

Motions for the 2011 FSC General Assembly

No. / Title: 45) Development of enhanced interaction between FSC and retailers		Category: Policy
Original <input type="checkbox"/> Amended <input checked="" type="checkbox"/> New <input type="checkbox"/>		Submitted language(s): English <input checked="" type="checkbox"/> Spanish <input type="checkbox"/>
Vote by: show of cards		Result: PASSED
Proposed by:		
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1) Seconded by:		2) Seconded by:
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MOTION:		
FSC shall work with retailers to identify the opportunities for improving their collaboration with, and support for, the FSC system. This should include examination of barriers or opportunities for enhanced FSC-retailer collaboration, including improved chain of custody procedures.		
Purpose and/or additional information:		
<p>FSC's Global Strategy (2008) outlines in Goal 4 "Products from FSC Certified Forests Will Create More Business Value than Products from Non-FSC Certified Forests", with specific objectives focusing on understanding the needs of top businesses (4a) and ensuring strong market value (4b). Unfortunately, the delivery of "consistent value in the FSC brand and services in the markets" is disrupted by a CoC system poorly designed for retailers.</p> <p>Retailers, selling finished or packaged FSC labeled products to final users, largely fall outside the scope of CoC certification. However, those retailers who sell to customers who either want to make a claim or meet a procurement policy (such as a government department or local government office), may need to demonstrate full CoC to meet their customers' requirements. For example, in the UK public procurement accounts for 30% of all timber purchases and often requires a valid CoC (CPET, 2010). Construction contractors also require a valid CoC and play an important role in many retailer customer bases. This means that in order to support and strengthen FSC's value in the markets, it is important that retailers are able to implement CoC requirements in an effective and efficient manner</p> <p>Retailers with multiple outlets who wish to sell to customers not recognized as end-consumers are treated as multi-site operators and fall within the scope of the FSC Standard for Multi-site Certification of Chain of Custody Operations (FSC STD 40-003 V1-0). Consequently, a small number of retailers including B&Q plc have become certified to this standard.</p> <p>However, this standard was originally designed to support CoC certification amongst manufacturers with several sites (e.g. sawmill, moulding and finishing and packing sites) and to ensure that certified and non-certified material is either not mixed, or mixing is controlled. The major difference for a multi-site retailer is that they deal in fully finished product and centrally control purchase, distribution, in-store marketing and sale of certified products. Key areas that require attention in such a situation include adequacy of centralized control measures and administering staff competency.</p> <p>However, due to the original design of the standard, a focus is placed on auditing control documentation and staff competency at a store level. Where centralized control ensures that documentation must be verified centrally prior to placing an order, this focus leads to very inefficient training and auditing programs, which due to the scale of large retailers costs tens of thousands of man hours per annum. This sends an inconsistent message on the value of FSC to major retailers and creates a barrier to increasing the value of FSC in the market.</p>		
Document(s) to be revised / developed:		Will require an amendment to FSC Standard for Chain of Custody Certification FSC-STD-40-004 (Version 2-0), to include a reference to the proposed new standard.
Timeline:	2012	
Cost to FSC:	Initially there will be a cost to FSC to develop the standard. However, this cost will be mitigated by the benefits of such a standard in promoting and strengthening the market value of FSC.	

