



FSC – Advancing Sustainable Forest Management through Responsible Investing in Financing Mechanisms WWF – FAST

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A short history

Founded in 1993 in the wake of the 1992 UN Conference on Sustainable Development, by

- concerned business representatives,
- social groups, and
- environmental organizations.

FSC

an independent,
non-governmental
not for profit
multi-stakeholder
organization



FSC was established

to promote

environmentally appropriate,
socially beneficial and
economically viable
management of the
world's forests



It does this through

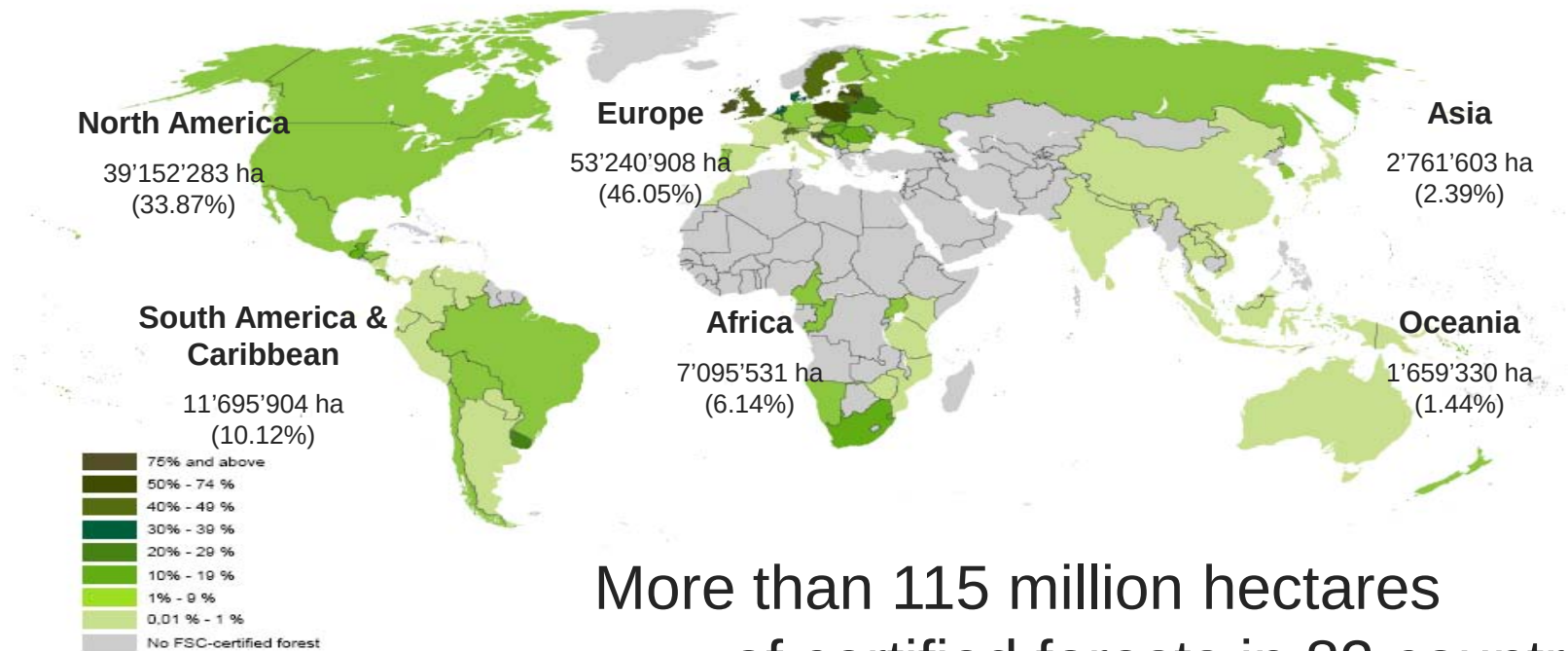
- **Setting standards** that reflect agreed principles for responsible forest management
- An **accreditation/certification system** that monitors adherence to FSC standards
- A **product labelling system** that rewards responsible forest managers.

