent of the forest and 40 per cent is divided into 160,000 private properties each averaging about 8 hectares; 4 per cent is community owned and 3 per cent is in other forms of ownership.

“We have been purchasing timber from Latvia and Estonia for approximately 8 years, having been attracted by competitive prices. However, the lack of FSC certification in those countries has caused us to divert some of these purchases to Poland and the UK, countries where good progress towards FSC certification has been made. We have done this despite the cost advantages of trading with the Baltic countries. We would be very interested in any FSC developments elsewhere in Eastern Europe.”

Duncan Hill, Managing Director, Grange Fencing/UK
FSC in Estonia

Within a year of winning Estonia’s first FSC certificate for his small forest, Lembit Laks says the cost of certification will have paid for itself.

Environmental concern and a commitment to forest management methods close to nature led Laks to seek certification of the 15 separate blocks that make up his 387 hectare forest.

But certification allowed the Laks forest to take advantage of the significant demand for FSC certified wood in Estonia and the decision has been a resounding business success.

As it becomes more available demand is expected to soar for FSC certified wood from Estonia’s forests.

Throughout Eastern Europe the pace of FSC certification is accelerating, says Peter Feilberg, Baltic countries representative of the non-profit SmartWood organisation, the world’s largest forest certification body accredited by the FSC to certify good forest management worldwide.

SmartWood certified the Laks forest and Feilberg described it as a model for integrating long-term economically profitable forestry without compromising ecological and social concerns.

Lembit Laks says he also hopes that certification will be a means of slowing down, or halting, illegal logging and highly unsustainable forest management that presently takes place in the region.

Estonia has made formal acknowledgement of the importance of environmentally responsible forest management in its Forestry Development Programme (FDP), which gives priority to development of a forest certification system.

Market intelligence in Estonia is that there is already a monthly demand for 25,000 to 30,000 cubic meters of certified round wood and the demand will rise with availability.

**Total Forest Area in Estonia**
2.14 million hectares, or 49 per cent of the territory of Estonia.
State ownership accounts for 40 per cent of the forest, or about 800,000 hectares. The state forest service is seeking FSC certification of all of it.
There are 40,000 private forest owners in Estonia.
Development of certification of significant amounts of Estonia’s forest is underway.
The first Slovakian products made of FSC certified wood are expected to be on the shelves of retail businesses in Western Europe by the end of 2001. “Slovakia and other Eastern Europe forest producers could gain considerable market share if they become FSC certified” says Andrew Leslie, European Manager of Scottish Woodlands Ltd. “There’s a wide gap between availability of FSC certified Eastern European wood and the growing demand for it in the big markets of Western Europe.”

Early in 2001 Scottish Woodlands signed an agreement with Slovakia’s state forest administration to assist FSC certification on one state forest district of 48,000 hectares, 10 sawmills and a kitchen furniture manufacturer.

FSC Opens Doors

The FSC certification is a practical pilot project to allow the government to evaluate its cost benefits and demonstrate that management of Slovakian forests meets the highest international standards, says Leslie.

The steps to FSC certification will open the doors for Slovakian timber processors to new markets in the UK, Holland and Belgium, for kitchen worktops, flat pack furniture and semi-finished timber that will be produced under the project.

FSC certification of forest and processors will also enable Slovak forest owners, saw mill operators and secondary manufacturers to enter and capture new markets in the UK, says Leslie.

As a candidate for membership in the European Union FSC forest certification also satisfies criteria for sustainability and strengthens Slovakia’s accession bid. During Slovakia’s transition into a market economy FSC certification provides an independent review by which to determine that state forests remain protected and well managed. “This is a means to ensure that the forests of tomorrow mirror the results from the long history of responsible forest management in Slovakia,” Leslie said.

Total Forest Area in Slovakia
1.9 million hectares, or 41 per cent of the territory of Slovakia.
State ownership accounts for 43 per cent; other forms of ownership: municipalities, 18 per cent; church, 9 per cent; shared ownership, 9 per cent; private estate, 17 per cent; other and unknown, 4 per cent.

