

Case summary

In December 2014, FSC International received a complaint from the organization Agrupacion de Ingenieros Forestales para el Bosque Nativo (AIFBN) about a series of racist comments that had been published on Bosques Cautin Director General's personal Facebook page.

While the comments did not constitute a reason for formal arbitration through the FSC Dispute Resolution system, it clearly violated the spirit and values of FSC Principles and Criteria. Therefore, FSC requested the company, an FSC certificate holder, agreed to renew its commitment to FSC values by developing environmental projects and implementing social measures to compensate the indigenous Mapuche people.

In the past months, FSC International has been in ongoing communication with Bosques Cautin, aiming for them to fulfill a series of conditions.

As a result of the ongoing communications between the company and FSC, Bosques Cautin has done the following:

- Apologized to the affected Mapuche communities about the racist comments made by its Director General, and sent the apology letter to the organizations which represent this affected communities. This apology letter has also been published in the company's website.
- Modified the company's internal Policies and Procedures to comply with the principle of "zero tolerance towards racism" and communicated this change in their policies to all the company's personnel.
- Agreed on a series of reparation measures with the affected Mapuche communities, such as:
 - o strengthening of a reforestation plan in the Mapuche region;
 - o implementation of a Plan for the Conservation and Restoration of Water courses in collaboration with the Mapuche communities;
 - o development of a project for the restoration of native forest in collaboration with the neighboring Mapuche communities and;
 - o Increase the percentage of workers of Mapuche origin in Bosques Cautin;
 - o Creation of a support program for subcontractors of Mapuche origin to improve their skills and capabilities;
- Developed an Action Plan and report outlining the actions which have been/will be conducted by the company for the implementation of the reparation measures.

Currently, Bosques Cautin is implementing the reparation measures above listed in collaboration with the neighboring Mapuche communities. Once they are implemented Bosques Cautin will send a final report to FSC International on the implementation of such reparation measures (estimated deadline September 2016).

Additionally Bosques Cautin will submit progress reports to FSC, on a quarterly basis, outlining the development of the implementation of the reparation measures (the first of these reports will be submitted in August 2015).

FSC finds that Bosques Cautin has taken the appropriate and comprehensive measures to address this issue, and the company is currently investing considerable efforts in fulfilling the request and agreements with FSC. These efforts are a good example of corporate social responsibility and are in line with FSC values.