FSC certification

- Forest management
 - S/Env/Ec certification
 - FSC P&C
- Chain of Custody (CoC)
 - traceability



A truly global system



More than 115 million hectares
of certified forests in 82 countries

Data from 15 September 2009

A truly global system

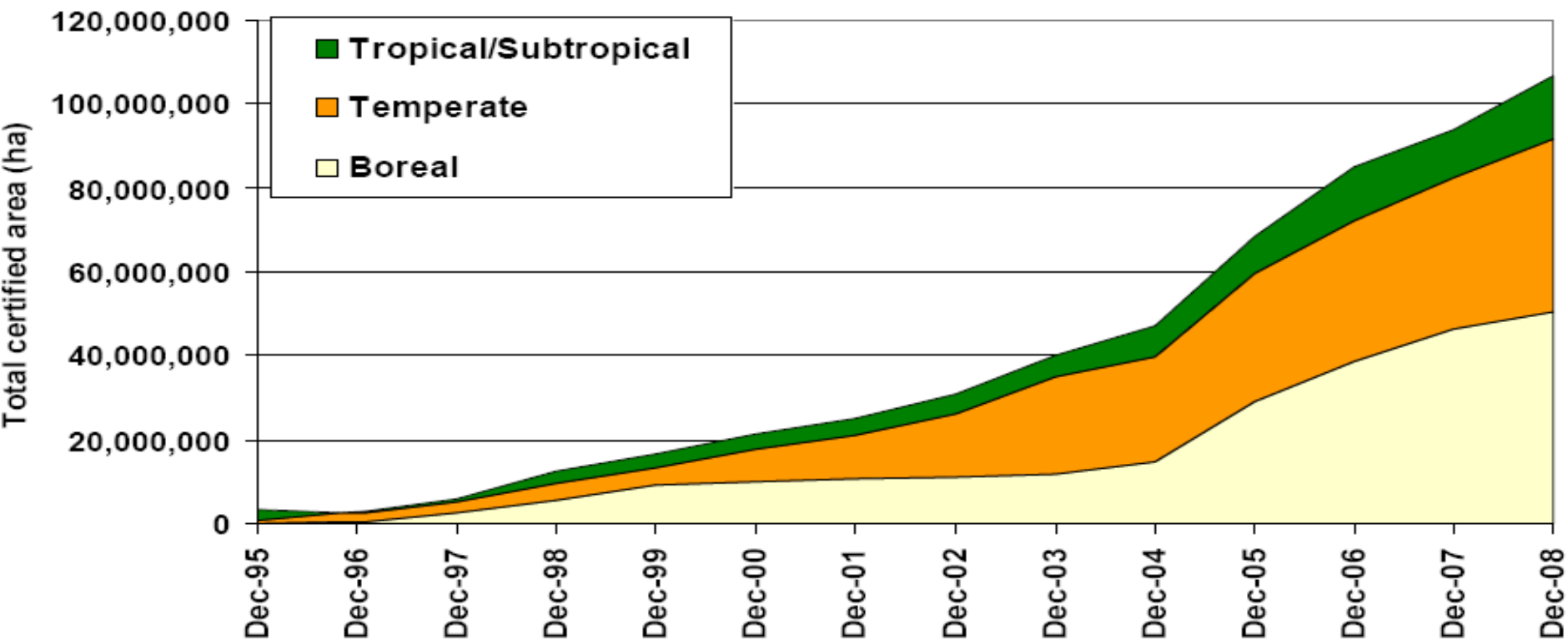
- more than 800 members from over 80 countries
 - more than 15'000 FSC certificate holders in the supply chain in 99 countries
 - a network of strong partners and supporters
- ... around the world!