FSC in Slovakia
Slovakian FSC Wood Goes to Market

The Ural owl, Strix uralensis, endangered or extinct throughout Central Europe, but still found in dense natural forest in Slovakia

Fuel wood use – FSC certification takes local needs into account

Shining beauty – winter’s halo clads trees

Slovakia’s beech forests
Poland is the leader in Eastern Europe in having more FSC certified forest than any other nation and it is second only to Sweden on the global certification ladder. Major European corporations, such as Sweden’s IKEA and the Swiss based Krono group have become important buyers of Polish FSC certified forest products, establishing demand that is driving the process of certification.

The success of FSC certification in Poland is also benefiting businesses not traditionally associated with the forest industry. For 24 years, Firma Gorgol, a small company in central Poland owned by Ireneusz Gorgol, has been making hair care products, brushes, rollers, combs and other products from wood. In 1998 a client in Germany offered Firma Gorgol a “lucrative” contract if it would manufacture products from FSC certified wood. Today the company has 200 full time employees and all its wood products are made from FSC certified wood, mostly beech. “In fact 90 per cent of the fancy wood articles we produce, such as coasters for beer glasses and wine racks are the result of being able to offer products made from FSC certified wood,” says Ireneusz Gorgol. “It is a very nice gift from the FSC. It makes us happy each time there is another order from abroad for FSC wood products. After the first shock my employees have developed more and more respect for FSC certified wood as our only raw material.”

Endowed with a wealth of biodiversity Poland’s forests are among its great natural assets and their management, by well organized and trained state foresters, is considered to be at a relatively high level.

There is also a trend towards ecological forestry in the management of state forests, which account for nearly 80 per cent of Poland’s 8.8 million hectares of forest.

Poland’s Minister of the Environment, Antoni Tokarczuk, says that development of certification by environmental NGOs provides a useful tool, despite problems with international and domestic initiatives to promote sustainable forest management.

Kronopol, an arm of the Swiss based Krono Group, says that FSC certification is fulfilling its ecological policy of establishing long term economic success in an environmentally and sustainable way.

FSC certification also meets Kronopol’s commitment to environmentally conscious customers that the raw material in its products is from forests in which "High FSC standards guarantee ecological integrity, strengthen social benefits and ensure the economic value of forests are maintained."

from Kronopol company statement

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Charcoal briquettes

Gorgol hair care products

Dead wood, a characteristic of FSC certified forests support biodiversity

The bison – symbol of Poland’s wealthy natural heritage
biodiversity, productivity and ecological processes are maintained, the company says.

Kronopol is one of the world’s leading producers of wood panels and also manufactures laminated boards, flooring and furniture components.

**Total Forest Area in Poland**
8.8 million hectares, or 27.9 per cent of the territory of Poland. 78.4 per cent is state owned and the remainder mostly privately owned. The goal of Poland’s foresters is to increase to 30 per cent the amount of forested land.

Total forest area FSC certified: 4 million hectares, second in the world to Sweden, which has 10 million hectares of certified forest. Experts suggest that all of Poland’s state forests could be certified to international standards.

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**Ukraine – FSC wins support**

The Ukraine Carpathians have lost more than half their timber cover and across extensive parts of the region natural forest has been replaced by plantation monoculture.

The impact of the forest loss is among the underlying causes for catastrophic floods, mudslides and landslides, says Fedir Hamor, director of the Carpathian Biosphere Reserve.

Hamor says that FSC forest certification provides an incentive for introducing technologies that protect the ecological health of the forests and the biological diversity of the Carpathians while elevating the role of communities in developing strategies for its sustainable development.

Although the concept of forest certification is relatively new to the region it has won support from local authorities and communities since its introduction by environmental NGOs, in particular the Ecoclub Carpathians, Hamor claims.

He says that it is also important for nature protection and forest authorities to recognize the initiative as an effective means for restoring the ecological balance and ensuring the future needs of society for wood.

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**“Forest certification will be an incentive for restoring the Ukraine Carpathians’ ecological balance.”**

*Fedir Hamor, director of the Carpathian biosphere reserve*
Focus Group

“The only (wood certification) scheme that the Focus Group is prepared to market is the FSC. This is to ensure that our customers are not misled by spurious environmental claims. Thereby the only scheme that can support our ideals for good forestry management is that of the FSC which is independently certified and has the full support of environmental non government organizations (NGOs).”

The Focus Group is a UK based retailer of timber, building supplies, home improvement and garden supplies.

