

# Brief overview on FSC's work in the circular economy

FSC Circularity Hub / 2024



# Presenters today



**Loa Dalgaard Worm**  
Lead  
FSC Circularity Hub



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# AGENDA FOR TODAY

- **What is Circular Economy?**  
By Morten Brodde, Senior Specialist & Analyst, FSC Circularity Hub
- **Why is the Circular Economy an Important Topic for FSC?  
What is the Role of FSC's Circularity Hub?**  
By Acting Chief Markets Officer, Fabian Farkas, FSC International
- **What Have We Done So Far? What Are Our Plans for 2025?**  
By Loa Dalgaard Worm, Leader of FSC Circularity Hub
- **How Do Stakeholders Engage with FSC's Circularity Hub?**  
By Morten Brodde, Senior Specialist & Analyst, FSC Circularity Hub
- **Q&A**

# What is The Circular Economy?

# The dominant **linear economy**

- FSC's certification solution today is primarily designed for a **linear supply chain**
- To some extent FSC provide a **circular sourcing tool** via reclaimed materials in FSC Mix and FSC Recycled





100%



**FSC**

[www.fsc.org](http://www.fsc.org)

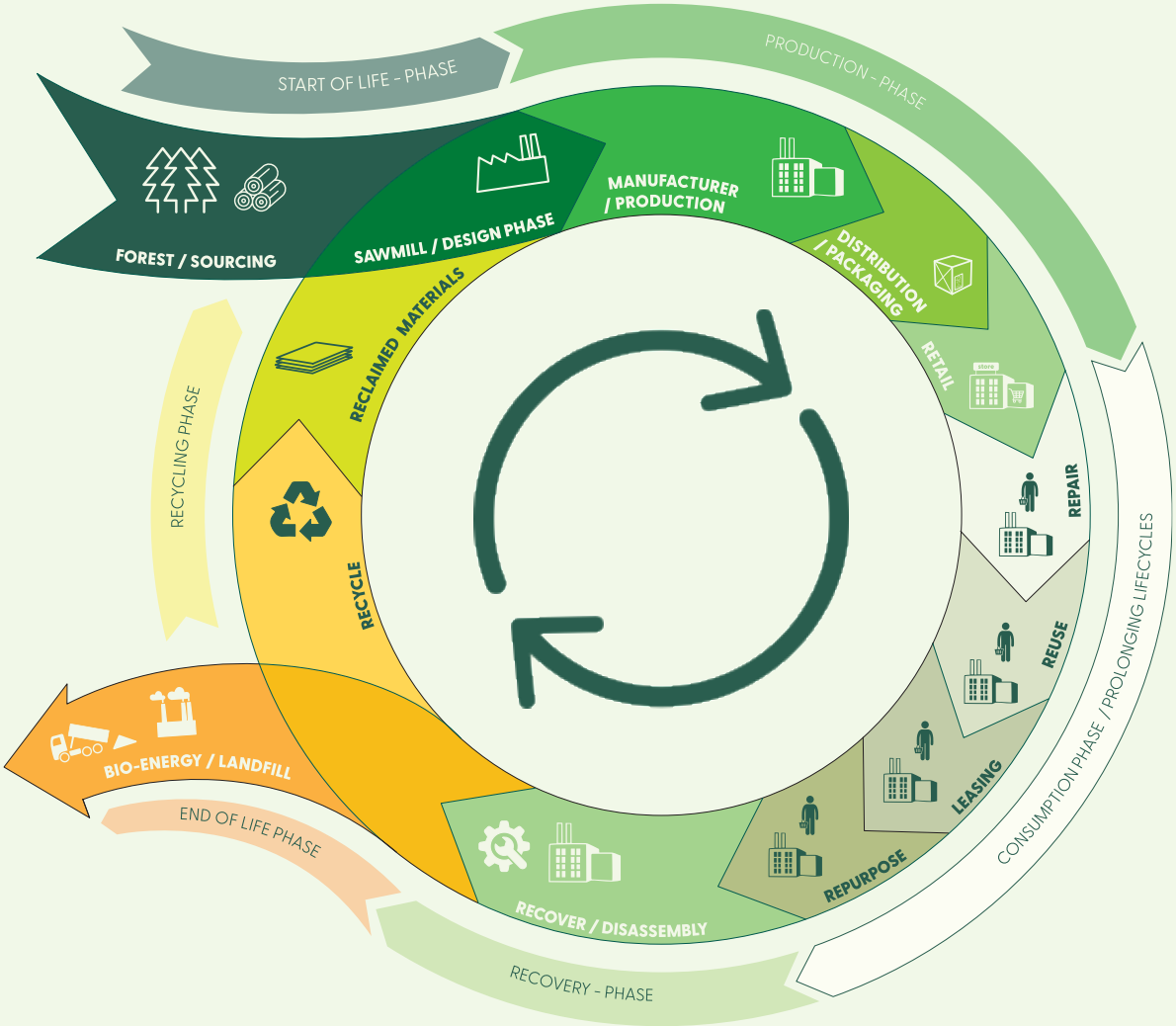
**RECYCLED**

Board made from  
recycled material

**FSC® C009687**

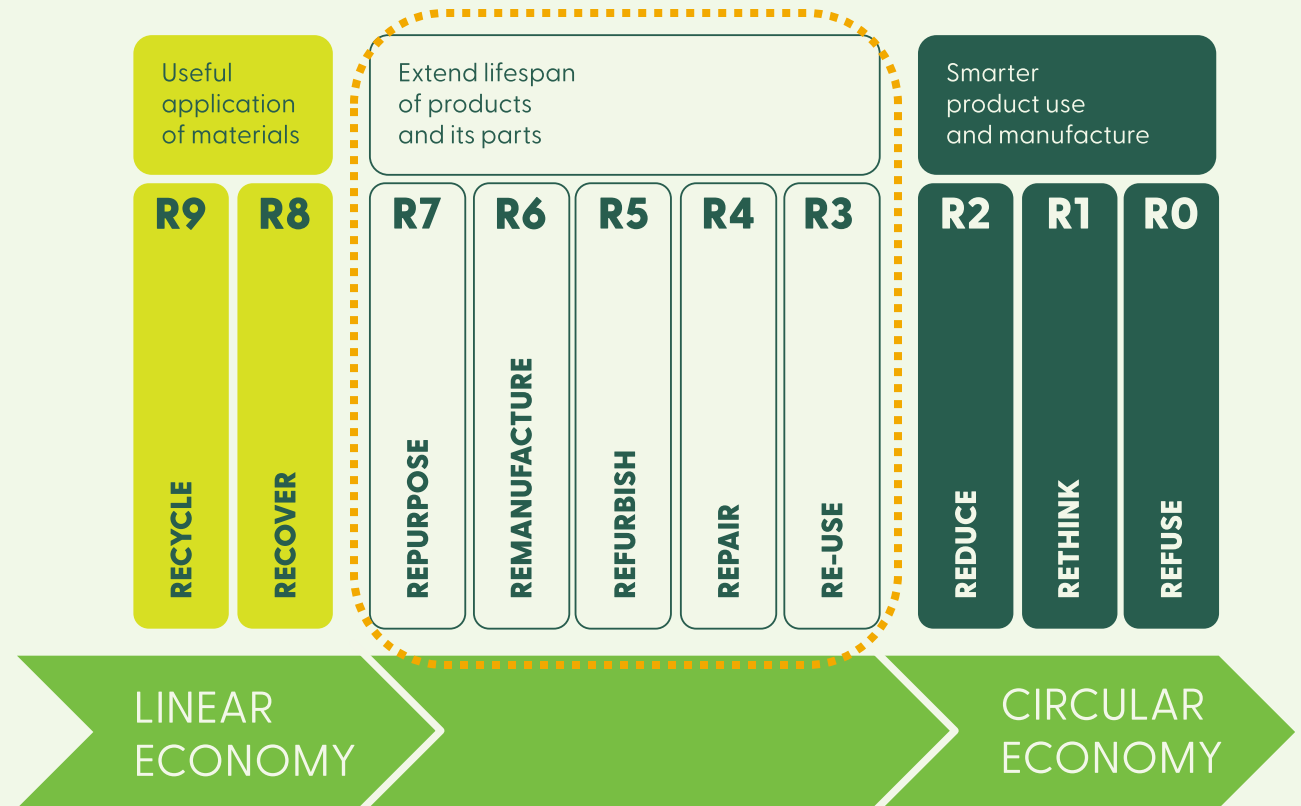
# The circular economy

- In the **circular supply chain** products are designed to be kept in use and waste and need for virgin fibres are minimized
- **Product retention actions** like repair, reuse, leasing and repurpose prolong the life of product



