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FSC AND TRADE OF ENDANGERED SPECIES

The FSC scheme is a reliable supporter of CITES

The Forest Stewardship Council (FSC) and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) have different but overlapping missions. FSC focuses on sustainable forest management in a broad sense: environmental, social, and economic sustainability. CITES aims to limit and regulate international trade in specimens of wild animals and plants so that such trade does not threaten the survival of the species concerned. The overlap clearly exists with the common goal to prevent extinction of species living in forest-related ecosystems. In this paper, we explain how FSC effectively assists CITES in achieving its objectives.

How FSC helps CITES

In FSC-certified areas

FSC and CITES work from the same starting point: protecting species where necessary and allowing harvesting and trade where this is compatible with sustainable management.

FSC supports the implementation of the rules set by CITES. And goes beyond them. Besides the CITES Appendices, additional legal restrictions at the national level, as well as trade within the country, fall inside the scope of the FSC requirements.

FSC requires compliance with all applicable laws, including ratified international conventions. This is laid down in its Principles and Criteria for Responsible Forest Stewardship (P&C). These P&C form the basis for the FSC national forest stewardship standards and their requirements that FSC-certified forest operations have to comply with.

Version 4 of the P&C, amended for the last time in 2002, still forms the basis for some FSC forest certifications. The most relevant Criterion is:

- 1.3. In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.¹

Since 2015, FSC has been introducing new national forest management standards based on (the considerably extended) P&C Version 5.² For the first time, national standards setting is guided by international generic indicators

1 FSC STD-01-001 V4 *Principles and Criteria of Forest Stewardship* (1993, 1996, 1999, 2002).

2 FSC STD-01-001 V5 *Principles and Criteria of Forest Stewardship* (2012).

(IGIs).³ The IGIs translate the P&C for forest management operations, even though these still have to be interpreted at the national level by balanced multi-stakeholder standard-setting groups, which take into account the specific local environmental, social, and economic context (this helps explain why, years after the start, we are still in the middle of this transition process from P&C Version 4 to Version 5). The International Board of FSC, assisted by a special policies and standards committee, verifies whether the draft national standards are sufficiently consistent with the IGIs.

The relevant criterion has been reformulated as follows:

- 1.5. The Organization shall comply with the applicable national laws, local laws, ratified international conventions and obligatory codes of practice, relating to the transportation and trade of forest products within and from the Management Unit, and/or up to the point of first sale.⁴

It is accompanied by an IGI:

- 1.5.2. Compliance with CITES provisions is demonstrated, including through possession of certificates for harvest and trade in any CITES species.

Of the 84 countries where there is active FSC certification, 83 have ratified CITES. The exception is Taiwan (for geopolitical reasons). Also there, however, the national standard development group is incorporating the necessary requirements to ensure that endangered and threatened species are protected in the spirit of CITES and beyond.

Beyond FSC-certified areas

FSC's concerns about legality and protecting species go beyond the FSC-certified forest areas. FSC allows mixing of certified materials with (recycled materials and) 'controlled wood'. Controlled wood comes from countries, regions, and/or forest management units that have been assessed as 'low risk' against five criteria.

Three of the five criteria are relevant in the context of CITES:

1. risk of illegally harvesting and trade,
2. risk of connection with forest conversion, and
3. risk of undermining high conservation values of the ecosystem.

A "minimum list of applicable laws, regulations and nationally ratified international treaties, conventions and agreements" specifically mentions CITES permits.⁵

After an FSC-certified company that has applied the FSC controlled wood standard and concluded that the risks for all indicators are low, it is still obliged to ensure (as part of its due diligence and documentation) that the species it trades have a valid CITES certificate if they appear in the relevant CITES Appendices.

Furthermore, all companies that form part of FSC supply chains (of buying, processing, and selling products from FSC-certified forest operations) need to have an FSC chain of custody certificate and comply with the requirements of the FSC chain of custody standard.⁶ One of the obligations in this standard is to verify whether FSC inputs comply with relevant forest, trade, and customs laws, including laws that regulate export bans or restrictions, and/or requirements for export licences or other types of official authorization.

While the primary responsibility for the enforcement of CITES lies with the authorities of the producing and importing countries, the FSC scheme provides an extra layer of awareness and control.

Going beyond the CITES international trade restrictions

The FSC mission is responsible forest management. This includes ensuring that, if and where they are endangered, species are protected and given an environment in which they can recover and flourish. While FSC is most known in relation to products made from trees, in fact the FSC forest management standards cover all relevant forest species,

³ FSC-STD-60-004 V2-0 EN *International Generic Indicators*.

⁴ P&C V5.

⁵ FSC-STD-40-005 V3-1 *Requirements for Sourcing FSC Controlled Wood*.

⁶ FSC-STD-40-004 V3-0 *Chain of Custody Certification*.

including all the plants and animals present. For products on the market, FSC works with the concept of non-timber forest products, and allows certification of products such as rubber, honey, nuts and fruits.