F.W. Mason Ltd.

“Over 80 per cent of the wood used in the production of our timber products is now sourced from FSC certified forests. We are striving to reach 100 per cent in order to satisfy our market and relieve ourselves of the hassle and inefficiency of keeping and accounting for separate stocks and production runs etc.

Our major customers and local authority suppliers are demanding more timber products but sources are still limited.

We urgently need Eastern Europe, with its vast forest resources, to offer us FSC certified timber so that we can satisfy this requirement.”

David Mason,
Chairman and Managing Director,
F.W. Mason/UK

OBI

“We are interested in a global forest certification system which is credible and broadly accepted. FSC is at present the only certification system that fulfills this requirement. If other systems gain acceptance in the environmental community, we will be open to accept these also.

We are gradually changing all of our timber products from uncertified to certified in all product lines including particle wood. To underline our engagement we are members of the German buyers Gruppe’98, as well as the FSC working group and the FSC International”.

OBI Bau leads Germany’s home improvement retail sector with annual sales of about $ 4 billion and is a major player in Europe. It has 336 stores in Germany, and 99 in Austria, Italy, Hungary, the Czech Republic, Poland, Slovenia, Switzerland and China.

Retail Home Improvement Giants Support FSC

Karstadt, Germany’s number one retail chain, with 208 department stores across the nation, has joined Gruppe’98, the German Forest and Trade Network promoting the FSC label.

Karstadt, with annual sales of over $ 6 billion, has made a commitment to purchase timber products only from forests managed in an ecologically sound and socially just manner.

The American Way

America’s number two home improvement retailer, Lowe’s Home Centers, with annual sales of nearly $ 16 billion, has made the FSC the standard for its wood purchasing policy. Home Depot, the US home improvement giant with a turnover of nearly $ 40 billion, has also announced that it favours FSC products in its buying policy.

Carrefour

The Carrefour Group, the second leading global retailer with outlets in 28 countries, has made a commitment to use only FSC certified wood fibre in its paper products.

The company is also extending its FSC requirement to other products, from teak to packaging, tissue, garden furniture and kitchen tools.

The impact of the decision will be felt in Europe first and worldwide by 2005. Carrefour has a presence in Europe, Asia, South America and will also be represented in North Africa.

Carefour says it recognizes FSC certification as a market benchmark. “As a global organization we have to be sensi-
tive towards global environmental problems. Forest management is one of these issues.”

B&Q

“All virgin wood bought by B&Q will come from forests of known location where the supplier has given us sufficient reassurance that the forest is well managed and independently certified as such. Certification must include the ability to trace the wood from the forest to the final processor with certified Chain of Custody.

B&Q recognizes that FSC currently has the best available standards and certification procedures and so will only buy products certified under the FSC scheme. B&Q strongly encourages all schemes and suppliers to work towards achieving FSC certification or mutual recognition.”

B&Q is the UK’s biggest home improvement retail chain with a turnover of about $5 billion. It operates 300 stores in the UK, in Taiwan and China, and owns the Polish home improvement group Nomi and the Koltas chain in Turkey. It was among founders of the FSC who participated in initial discussions in 1991 and 1992.

### Foundation Good Wood

In Holland, FSC certified forest owners, timber importers, retailers and conservation organizations have formed Foundation Good Wood, whose goal is to increase 50 per cent by 2006 the quantity of FSC certified wood available on the Dutch market. A Good Wood study has determined that four million hectares of certified forest will be required to meet the target. In 1999 Holland obtained FSC wood from less than 200,000 certified hectares.

### World Bank-WWF Alliance for forest conservation and sustainable use

In 1997 the World Bank and WWF struck an alliance to increase protection of Earth’s threatened forests and agreed to two important goals:

- the creation of 50 million hectares of new protected forest areas and establishment of 50 million hectares of existing reserves under effective management
- independent certification of 200 million hectares of production forests – 100 million each in the tropical and temperate/boreal zones by 2005.