# How do we ensure the transition?

- Recycling and use of reclaimed materials are **the first circular supply chain actions (R9-R8)** in the transition towards circularity
- Other actions are needed to ensure effective **transition to the circular economy**
- Most feasible for FSC to consider **actions that keep products in use (R7-R3)**

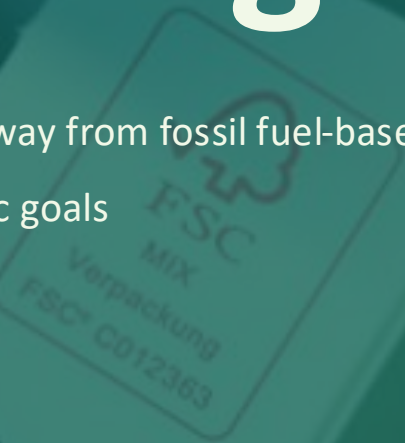




Why  
is the topic  
important for  
**FSC?**

# Big industry is transitioning!

- Forest-based materials are used to transition away from fossil fuel-based materials
- Circular economy is part of companies' strategic goals
- FSC stakeholders ask for FSC-solutions



World Bank projection 2050:

400%  
increase in demand

# Legislation and standards push the market

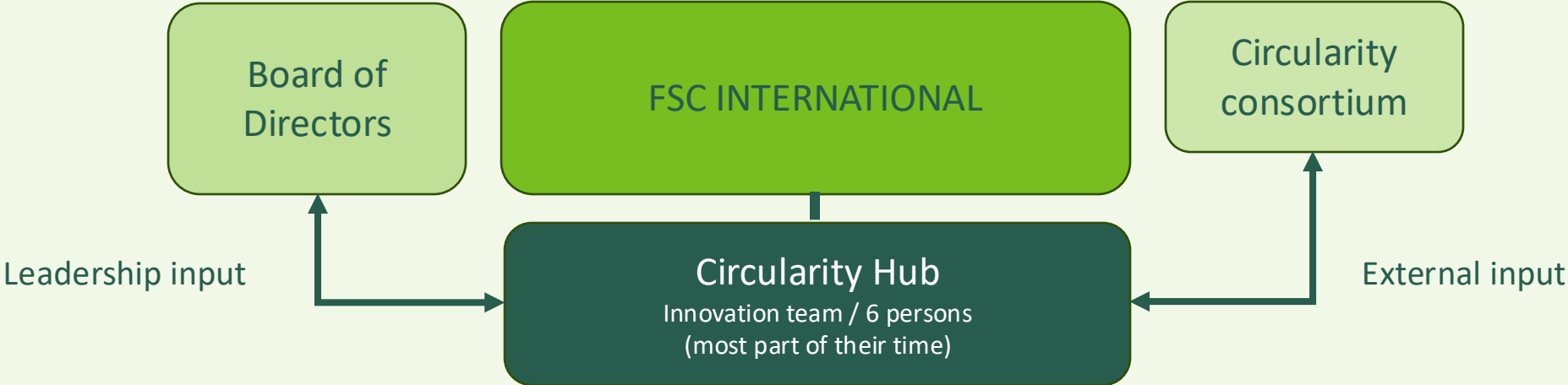


- Corporate Sustainability Reporting regulations (circular economy disclosure)
- Global standards on circularity performance and measurement (ISO etc.)
- Eco-design regulations
- Extended producer responsibility
- Renewable energy regulations

