Facts and Figures on FSC growth and markets

Info pack
Forest management
Global forest area

• In 2009, over 100 million ha of forest are certified to FSC standards

• With certified forest in over 80 countries, FSC is a truly global system

• Equivalent to 5% of forests identified as primarily for production purposes*
  Source: 2007 UNECE/FAO Forest Products Annual Review

* NOTE: 5% based on figures from 2007 UNECE/FAO Forest Products Annual Review; previous calculations based on figures from FAO 2007 State of the Worlds Forests.
Global FSC certified forest area: by region

- **North America**: 34.5% of total certified areas (39,467,977 ha), 160 certificates
- **Europe**: 45.21% of total certified areas (51,728,442 ha), 430 certificates
- **South America & Caribbean**: 10.15% of total certified areas (11,607,726 ha), 237 certificates
- **Asia**: 2.57% of total certified areas (2,938,062 ha), 75 certificates
- **Africa**: 6.18% of total certified areas (7,067,812 ha), 46 certificates
- **Oceania**: 1.40% of total certified areas (1,598,723 ha), 29 certificates

**Total certified area**: 114,408,742 ha
**No. countries**: 82
**Total no. certificates**: 977

Source: Map FSC Denmark 01/01/09
Regional values FSC International 15/06/09
Global FSC certified forest growth

- FSC fastest growing forest certification system
  - 20 million ha added in 2006 (33% increase)
  Source: 2007 UNECE/FAO Forest Products Annual Review

- 2008 increase of 10 million ha
Growth and markets
FSC chain of custody (CoC) growth

- The FSC supply chain rapidly expanding, globally
- 50% growth in 2008
- It is becoming easier to find FSC labeled products in the market place, globally
- Greater choice for suppliers, globally
- Increased awareness of the FSC brand, globally

Source: FSC International 01/06/09
Pulp and paper

- When questioned whether publishers should use environmentally friendly paper, 94% of newspaper readers, 90% of magazine readers and 81% book readers said YES.
  
  Source: Pollara national online panel

- DOMTAR paper producer tops 400’000 million tons of FSC pulp in 2007. In 2004, the company started with 45’000 million tons which jumped by 122% in the following years to 100’000 million tons.
  
  Source: Domtar EarthChoice

- 60% of literary publishers in Canada and 40% in the UK have started to shift to eco-friendly options such as FSC.
  
  Source: Publishers World
Industrial roundwood

• In 2007, certified global industrial roundwood volumes has increased from 24.0% to 25.0%, equalling 387 million m³

• Estimated 1.7 million m³ of FSC certified roundwood in the Netherlands in 2007 – 20% of the total share of construction timber in 2007
  Source: FSC Netherlands
FSC’s social value

Forest workers’ employment rights strengthened
• In Bolivia, Brazil and Russia.

Civil society and stakeholders participation in forest policy processes
• In several countries worldwide, FSC national standard-setting processes empower civil society to bring issues to the table on worker rights, tenure and health and safety standards in forest management.

Market access for smallholders
• Japanese smallholders access new timber markets; increased public awareness, gained self-confidence for their work.
  Source: Ota 2006
FSC’s environmental value

Biodiversity and conservation
• FSC certified companies often set aside significant areas for protection within their borders; larger plantation managers enlarge protected areas over-proportionally. GMOs banned in certified forest.

Wildlife management
• In Republic of Congo, Uganda, Guatemala and Malaysia, wildlife protected outside National Parks due to FSC certification.
  Sources: Nasi et al. 2007, Hughell & Butterfield 2008, FSC audit reports, Mannan et al 2002

Pesticides and garbage management:
• FSC certification banns the avoidable use of toxics in the forest and sets standards for minimizing and handling disposal of residues and chemicals.
FSC market recognition

• Netherlands: 67% prompted market recognition; 21% unprompted
  Source: FSC Netherlands

• Switzerland: 56% prompted market recognition; 21% unprompted
  Source: FSC Switzerland

• UK: unprompted recognition is 23%; Denmark: 33%
  Source: FSC UK, FSC Denmark

• US: 29% of the wood products sold by Homebase are certified
  Source: FSC US

• Companies with a combined estimated turnover of 250 billion USD in wood products are committed to FSC certification
  Source: FSC IC
Global outreach

