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FSC certification provides profit incentive for sustainable forestry-says WWF

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Tropical forest sources have the greatest net-cost benefit for FSC certification, according to the report

Forest Stewardship Council (FSC) certification can provide net cost-benefits to forest operators, according to a new report from the WWF released today (5 August).

The report – Profitability and Sustainability in Responsible Forestry – found that forest producers can benefit significantly from attaining FSC certification, which ensures that products come from well managed forests that provide environmental, social and economic benefits.

The business case for the decision to pursue FSC is made clear in the report, with companies earning an extra \$1.80 for every cubic metre of FSC-certified wood product; breaking even on their investments within six years.

The WWF study examined the work of 11 companies in seven countries, collecting financial data to see the financial impact of the certification.

It found that companies earned more due to increased efficiency, price premiums and financial subsidies for sustainably sourced timber. The business case was particularly strong for tropical operations, which experienced significant gains following FSC certification.

Forest investment

Rod Taylor, director of WWF's Global Forests Programme, said: "The results of WWF's new report challenge the assumption that the costs of FSC certification, particularly in the tropics, are greater than the benefits.

"This study shows that while the investment costs of entering into an FSC certification process can be considerable, for tropical forest operators and small or medium enterprises, the investment can be good



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SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP for the bottom line. This is an important finding given the crucial role of these groups in safeguarding forests for the future.”

The WWF says the methodology in the report can be applied to business operations for a practical calculation of the benefits of FSC. The environmental group wants to make new tools for assessing the benefits of certification to become standard practice.

A recent study by the UN found the [majority of financial institutions failed to encourage practices in sustainable forestry](#). In a report examining 30 major organisations, the United Nations Environment Programme found only 13% had developed financial products aimed at promoting the sustainable timber and forest conservation.

Last year, major businesses including [IKEA, Tetrapak and Kingfisher](#) began implementing FSC assessment for more than 266 million hectares of forest.

Matt Field

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