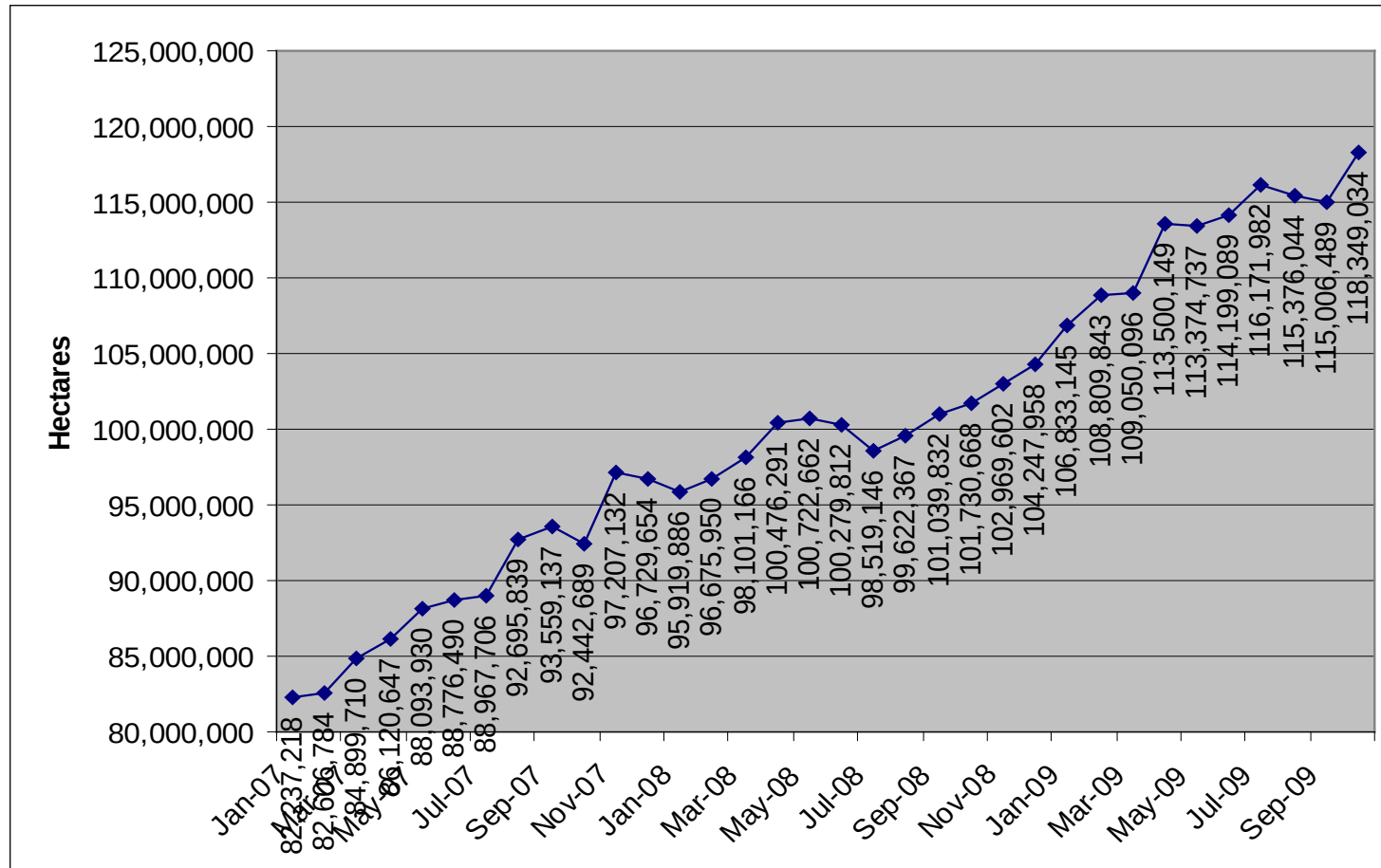
Demonstrated market strength

- 7% of world's productive forest are FSC certified
- Global market for FSC products tops 20 Billion USD and shows continued signs of growth
- FSC supply chain is strengthened with a record growth of 40% in 2007