• Over 50 National Initiatives around the world representing FSC

• FSC forest management (FM and FM/CoC) certificates issued in 82 countries; FSC chain of custody certificates issued in 96 countries

• 20 certification bodies are FSC accredited and working around the world to audit forestry operations, manufacturers, traders, pulp producers, printers and many more…

• More than 800 FSC members from over 80 countries

• More than 16’000 people receive the News and Notes – our international monthly newsletter

Source: FSC International 15/06/09
FSC International certificate holder survey
2008
Why become FSC certified... 3 good reasons from certificate holders

Market leadership / competitive advantage
> 49% say this is the most important reason

Clients require it
> 46% say that their clients are demanding FSC

It’s the right thing to do
> 37% say it enhances their position as a responsible company
And more good reasons...

- Added business value (54%)
- Expanded relationships (55%)
- Business impact if certificate ended (41%)
My FSC certification gives me…
what our certificate holders say

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Access to new markets</td>
<td>39 %</td>
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<tr>
<td>Access to new clients</td>
<td>45 %</td>
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<tr>
<td>Increased sales to existing clients</td>
<td>29 %</td>
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<tr>
<td>Improved company reputation</td>
<td>45 %</td>
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<tr>
<td>Price premiums</td>
<td>15 %</td>
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<tr>
<td>Worker / shareholder satisfaction</td>
<td>42 %</td>
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<td>Governmental recognition &amp; support</td>
<td>23 %</td>
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<td>Maintenance of share in a declining market</td>
<td>35 %</td>
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Value of FSC certification

**Client retention** – in Japan over 49% of certificate holders rate this as their biggest value

**New clients** – in Germany over 55% of certificate holders agree that FSC brings new business for them

**Increased revenue** – in Spain 43% of certificate holders are seeing increased revenues from being FSC certified

**Public support from environmental groups** – over 70% of Italian certificate holders are seeing this benefit
Importance of FSC certification

The importance for your business has:
- Increased 59%
- Decreased 6%
- No change 24%
- Don’t know 9%

Over the next 12-24 months the business value of my FSC certification will...
- Increase 54%
- Decrease 5%
- Stay the same 25%
- Don’t know 15%
Benefits of FSC certification

FSC certification brings increased sales to existing clients

- Strongly agree 15%
- Agree 43%
- Uncertain 24%
- Disagree 12%
- Strongly disagree 4%

FSC certification brings access to new markets

- Strongly agree 21%
- Agree 44%
- Uncertain 24%
- Disagree 8%
- Strongly disagree 2%
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

FSC shall promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.
Responsible forest management

Environmentally appropriate ensures that the harvest of timber and non-timber products maintains the forest's biodiversity, productivity, and ecological processes.

Socially beneficial helps both local people and society at large to enjoy long term benefits and also provides strong incentives to local people to sustain the forest resources and adhere to long-term management plans.

Economically viable forest operations are structured and managed so as to be sufficiently profitable, without generating financial profit at the expense of the forest resource, the ecosystem, or affected communities.
The FSC Global Strategy

**Goal 1:** FSC will provide leadership in advancing globally responsible forest management

**Goal 2:** FSC will ensure equitable access to the benefits of FSC systems

**Goal 3:** FSC will ensure integrity, credibility and transparency of the FSC system

**Goal 4:** Products from FSC certified forests will create more business value than products from non-FSC certified forests

**Goal 5:** FSC will strengthen its global network to deliver on Goals 1 through 4
Resources

• Quarterly updates on FSC certificates – FSC website
• [www.fsc.org/figures](http://www.fsc.org/figures) and [www.fsc.org/charts](http://www.fsc.org/charts)
• Global forest statistics - UN FAO State of the World's Forests 2007 [www.fao.org/docrep/009/a0773e/a0773e00.htm](http://www.fao.org/docrep/009/a0773e/a0773e00.htm)
• Benefits of FSC and testimonials from supporting organizations: [www.whyFSC.com](http://www.whyFSC.com)
• WWF website: forests [www.panda.org/about_wwf/what_we_do/forests/index.cfm](http://www.panda.org/about_wwf/what_we_do/forests/index.cfm)
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