The World Bank and WWF set the following criteria for determining acceptable certification systems:

- institutionally and politically adapted to local conditions
- goal-oriented and effective in reaching objectives
- acceptable to all involved parties
- performance standards defined at the national level that are compatible with generally accepted principles of sustainable forest management
- objective and measurable criteria
- reliable and independent assessment
- credible to major stakeholder groups, including consumers, producers, conservation NGOs, etc.
- certification decisions free of conflicts of interest from parties with vested interests
- cost-effectiveness
- transparency
- equitable access to all countries

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<th>FSC Certifiers in Europe</th>
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<td>Scientific Certification Systems</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide 1939 Harrison St. Suite 400 Oakland, CA 94612 Phone: +1 510 - 832 - 1415 Fax: +1 510 - 832 - 0359 E-mail: <a href="mailto:lspeare@scs1.com">lspeare@scs1.com</a> Internet: <a href="http://www.scs1.com">http://www.scs1.com</a></td>
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<td>GFA Terra Systems</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide Postfach 670548 22345 Hamburg, Germany Phone: +4940 - 60306100 Fax: +4940 - 60306199 E-mail: <a href="mailto:info@gfa-terra.de">info@gfa-terra.de</a> <a href="mailto:europa@gfa-terra.de">europa@gfa-terra.de</a> Internet: <a href="http://www.gfa-certification.de">http://www.gfa-certification.de</a></td>
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<td>IMO</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide Poststrasse 8 Sulgen, CH-8583, Switzerland Phone: +41 - 071 - 644 - 98 80 Fax: +41 - 071 - 644 - 98 88 Email: <a href="mailto:forest@imo.ch">forest@imo.ch</a> Internet: <a href="http://www.imo.ch">www.imo.ch</a></td>
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<td>SKAL</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide PO Box 384 NL-8000 AJ Zwolle, The Netherlands Phone: +3138 - 4221086 Email: +3138421363 Fax: +3138421363 Email: <a href="mailto:skal@euronet.nl">skal@euronet.nl</a> Internet: <a href="http://www.skal.com">www.skal.com</a></td>
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<td>SGG Qualfor</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide 58 St. Aldates Oxford, OX1 1ST, United Kingdom Phone: +44 - 1865 - 202 - 345 Fax: +44 - 1865 - 790 - 411 E-mail: <a href="mailto:neil.judd@sgs.com">neil.judd@sgs.com</a> Internet: <a href="http://www.sgcquality.org">www.sgcquality.org</a></td>
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<td>Smartwood</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide 17 Timore Road Petersfield, Hampshire GU32 2HJ, UK Tel: +44 - 1730 - 300 - 356 Mobile: +44 - 7936 - 318 - 512 Fax: +44 - 1730 - 300 - 864 Email: <a href="mailto:clowesand@smartwood.org">clowesand@smartwood.org</a> <a href="mailto:international@smartwood.org">international@smartwood.org</a> Internet: <a href="http://www.smartwood.org">www.smartwood.org</a></td>
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<td>Soil Association</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide Bristol House, 40-56 Victoria Street, Bristol BS1 6BY, United Kingdom Phone: 01179252504 Fax: 01179252504 E-mail: <a href="mailto:info@soilassociation.org">info@soilassociation.org</a> Internet: <a href="http://www.soilassociation.org">www.soilassociation.org</a></td>
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<td>ICIRA</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide Via Brade 5 - 20035 Lissoni (MI) - Italy Phone: +39039465239 Fax: +39039453168 E-mail: <a href="mailto:info@icira.org">info@icira.org</a> Internet: <a href="http://www.icira.org">www.icira.org</a></td>
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<td>BM TRADA Certification Ltd.</td>
<td>Accreditation: Forest Management and Chain-of-Custody worldwide Stirling Business Centre, Widegreen Place Stirling, FK8 2ZD, United Kingdom Phone: +44 - 1786 - 450 - 891 Fax: +44 - 1786 - 451 - 087 E-mail: <a href="mailto:enquires@bmtrada.com">enquires@bmtrada.com</a> Internet: <a href="http://www.bmtrada.com">www.bmtrada.com</a></td>
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WWF is the world’s largest and most experienced independent conservation organization. It has 4.7 million regular supporters and a global network active in 96 countries.

WWF’s mission is to stop the degradation of the planet’s natural environment and to build a future in which humans live in harmony with nature, by:

• conserving the world’s biological diversity
• ensuring that the use of renewable natural resources is sustainable
• promoting the reduction of pollution and wasteful consumption.