



CASESTUDY01

Finland

WORKING TOGETHER TO IMPROVE



#01



FSC AT RISK

**FINLAND: HOW FSC CONTROLLED
WOOD CERTIFICATION IS THREATENING
FINLAND'S HIGH CONSERVATION VALUE
FORESTS AND ITS SPECIES AT RISK**

June 2013

GREENPEACE

FSC AM SCHEIDEWEG

Rund zwanzig Jahre ist es her, dass der Forest Stewardship Council (FSC) nach dem Umweltgipfel von Rio ins Leben gerufen wurde. Das Ziel: die umweltgerechte und sozial verträgliche Bewirtschaftung der Wälder zu fördern. Das Siegel sollte Produkte aus nachhaltiger Waldwirtschaft garantieren und damit einen Anreiz für engagierte Unternehmen und Verbraucher schaffen.

Zwei Jahrzehnte später bleibt das FSC-Label unter einer Reihe anderer Siegel aus Greenpeace-Sicht das einzige unterstützenswerte Zertifizierungssystem für Waldbewirtschaftung. Der FSC hat international Anerkennung gefunden und ist schnell gewachsen. Doch Greenpeace beobachtet besorgt, dass in den letzten Jahren vielerorts die Qualität der Zertifizierung gelitten hat: Der FSC-Standard ist in einigen Waldregionen und Ländern der Welt zu schwach oder wird unzureichend interpretiert und umgesetzt.

Der FSC hat zehn international verbindliche Prinzipien festgelegt, zu denen spezifische Kriterien für eine ökologische, soziale und wirtschaftlich nachhaltige Waldwirtschaft entwickelt worden sind. Diese werden regional oder national den Gegebenheiten vor Ort angepasst. Um sicherzustellen, dass die Prinzipien und Kriterien in den einzelnen Ländern angeglichen werden, entwickelt der FSC derzeit internationale generische Indikatoren.

Greenpeace veröffentlicht im Jahr 2013 eine Reihe von internationalen Fallstudien, die sowohl gute FSC-Praktiken als auch Negativ-Beispiele aufzeigen, bei denen dringend Verbesserungsmaßnahmen erforderlich sind. Das FSC-System muss die „faulen Äpfel“ auslesen und garantieren, dass seine Standards konsequent durchgesetzt und kontrolliert werden. Nur dann kann es seine Stellung als das einzige glaubwürdige Wald-Zertifizierungssystem halten.

DER FSC: SCHWACHPUNKTE UND LÖSUNGSANSÄTZE

- Mangelnder Schutz „besonders schützenswerter Wälder“ (High Conservation Value Forest, kurz HCVF): Es werden regelmäßig besonders schützenswerte Wälder (HCVF) zertifiziert, obwohl der Wert des Waldes nicht erhalten bleibt. Besonders schützenswerte Wälder sind beispielsweise intakte Urwälder, Gebiete, in denen bedrohte Arten leben, sowie Waldgebiete, die für indigene Völker bedeutend sind.

Lösungsansatz: Der FSC muss den Schutz intakter Waldgebiete und anderer „besonders schützenswerter Wälder“ (HCVF) unterstützen. Dafür ist es wichtig, die entsprechenden Indikatoren (IGIs) zu entwickeln und einen Leitfaden für die Identifizierung und den Umgang mit besonders schützenswerten Wäldern fertigzustellen und umzusetzen.

- FSC in Konfliktregionen: Auch in Waldgebieten, in denen umstrittene Regierungspraktiken, Korruption sowie soziale Konflikte auf der Tagesordnung stehen, wird nach FSC-Standards zertifiziert. In solchen Gebieten ist es aufgrund der fehlenden Strukturen sehr schwierig, eine ökologisch und sozial gerechte Waldbewirtschaftung zu gewährleisten. Die Zertifizierung in Regionen wie beispielsweise dem Kongobecken ist deshalb ohne besondere Kontrollmechanismen ein hohes Risiko für den FSC und seine Glaubwürdigkeit.

Lösungsansatz: Der FSC muss für diese Gebiete zusätzliche Sicherheitsmaßnahmen (safeguards) entwickeln, um das Risiko für Menschenrechtsverletzungen und soziale Konflikte zu minimieren. Er muss sich konsequent von Firmen distanzieren, die das Siegel für „Greenwashing“ benutzen, ohne dass sie den FSC-Werten voll entsprechen. Aktuell werden die „Policy for Association“-Richtlinien, die dies gewährleisten müssen, überarbeitet.

- **Außer Kontrolle: „Controlled wood“:** Produkte mit dem FSC-Mix-Label dürfen neben FSC-zertifizierten Materialien auch Holz aus sogenannten „kontrollierten Quellen“ enthalten. Die Anforderungen an letzteres werden durch den FSC-Standard „Controlled Wood“ (CW) vorgegeben. Allerdings kommt es immer wieder vor, dass Hölzer als „kontrolliert“ ausgewiesen werden, ohne dass eine ausreichende Kontrolle stattgefunden hat oder Beweise für die Unbedenklichkeit ihrer Herkunft vorliegen..

