

FSC's Five Recommendations to the EU Commission for an effective EU Deforestation-Free Supply Chain

FSC welcomes a European Union (EU) legislation aimed at minimizing the risk that products associated with deforestation are placed on the EU market. FSC supports the EU Commission in promoting the demand for deforestation-free products, and thus recommends the following:

1. Proposing a robust “improved” enforceable due diligence legislation

Among the five policy options presented during the 4th EU Multi-Stakeholder Platform on Protecting and Restoring the World's Forests, FSC favors option one: “improved due diligence”⁽¹⁾. This is also in line with the recommendations of the EU Parliament own-initiative report 2020/2006(INL)⁽²⁾. To be enforceable, the due diligence should:

- Set clear requirements and procedures for monitoring and enforcing these requirements.
- Include mechanisms that allow competent authorities to gather proof of infringements.
- Align with the OECD guidelines.
- Apply to all companies throughout the supply chain; at the same time consider exceptions for small companies.
- Acknowledge the role of credible collaborative due diligence initiatives in creating leverage, reducing costs, facilitating peer learning, and capacity building⁽³⁾.

2. Combining voluntary sustainability standards with improved due diligence

No single policy instrument alone, and no single actor alone, can address complex global challenges such as deforestation. To tackle EU-driven deforestation a combination of measures is necessary where governments, companies, non-governmental organizations, and voluntary sustainability standards (VSS) join forces to address the issue. This is in line with the notion of a “smart mix” as defined in the UN Guiding Principle on Business and Human Rights (UNGPs)⁽⁴⁾. In the framework of deforestation, FSC recommends combining: i) improved due diligence with, ii) VSS as tools to assess and minimize deforestation risks and include sustainability considerations. This approach is also in line with the EU Parliament report on deforestation, where it is stated that “voluntary third-party certification can be an auxiliary tool to assess and mitigate deforestation risks”⁽⁵⁾.

3. Using private voluntary sustainability standards as complementing measures for deforestation-free criteria implementable on the ground

Robust VSS meeting strict requirements have been effective in decreasing deforestation significantly within certified management units⁽⁶⁾. For instance, FSC does not allow deforestation in its certified forests. It has several strict requirements in place that ensure certified-forest managers maintain their forest cover, and maintain or enhance their forest's structure, function, biodiversity and productivity⁽⁷⁾. Hence, FSC recommends the EU Commission to use robust VSS as a proxy to demonstrate compliance on the ground with deforestation-free criteria.

4. Setting strict requirements for voluntary sustainability standards

VSS are only one of the tools to combat deforestation and must be accompanied by broader multi-sectorial measures to work. To be fully effective, VSS need to have robust deforestation criteria and indicators covering both environmental and social requirements. On this, ISEAL is the global membership organization for ambitious and transparent sustainability systems. ISEAL's Credibility Principles highlight the fundamental qualities which make standards robust and likely to achieve positive environmental and social impacts⁽⁸⁾. FSC thus encourages the EU Commission to set strict sustainability criteria as the basis to use schemes for promoting the consumption of products from deforestation-free supply chains in the EU. Strong requirements for VSS can include⁽⁹⁾:

- Environmental requirements
 - Explicit mention of high conservation values (HCVs)
 - Preservation of peatlands
 - Fight against conversion of natural ecosystems
 - Respect of the legal status of land
- Social requirements
 - Protection of Indigenous Peoples' rights
 - Complying with local labour laws and the regulations and standards of the International Labour Organization (ILO)
- Credibility requirements and assurances
 - Multi-stakeholder platform with representation of civil society
 - Third party auditing
 - Dispute resolution systems

5. Including deforestation-free criteria in EU mandatory Green Public Procurement

Article 11 TFEU explicitly requires *“environmental protection requirements to be integrated into the definition and implementation of the Union policies and activities, in particular with a view to promoting sustainable development”*. Green public procurement (GPP) allows public authorities to achieve environmental targets. With this approach, public procurement can be instrumental in addressing environmental problems such as deforestation, for instance by making mandatory the purchasing of wood and wood products from legally harvested and sustainably managed forests. VSS can be used by the EU Commission as a proxy to demonstrate compliance with mandatory GPP criteria⁽¹⁰⁾.

About FSC

As the pioneer of forest certification, FSC has 25 years of experience in sustainable forest management and is widely regarded as the world's most trusted forest certification system. FSC uses its expertise to promote the responsible management of the world's forests, bringing together experts from the environmental, economic and social spheres. FSC standards are based on ten core principles designed to prevent deforestation and degradation, and safeguard biodiversity, water quality, carbon storage, and Indigenous Peoples' and workers' rights, among other key environmental and social values. More [here](#).

Footnotes

1) More info on the Commission Expert Group/Multi-Stakeholder Platform on Protecting and Restoring the World's Forests, including the EU Timber Regulation and the FLEGT Regulation (E03282), are available here:

<https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&groupID=3282>

2) European Parliament resolution of 22 October 2020 with recommendations to the Commission on an EU legal framework to halt and reverse EU-driven global deforestation (2020/2006(INL), available here:

https://www.europarl.europa.eu/doceo/document/TA-9-2020-0285_EN.html

3) See also: Duncan Brack and Saskia Ozinga, "Enforcing due diligence legislation 'plus'", October 2020, available here:

https://www.fern.org/fileadmin/uploads/fern/Documents/2020/Enforcing_due_diligence_legislation_plus_16102020.pdf

4) UN Guiding Principles on Businesses and Human Rights, available here:

https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf

5) See footnote number 2.

6) Auld G, Gulbrandsen LH and McDermott CL. 2008. Certification schemes and the impacts on forests and forestry. Annual Review of Environment and Resources 33:187-211.

<https://www.annualreviews.org/doi/10.1146/annurev.enviro.33.013007.103754>

7) FSC official website, "Deforestation, high conservation value forests and intact forest landscapes", available here:

<https://fsc.org/en/deforestation-hcv-iff>

8) ISEAL credibility principles, official website, available here:

<https://www.isealliance.org/defining-credible-practice/iseal-credibility-principles>

9) See also the French Strategy to fight deforestation, available here:

<https://www.gouvernement.fr/en/ending-deforestation-caused-by-importing-unsustainable-products>

10) See also article 30 RED II:

https://ec.europa.eu/energy/topics/renewable-energy/biofuels/voluntary-schemes_en

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