# What is the FSC Circularity Hub?

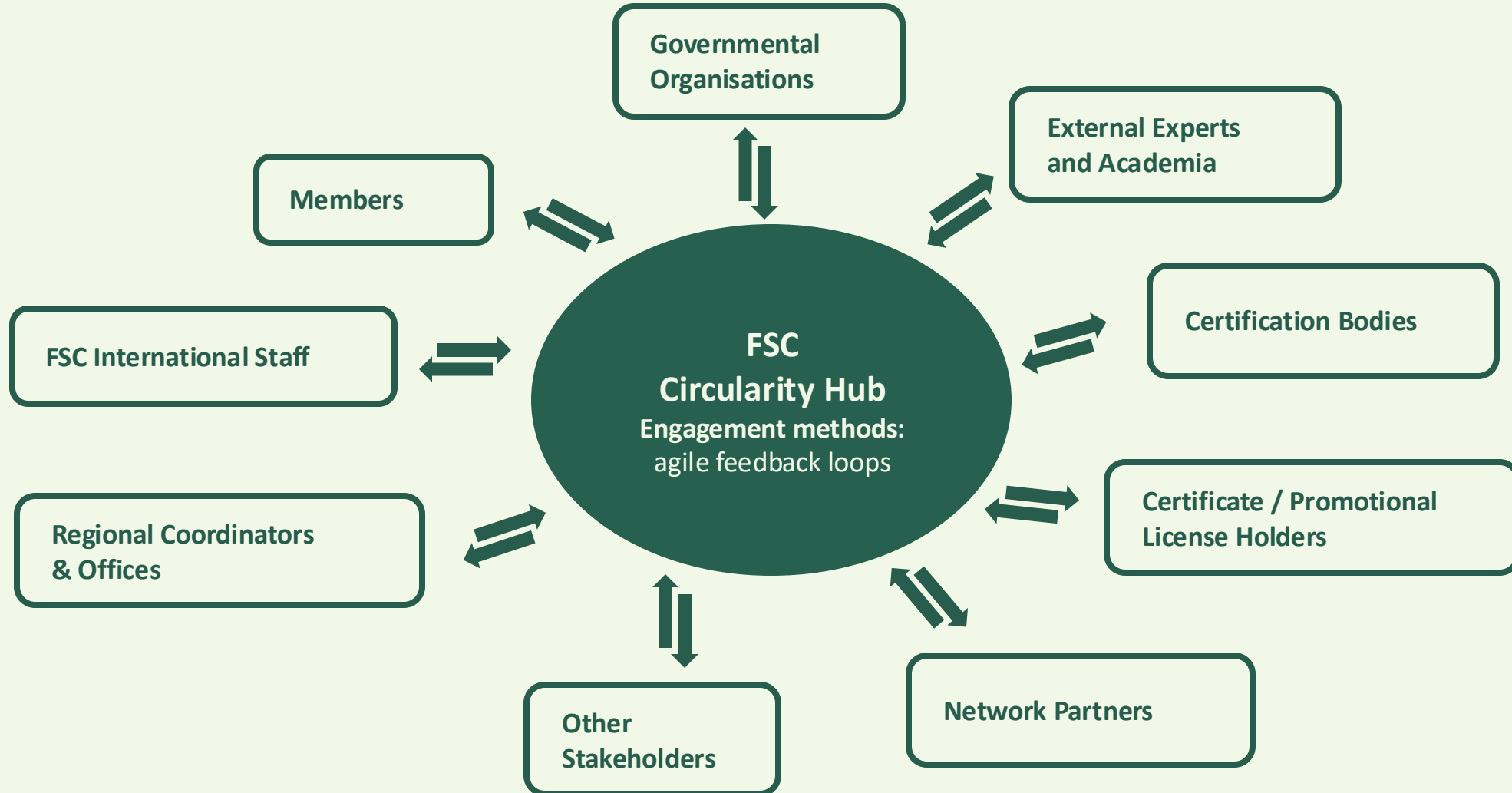
# Circularity Hub

## ORGANISATIONAL SETUP



# FSC Circularity Hub

## ENGAGEMENT



What is  
the FSC Circularity Hub  
**working on**  
to unfold circular economy  
in FSC?



# 5 PRIORITIZED WORK AREAS

Selected based on mission impact, market impact, value for FSC, value for members and upcoming legislation.



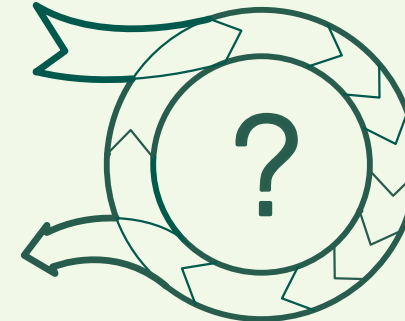
**Promote FSC  
Recycled label to  
industry**



