



FSC ends disassociation with Dalhoff Larsen and Horneman

Bonn, Germany, 18 January 2016. The Board of Directors of the Forest Stewardship Council (FSC) has decided to end the disassociation from Dalhoff Larsen and Horneman (DLH) on a probationary basis. This means that FSC can once again enter into trademark license agreements with DLH. The decision was taken after an analysis showed that DLH had made satisfactory progress towards the fulfillment of the conditions provided by the board to end the disassociation.

FSC disassociated from DLH in February 2015 when an impartial complaints panel concluded that DLH had been involved in illegal timber trade activities in Liberia. FSC gave DLH a set of conditions which, if satisfactorily fulfilled, would end the disassociation with the company.

The conditions included the development and implementation of an action plan to compensate the affected communities, based on their free, prior and informed consent. They also included third-party verification that DLH's due diligence systems are meeting best practice standards, and covering FSC's costs for the complaints panel evaluation.

In October 2015, DLH presented FSC with an action plan describing its activities to compensate three communities for the lost income they incurred as a consequence of illegal logging and timber trade in Liberia. These activities were agreed with the communities through the free, prior, and informed consent process conducted on the ground by the Sustainable Development Institute (SDI), a well-known, credible, and trusted local development organization.

This action plan was approved by the FSC Board of Directors in November 2015, and they also agreed to end the disassociation provided that:

- the full amount of the project budget had been transferred to a trustee such as SDI, and dedicated to the proposed project activities
- there is a testimonial from SDI about the status and progress of project activities that demonstrates that activities are on schedule and can be achieved without major delays
- the remaining conditions – a verified due diligence system and the reimbursement of FSC costs – are also met.

In December 2015, DLH submitted further documentation showing progress towards these requests, and after further analysis, FSC concluded that they had been met. Based on this, on 21 December 2015, the FSC Board of Directors decided that FSC shall end the disassociation



from DLH on a probationary basis until the action plan submitted by DLH to FSC has been fully implemented.

The FSC Board of Directors may request additional efforts from DLH if the activities detailed in the action plan are not fully and duly completed, and the Board can revoke the decision to end the disassociation altogether.

The FSC Board of Directors also requested DLH to submit comprehensive progress updates in February, June, and October 2016.

For more information, including the action plan, please visit: <https://ic.fsc.org/gw-v-dlh>