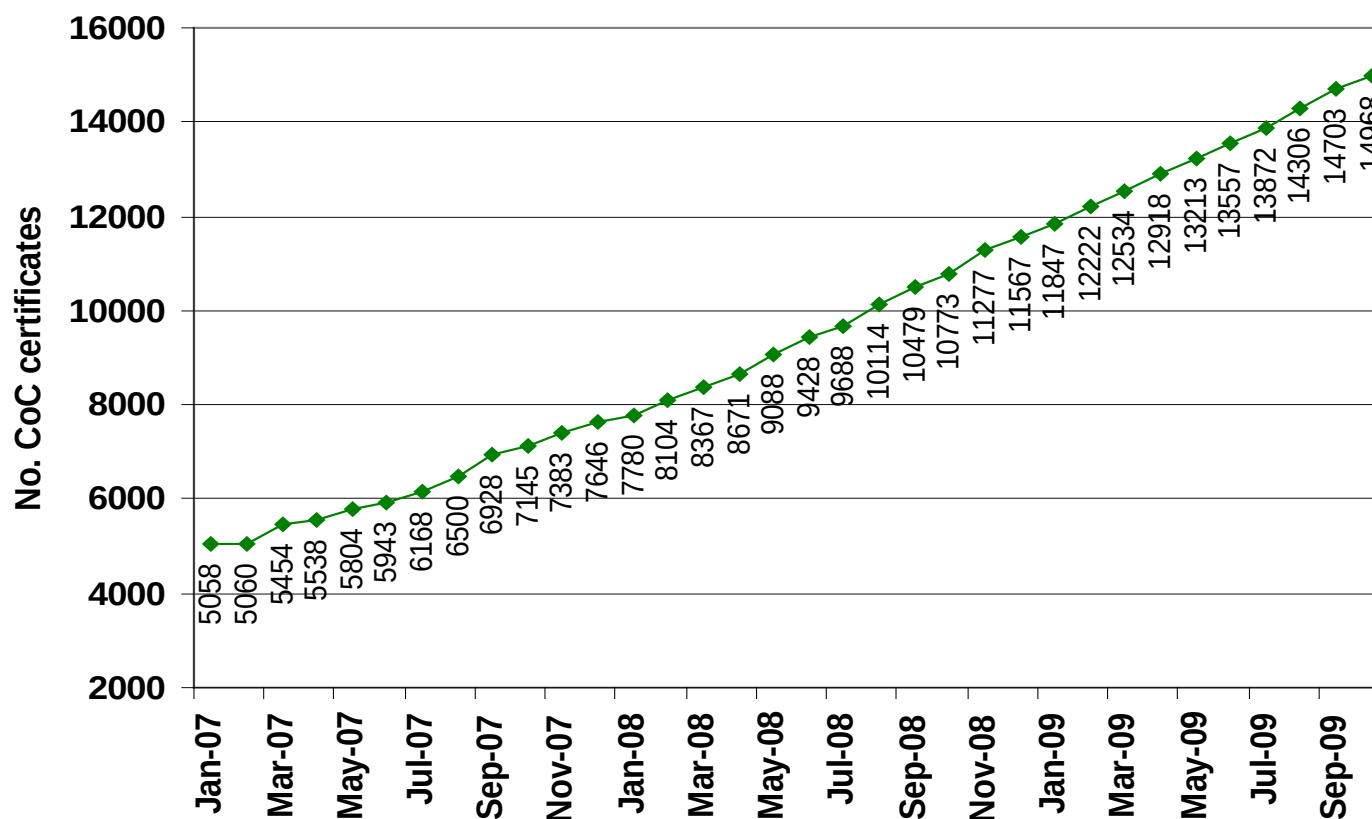
FSC certified forest area growth



Growth of Forest Area - General (ha)

