Forest Stewardship Council®

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STATEMENT OF THE FSC NATIONAL REPRESENTATIVES ON THE ANNOUNCEMENT OF THE RDSF IN GDANSK OF AUGUST 11, 2022 ON THE RESIGNATION FROM CONTINUING FSC CERTIFICATION

Considering the dialogue initiated by FSC with the Regional Directorate of State Forests in Gdansk, we were surprised to receive the announcement of August 11 this year, in which the Regional Directorate of State Forests informed on resignation from the continuation of forest management certification in the FSC system. In view of the concern this decision has caused in the wood industry, for the sake of transparency of our organization and the FSC system, we would like to present some important information. At the same time, taking into account that FSC is a voluntary certification system, we respect the decision of the RDSF in Gdansk and we hope that we will be able to continue our cooperation in the future.

Talks between FSC and the RDSF in Gdansk

Talks between the RDSF in Gdansk and FSC on recertification were initiated by us in July this year in connection with signals that the Directorate was considering to resign from FSC certification. At our request, a meeting with the authorities of the Gdansk Directorate was held at the headquarters of the RDSF in Gdansk on July 14. Representatives of the RDSF in Gdansk explained that the main reason they were considering resigning from the continuation of FSC certification is the provisions of the license agreement for the FSC certification plan. We were informed that, according to a legal analysis conducted for the RDSF, the provisions of the agreement raise serious objections. Unfortunately, despite the declarations made at the meeting about making this analysis available, we were informed after the meeting that the analysis is an internal document and could not be shared externally.

We would like to remind that the license agreement for the FSC certification plan is a mandatory document that forest manager signs every 5 years when re-certifying in the FSC system. Organizational units of the State Forests so far have not raised any objections to FSC with regards to provisions of license agreement, and these agreements have been in place for many years, being updated from time to time.

The RDSF in Gdansk has also presented its concerns about the content of the license agreement in a letter to the authorities of FSC International. Hoping for further detailed and substantive dialogue, FSC International requested in a letter dated August 3 this year to the RDSF in Gdansk (original letter in English - click <u>HERE</u>, translation of the letter into Polish - click <u>HERE</u>) to indicate specific provisions in the license agreement that raise concerns, along with justification. FSC International has so far received no response to the letter.

Revision process of the Forest Management Standard

The announcement of the RDSF in Gdansk includes information about the dissolution of the Standard Development Group (hereinafter: the Group). FSC kept the public informed of this decision and the reasons for it through <u>its communication channels</u> on an ongoing basis. On February 11, 2022, due to the lack of agreement within the Group on the final draft of the National Standard and their failure to present a plan for

finalizing it, FSC International decided to dissolve the Group and complete the Standard based on alternative procedures for revising the Standard. We would like to remind that the Group has been repeatedly informed of this eventuality. The revision is continuing, and the FSC Standard will be completed by the Technical Working Group, which was established on April 21 this year.

The revision process of the FSC Standard for Forest Management for Poland has been fully transparent from the very beginning, and thus can be an example for other certification systems. Key information on the revision is available on <u>the dedicated FSC website</u>. Subsequent drafts of the Standard undergo extensive public consultations - <u>the third and final round of consultations</u> began on July 29 and will last until September 9 this year. All interested parties - from individuals, company representatives, NGOs to forest managers - can take part in consultations.

The claim included in the announcement of the RDSF in Gdansk that FSC certification may cause in the future 'a series of damages to the forest management, and consequently also to the national economy and the timber industry through a significant, in the near future, reduction in the availability of wood from Polish forests on the internal market' arouses our greatest surprise and is completely unjustified. The mission of FSC is to promote sustainable forest management combining social, economic and environmental functions, which is completely consistent with the multifunctional forest management carried out by the RDSF in Gdansk. We encourage the RDSF in Gdansk to participate in the public consultation of the draft Standard and to submit substantive comments on its individual provisions.

FSC certification in Poland

FSC forest management certification has been in place in Poland since the 1990s, and currently about 70% of our country's forest area is covered by it. For many years, most of the Regional Directorates of State Forests passed certification positively. In its announcement, the RDSF in Gdansk mentions that *'over the years, the certificate has served well to improve the forest management we have carried out, which was particularly important during the transformation of our country from a centralized to a free market economy'.* With this FSC is even more surprised with the allegations included in the RDSF's announcement that the use of the FSC standard *'may result in a number of damages to forest management'*.

The FSC certification system is highly trusted in Poland and around the world. This is evidenced primarily by the very high popularity of FSC Chain of Custody (CoC) certification – now there are more than 2,500 FSC CoC certificates in Poland, ranking Poland the 3rd place in the world (after China and Italy). Products manufactured in Poland are not only present in our market, but are successfully conquering global markets. FSC certificate, which is recognized and trusted worldwide, certainly supports it. FSC is also highly trusted by consumers – <u>GlobeScan's 2021 global consumer survey</u> found that FSC is the organization that consumers trust most when it comes to forests protection. The survey also proves that the presence of labels indicating certification by trusted, independent organizations such as FSC is playing an increasingly important role in consumers' choices.

Continuing the dialogue

Despite the decision communicated by the RDSF in Gdansk, the FSC is still open to talks on negotiating a license agreement in the event of recertification. However, in order for this to be possible, it is necessary that the RDSF in Gdansk clarify their expectations and objections and justify them, and that they are willing to engage in dialogue (as we informed the RDSF in Gdansk by letter today).

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