FSC POLICY

Policy for the Association of Organizations with FSC

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| Contact: | FSC Directors Office |
| E-mail for comments: | fsc@fsc.org |

The Forest Stewardship Council® (FSC) is an independent, not for profit, non-government organization established to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

FSC’s vision is that the world’s forests meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.
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Introduction

FSC’s mission is to promote the environmentally appropriate, socially beneficial and economically viable management of the world’s forests. It is increasingly recognized that association between FSC and organizations that are involved in unacceptable forest-related activities is harmful to FSC’s reputation and ultimately to its ability to deliver on its mission. In order to address this concern, in March 2007 the FSC Board of Directors mandated the FSC International Center to develop criteria for the association of third parties with FSC.

Through this policy FSC expects to be able to identify organizations not committed to the basic fundamentals of responsible forest management and prevent them from misusing their association with FSC.

It is especially relevant, but not limited to, the granting and maintenance of FSC trademark licenses and FSC certificates to organizations associated with FSC through forest management, chain of custody and/or controlled wood FSC certification.
A Scope
This Policy provides FSC’s position on unacceptable activities of organizations which are or would like to be associated with FSC and the mechanism for disassociation.

B Effective date
Effective upon approval.

C References
The following referenced documents are indispensable for the application of this document. For undated references, the latest edition of the referenced document (including any amendments) applies.

- FSC-STD-01-005 V1-0 EN FSC Dispute Resolution System
- FSC-PRO-01-009 Processing Formal Complaints in the FSC Certification Scheme
- FSC-PRO-10-004 Due diligence evaluation for the association with FSC
- FSC-GUI-01-004 Guideline for Panels evaluating complaints against the Policy for Association

D Terms and definitions
For the purposes of this Policy, the terms and definitions given in FSC-STD-01-002 FSC Glossary of Terms and the following apply:

Association
An association with FSC is formally established through any of the following relationships:
- FSC membership
- Contractual relationship through:
  o FSC accreditation agreement,
  o FSC license agreement,
  o FSC cooperation agreement,
  o FSC partnership agreement.

Destruction of high conservation values
Significant damage of the attributes that constitute high conservation values in a way that they no longer exist or cannot be repaired.

Forest Conversion
Rapid or gradual removal of natural forest, semi-natural forest or other wooded ecosystems such as woodlands and savannahs to meet other land needs, such as plantations (e.g. pulp wood, oil palm or coffee), agriculture, pasture, urban settlements, industry or mining. This process is usually irreversible.

Significant conversion
Conversion is considered significant in any case of:
- Conversion of High Conservation Value Forests
- Conversion of more than 10% of the forest areas under the organization’s responsibility in the past 5 years
o Conversion of more than 10,000 ha of forests under the organization's responsibility in the past 5 years

NOTE: Failure of the 10,000 ha threshold does not lead to disassociation per se, but will lead to a case by case investigation by an independent Complaints Panel. In judging the case, the Panel will take into account the local circumstances, the scale of the operation and plans for continued conversion.

NOTE: For the purposes of this policy, the establishment of ancillary infrastructure necessary to implement the objectives of responsible forest management (forest roads, skid trails, log landings, etc) is not considered conversion.

Human rights

Illegal Logging
Harvesting of timber in violation of any laws applicable in that location or jurisdiction including, but not limited to, laws related to the acquisition of harvesting rights from the rightful owner, the harvesting methods used and the payment of all relevant fees and royalties.

ILO Declaration on Fundamental Principles and Rights at Work
Adopted in 1998, the Declaration commits Member States to respect and promote principles and rights in four categories, whether or not they have ratified the relevant Conventions. These categories are: freedom of association and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labor, the abolition of child labour and the elimination of discrimination in respect of employment and occupation. For more information, please access: [http://www.ilo.org/declaration](http://www.ilo.org/declaration)

Involvement
**Direct involvement**: Situations in which the associated organization or individual is first-hand responsible for the unacceptable activities.

**Indirect involvement**: Situations in which the associated organization or individual, with a minimum ownership or voting power of 51%, is involved as a parent or sister company, subsidiary, shareholder or Board of Directors to an organization directly involved in unacceptable activities. Indirect involvement also includes activities performed by subcontractors when acting on behalf of the associated organization or individual.

Traditional rights
Rights which result from a long series of habitual or customary actions, constantly repeated, which have, by such repetition and by uninterrupted acquiescence, acquired the force of a law within a geographical or sociological unit. Also known as customary rights (FSC Principles and Criteria). It also encompasses the rights of Indigenous and Tribal Peoples as established by the ILO Convention 169.
PART I - POLICY ELEMENTS

Approved by the FSC Board of Directors at its 51st Meeting, July 2009

1 FSC will only allow its association with organizations that are not directly or indirectly involved in the following unacceptable activities:

   a) Illegal logging or the trade in illegal wood or forest products
   b) Violation of traditional and human rights in forestry operations
   c) Destruction of high conservation values in forestry operations
   d) Significant conversion of forests to plantations or non-forest use
   e) Introduction of genetically modified organisms in forestry operations
   f) Violation of any of the ILO Core Conventions\(^1\)

\(^1\) As defined in the ILO Declaration on Fundamental Principles and Rights at Work.

PART II - POLICY IMPLEMENTATION

2 Due Diligence

2.1 Before entering into an association with an organization or individual, FSC shall conduct a due diligence evaluation according to FSC-PRO-10-004 to evaluate the existence of objective evidence that an organization is directly or indirectly involved in any of the unacceptable activities as listed in Part I Clause 1.

2.2 FSC shall only enter into an association with organizations or individuals that have passed the due diligence evaluation.

3 Investigations of allegations

3.1 Any stakeholder, including FSC, can file a formal complaint against an organization or individual that is suspected to be involved in any of the unacceptable activities as listed in Part I Clause 1.

3.2 Complaints shall be filed and processed in line with the requirements and regulations of the FSC Dispute Resolution System.

4 Disassociation

4.1 A decision to disassociate from FSC shall only be taken by the FSC Board of Directors.

4.2 Following the decision to disassociate, actions to terminate the contractual relationships with the organization or individual should be taken within a period of thirty (30) days.

4.3 The decision to disassociate cannot be appealed.

4.4 Together with the decision to disassociate, the FSC Board of Directors may specify a timeline and conditions for renewal of the association with FSC.