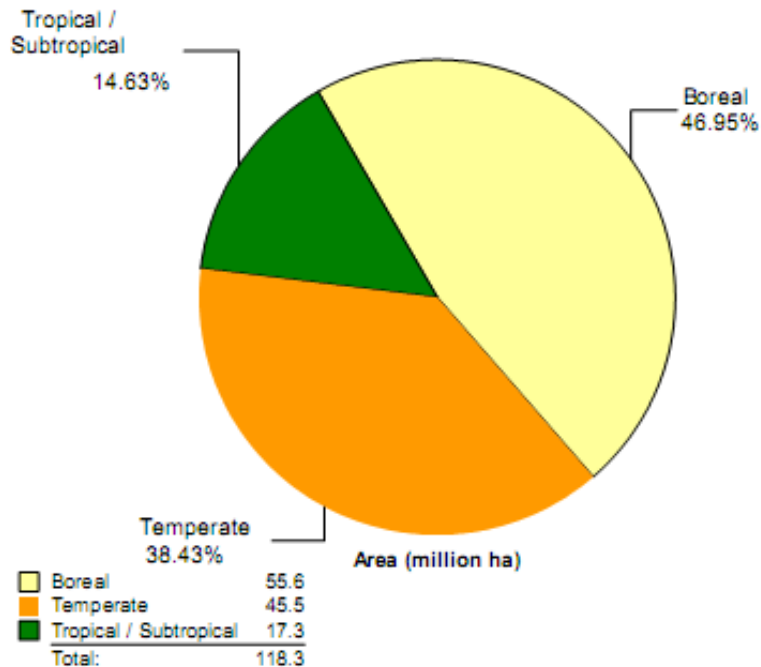


Growth of CoC Certificates

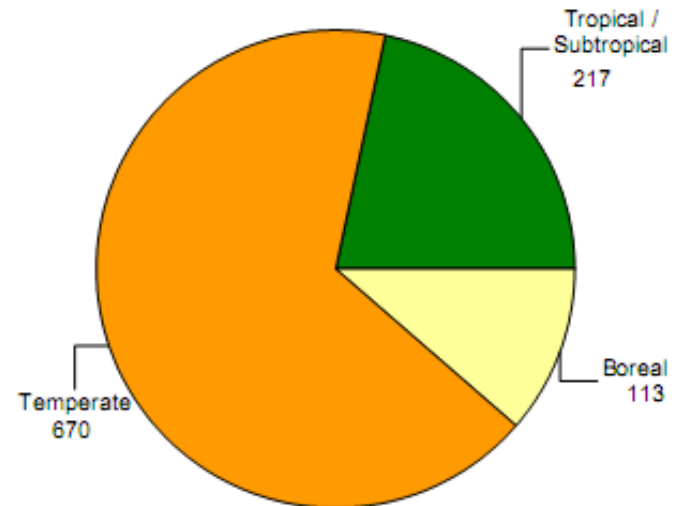


Certification by biomes

Percentage of total
FSC certified area (FM or FM/COC)



Number of FSC
certificates (FM or FM/COC)



Brand recognition

In 2007, 56% of the Swiss population recognized the FSC label when prompted. Unprompted, i.e. spontaneous recognition reached 21%. The large majority of people (65%) recognized the label from in-store advertising.

•Source: FSC Switzerland

Prompted recognition in the Netherlands rose from 67% in 2007 to 69% in 2008. Unprompted recognition is at 21%. The FSC trademark is fourth in a ranking of the Netherlands' best-known quality assurance trademarks.