Thus, beyond applying the CITES Appendices and national legislation, FSC requires managers of FSC-certified forests to develop and implement management plans that include a range of measures designed to protect and enhance biodiversity and ecosystems in general, and ‘threatened’ and ‘rare’ species in particular. The definitions of such species are built upon the work of the International Union for Conservation of Nature (IUCN), using the IUCN categories for Critically Endangered, Endangered, Vulnerable, and Near Threatened species.⁷

Within the wider context of requirements to ensure economic, social, and environmental sustainability (Principle 5 in both Versions 4 and 5 of the P&C) and the specific obligation to “maintain, conserve and/or restore ecosystem services and environmental values” and to “avoid, repair or mitigate negative environmental impacts” (Principle 6), FSC has specific requirements regarding threatened and rare species. The FSC P&C Version 4 says:

6.2. Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources. Inappropriate hunting, fishing, trapping and collecting shall be controlled.

In the P&C Version 5, this is reformulated in the following way:

6.4 The Organization shall protect rare species and threatened species and their habitats in the Management Unit through conservation zones, protection areas, connectivity and/or (where necessary) other direct measures for their survival and viability. These measures shall be proportionate to the scale, intensity and risk of management activities and to the conservation status and ecological requirements of the rare and threatened species. The Organization shall take into account the geographic range and ecological requirements of rare and threatened species beyond the boundary of the Management Unit, when determining the measures to be taken inside the Management Unit.

The related IGIs require that potential negative impacts of management activities are identified, and that modifications of such activities are described to avoid such impacts. They also require the provision of conservation zones, protection areas, connectivity, and other direct means for their survival and viability, such as species’ recovery programmes. And they prescribe that hunting, fishing, trapping, and collection of rare or threatened species is prevented.⁸

FSC also focuses on ecosystems, which form the habitats for the threatened and endangered species:

6.5. The Organization shall identify and protect representative sample areas of native ecosystems and/or restore them to more natural conditions. Where representative sample areas do not exist or are insufficient, The Organization shall restore a proportion of the Management Unit to more natural conditions. The size of the areas and the measures taken for their protection or restoration, including within plantations, shall be proportionate to the conservation status and value of the ecosystems at the landscape level, and the scale, intensity and risk of management activities.

Moreover, there is a principle specially dedicated to the maintenance or enhancement of ‘high conservation values’ (Principle 9); the first (of six) high conservation value is:

HCV 1 – Species diversity, concentrations of biological diversity, including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.⁹

Management consequences

One of the 10 FSC principles refers to monitoring needs in certified operations; another to the need to evaluate what was observed in monitoring the effects of forest management and (if necessary) to adapt the forest management

⁷ See FSC-STD-60-004 V2-0 *Glossary of Terms*.

⁸ See *International Generic Indicators*.

⁹ Specified in P&C V5.

plans based on the evaluation results. The monitoring requirements have elements relevant to CITES and threatened and rare species, including to monitor “the impacts of infrastructural development, transport activities and silviculture to rare and threatened species, habitats, ecosystems, landscape values, water and soils”.¹⁰

The economic side of management is also prescribed in a way that supports the species-protection objectives. Principle 5 requires forest management to:

maintain or enhance long-term economic viability and the range of social and environmental benefits.

And this means, among other things, that:

5.2 The Organization shall normally harvest products and services from the Management Unit at or below a level which can be permanently sustained.

The FSC normative requirements regarding ecosystem and resource management support operators to provide documentation that shows that their harvest and species management is non-detrimental for the survival of CITES-listed species. FSC is confident that it provides the most relevant elements to be followed, for example the best practice guidance on non-detrimental findings published by the German CITES scientific authority (BfN).¹¹

Third-party verification

A key strength of the FSC system is that the implementation of the standards by forest managers and processing industries is audited, at least annually, by independent certification bodies with specific expertise, which are recognized by FSC, informed about what is expected from them by special FSC evaluation standards, and regularly audited by one global organization specialized in these complex global supply chains (ASI – Assurance Services International).¹² In particular in countries with weak forest law enforcement these auditors are adding substantial enforcement. Moreover, FSC itself is applying additional checks (e.g. fibre isotope testing) through its Supply Chain Integrity Programme.

On top of that, FSC has a *Policy for Association*, so that companies that have been accused of violating any of the five requirements for controlled wood anywhere in their operations (so areas not related at all to FSC-certified production/trade) will be investigated and can lose their membership, their certificates, and their trademark licences. In this way, FSC aims to prevent greenwashing by applying FSC principles in one part of the company while violating even its minimum requirements in other parts.

Conclusion

FSC and CITES share a common goal to protect and enhance threatened and endangered species and to prevent their extinction. They do not always ban the commercial use of those species, but allow their well-controlled trade – when it does not weaken their conservation status. Responsible trade generates economic value to the species, as well as income sources to local communities, which is an efficient incentive for long-term protection of the species at risk.

10 IGIs, Annex G.

11 Wolf, D., Oldfield, T.E.E., and McGough, N. (2018) *CITES Non-detriment Findings for Timber, A nine-step process to support CITES Scientific Authorities making science-based non-detriment findings (NDFs) for timber / tree species listed in CITES Appendix II*, Version 3.0. Federal Agency for Nature Conservation (BfN), Bonn, 71 pp. (Also available at <https://www.bfn.de/fileadmin/BfN/service/Dokumente/skripten/Skript504.pdf>, accessed 22 February 2019).

12 <http://www.asi-assurance.org/s/>