**Remove barriers for  
circular business  
models in CoC**



**Support circularity  
legislation and standard  
compliance with data**



**Explore solutions to  
implement cascade  
principles**



**Explore the use of  
non-forest bio based  
fibers**



Impact potential on global transition to circular economy

# Promoting FSC Recycled label

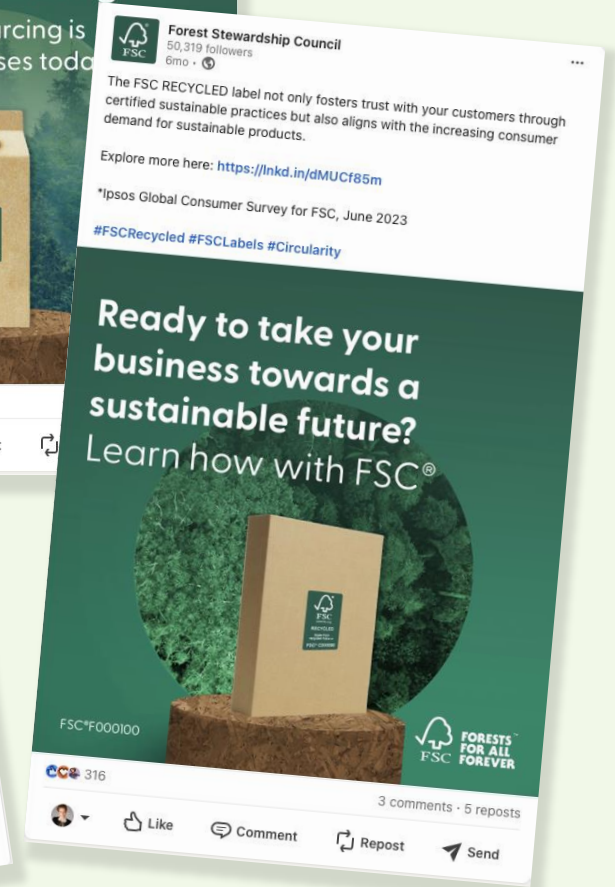


With FSC Recycled organizations can:

1. document use of 100% reclaimed materials
2. label and promote products with FSC Recycled
3. start the circular economy transition

Learn more about FSC Recycled

- [Explainer video](#)
- [FSC.org](#)
- [FSC.org/Circularity](#)



# Remove barriers for **circular business models** in the CoC standards



The CoC standards are **being revised** and the inclusion of **circular business models** are considered.

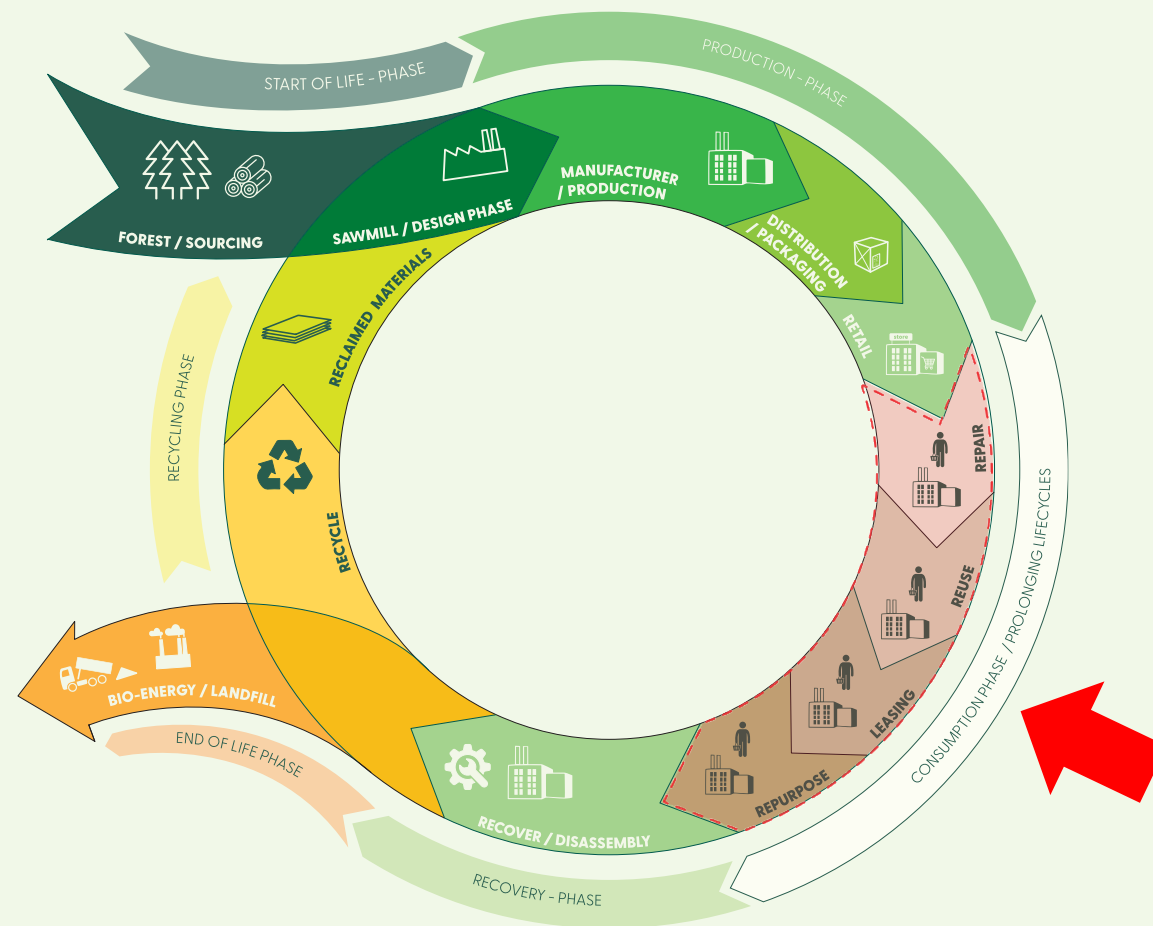
FSC **encourages** stakeholders to engage!