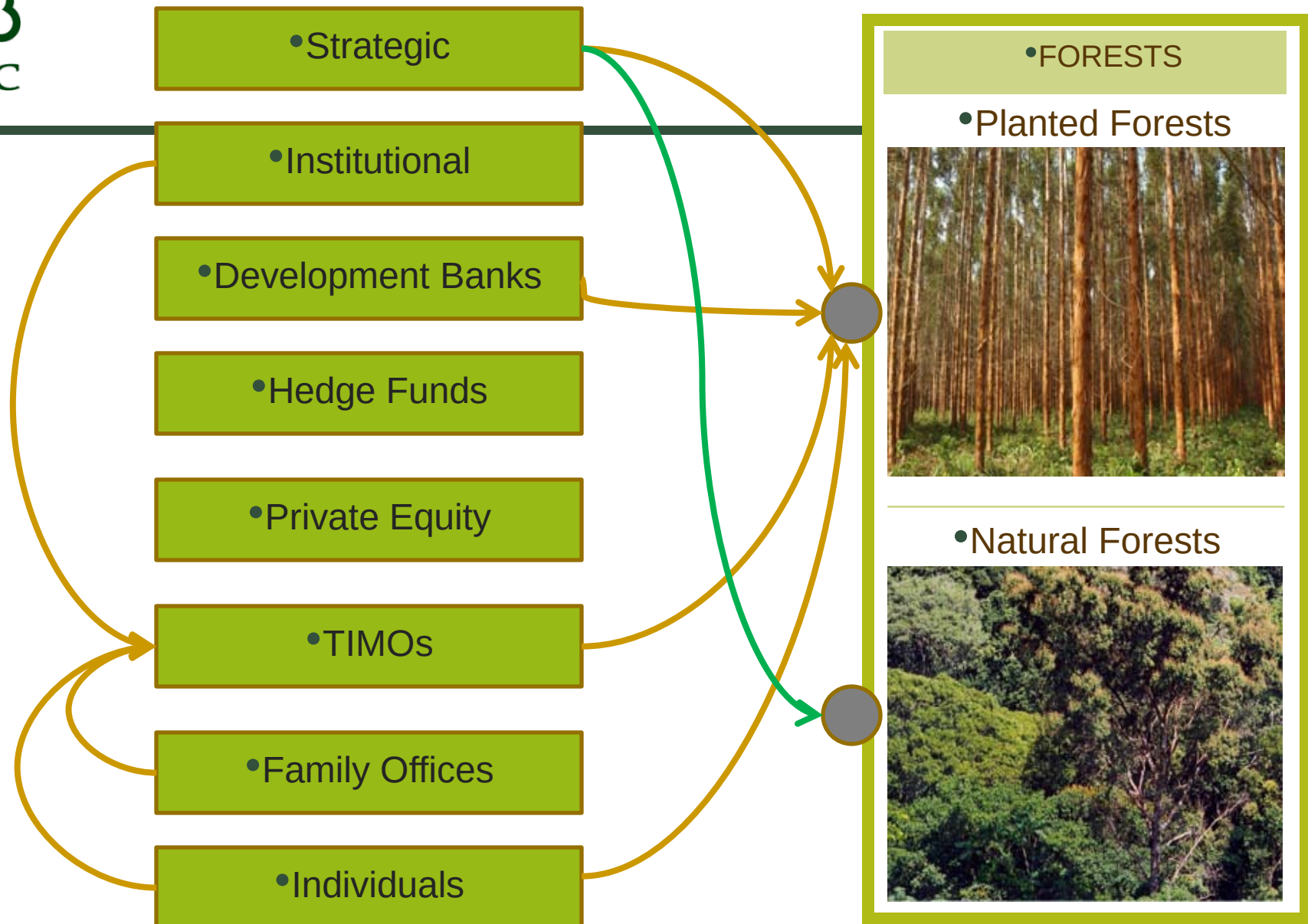
•Source: FSC Netherlands

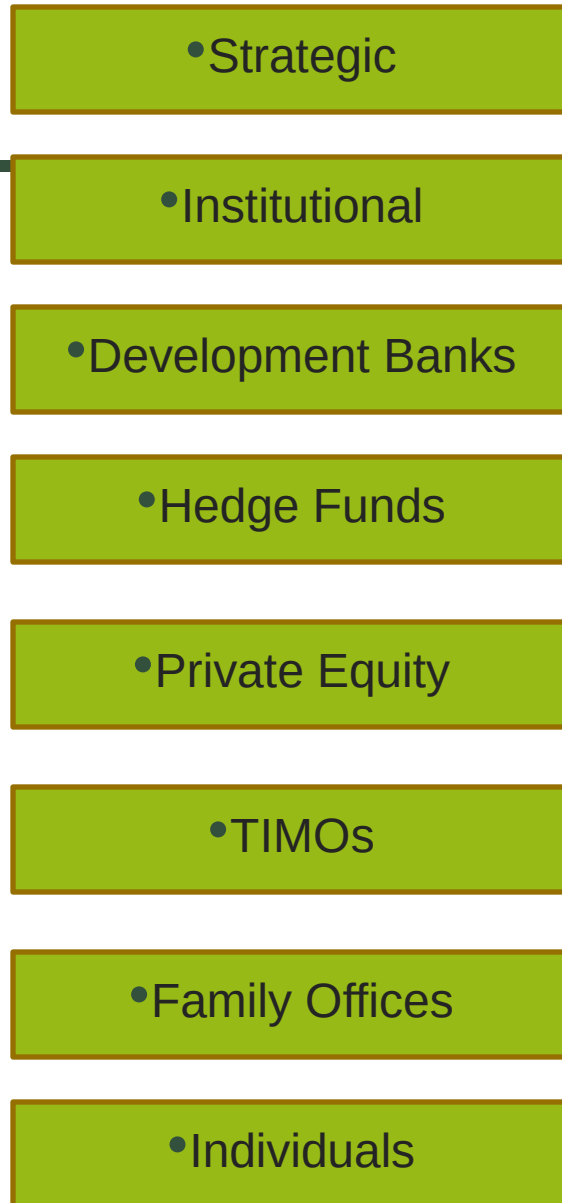
In Denmark, there was a level of 33% unprompted label recognition in 2008.

•Source: FSC Denmark

A survey commissioned by FSC UK in 2009 found that one person in four (24%) has seen the Forest Stewardship Council's tick-tree logo. Once the scheme was explained, 54% of those questioned stated that they would probably choose FSC products in the future.

•Source: FSC UK





• FORESTS

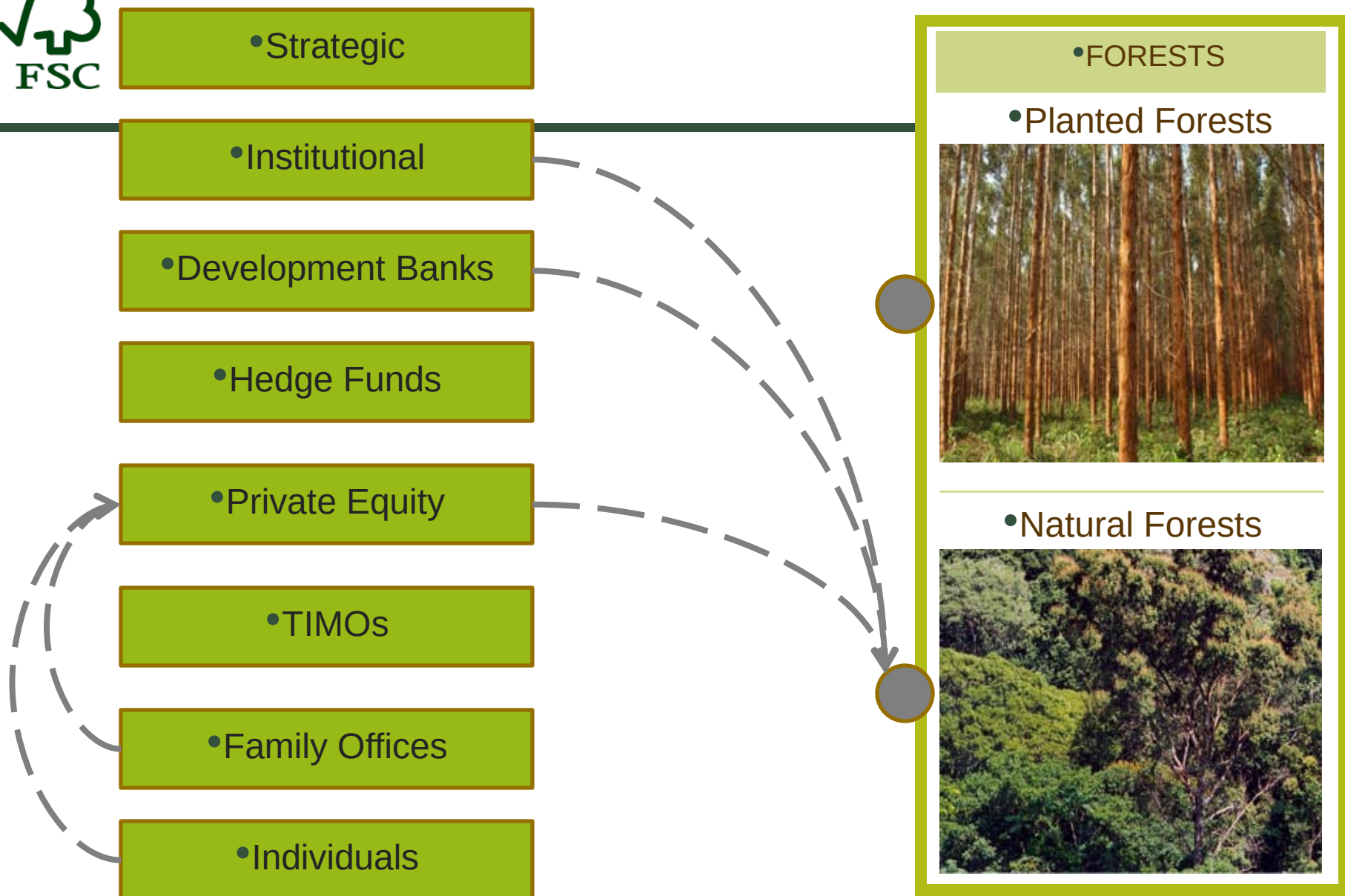
• Planted Forests



• Natural Forests



•1- If very big, 2 – speculative, 3 – rarely



FSC & Finance sector

- Risk assessment (knowing risks / taking risks)
- Risk mitigation (moral and legal liabilities, independent yearly professional audits)
- Network (multistakeholder insertion)
- Modeling economics of forestry activities
- Identification of differentiated forestry players
- Reputation
- Traceability
- Compliance with PRI / SRI, FLEGT, Lacey Act and many public & private procurement policies
- Transition to new production paradigm (illegal to non predatory)
- Multiple use of forests (new markets ES, NTFP, clean energy)
- Enhancement of economic performance (premium price, access to the market, production processes & cost reduction, audits)
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Thank you