Follow the revision process here:

<https://connect.fsc.org/chain-custody-certification/revision-chain-custody-standards>

Download FSC's CoC Circularity Report here:

[https://connect.fsc.org/sites/default/files/2024-08/PSU\\_Circularity\\_report.pdf](https://connect.fsc.org/sites/default/files/2024-08/PSU_Circularity_report.pdf)



# Support circularity legislation compliance **with data**



LEGISLATION / STANDARD	METRIC AND REQUIREMENT	FSC CONTRIBUTION	RATIONALE
ESRS 5 (CSRD)	• _____ • _____ • _____ • _____ • _____ • _____	✓ ÷ ✓ ✓	_____ _____ _____ _____
ISO59020	• _____ • _____ • _____	÷ ÷	_____ _____ _____
ISO59004	• _____ • _____ • _____ • _____ • _____	÷ ✓ ✓ ✓	_____ _____ _____ _____

## Outputs:

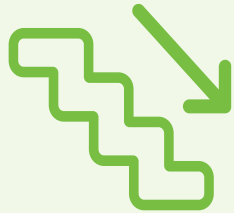
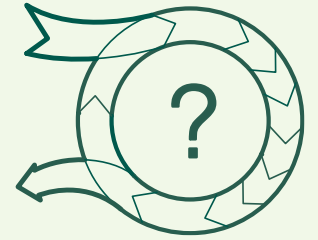
- **Internal analysis and proposals** for how FSC can contribute to compliance with circular economy regulation and standards
- **Topical overview of gaps** or alignment between FSC and circular economy legislation and standards.

# Explore circularity solutions to implement cascade principles

- Legislation pushing towards optimized use of materials through cascade principles.
- In cascade scenarios materials are prioritized to be used for products over energy production whenever possible
- A multi-stage cascade: the product/material is reused at least twice before it is used for energy.



# Explore circularity solutions to implement cascade principles



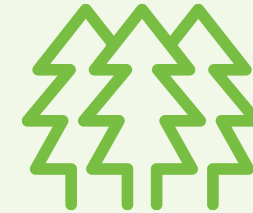
**1**

Support  
the choice of  
**the best possible  
material type**  
for a product



**2**

Make sure materials  
are **kept in loop over  
multiple  
use cycles**



**3**

**Incentivise  
forest owners**  
to manage the forest  
responsibly

# Explore non-forest bio-based materials

We are analyzing the use of non-forest bio-based materials such as wheat, grass, and cotton in FSC-certified products to explore the potential of and FSC's approach to these materials in the future.



# How to engage with FSC's Circularity Hub?



# How to get in touch with FSC Circularity Hub?

- Do you host or know of **meetings, events or conferences** where circularity could be a topic? And should the **FSC Circularity Hub** or **FSC** be involved?
- Reach out if you or other **FSC stakeholders** wish to contribute to FSC's work on circularity.
- Find newest information on: [fsc.org/circularity](https://www.fsc.org/circularity).



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# Thank you



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