Lösungsansatz: Das „Controlled Wood“-System muss dringend überarbeitet werden, um zu gewährleisten, dass kein Holz aus zweifelhaften Quellen mehr in FSC-zertifizierte Produkte gelangt. Dazu muss die erforderliche „Nationale Risiko-Analyse“ und deren Kontrolle verschärft werden. Sollte diese fehlen, sind Audits vor Ort erforderlich. Der CW-Standard, der als Übergangslösung bis zu einer vollständigen Zertifizierung dienen sollte, darf nicht als Dauerlösung missbraucht werden. Der FSC muss einerseits Maßnahmen ergreifen, damit Unternehmen sich nach einigen Jahren vollständig zertifizieren lassen. Greenpeace empfiehlt außerdem, das „Controlled-Wood“-System bis zum Jahr 2018 einzustellen.

- **Ungereimtheiten bei der Zertifikatvergabe:** Die Auslegung der FSC-Prinzipien und Kriterien sowie die Kontrolle der Umsetzung des Standards durch die vom FSC anerkannten Zertifizierer ist in vielen Fällen mangelhaft.

Lösungsansatz: Die Zertifizierer müssen garantieren und verantworten, dass die von ihnen vergebenen Zertifikate die Anforderungen des FSC vollständig erfüllen. Der FSC muss außerdem transparenter werden und dafür sorgen, dass alle Zertifizierungsberichte einschließlich aller relevanten Informationen veröffentlicht werden. Dazu gehören zum Beispiel Karten der zertifizierten Waldgebiete und Bewirtschaftungseinheiten, die Lage der besonders schützenswerten und geschützten Wälder und alle Informationen über die Besitzverhältnisse und Struktur der FSC-zertifizierten Firmen.

- **Barrieren für kleinere Unternehmen:** Gerade kleinere Betriebe, die die Zertifizierung anstreben, benötigen mehr Unterstützung durch den FSC.

Lösungsansatz: Um insbesondere Gemeinden und Kleinbetrieben den Zertifizierungsprozess schrittweise zu erleichtern, ist es sinnvoll, das „Modular Approach Programme“ (MAP) einzuführen.

Mehr Informationen zu den Empfehlungen von Greenpeace und den aktuellen Entwicklungen des FSC finden Sie unter:

http://gpurl.de/FSC_at_Risk

FSC-ZERTIFIKAT „CONTROLLED WOOD“: BEDROHUNG FÜR FINN- LANDS SCHÜTZENSWERTE WÄLDER UND BEDROHTE ARTEN

Dieser Report nimmt die drei größten finnischen Papier- und Zellstoffhersteller und den Missbrauch des FSC-Siegels unter die Lupe: „UPM“, „Stora Enso“ und die „Metsä-Group“ verwenden alle seit 2006/2007 die FSC-Produktkettenzertifizierung (chain of custody, COC), um FSC-Mix-Produkte herzustellen. Die Greenpeace-Untersuchung der drei finnischen Unternehmen zeigt jedoch, dass sogenanntes „kontrolliertes Holz“ aus Urwäldern mit bedrohten Tier- und Pflanzenarten stammt.

Das FSC-Mix-Siegel erlaubt, dass Produkte neben FSC-zertifiziertem Holz auch solches aus nicht zertifizierten Wäldern enthalten dürfen. Voraussetzung dafür ist, dass es als „kontrolliertes Holz“ (Controlled Wood, CW) bewertet wurde, also das Risiko gering ist, dass es aus kontroverser Quelle stammt. Der Chain of Custody-Standard (COC) inclusive Controlled Wood, nach dem auch die drei finnischen Unternehmen zertifiziert sind, soll dabei unter anderem sicherstellen, dass keine unzulässigen Materialien mit den FSC-Materialien vermischt werden.

Dazu muss man wissen, dass in der Regel nicht der FSC, sondern die Unternehmen selbst mittels einer Risikoanalyse einordnen, ob das Holz aus zweifelhaften Quellen stammt.¹

Der FSC gibt allerdings derzeit noch keine einheitliche Vorgehensweise für die Unternehmen vor, wie sie ihre Risikoanalyse durchzuführen haben. Auch besteht für sie fast keine Rechenschaftspflicht. Die Gefahr, dass Holz aus zweifelhaften Quellen in das FSC-System gelangt, ist daher hoch. Auch UPM, Stora Enso und die Metsä-Group können keine fundierte Risikoanalyse vorweisen und erfüllen damit nicht die Anforderungen der FSC-Produktkettenzertifizierung (COC).

Die drei finnischen Branchenriesen weisen in ihrer eigenen Risikoanalyse übereinstimmend das ganze Land als Gebiet mit niedrigem Risiko für den Bezug von „kontrolliertem Holz“ aus. Sie ignorieren damit die Hinweise finnischer Wissenschaftler und Umweltschutzorganisationen, die seit Jahren auf besonders schützenswerte Waldgebiete und deren Bedrohung hinweisen. Die Lage dieser bedrohten Wälder ist den Holzunternehmen bekannt; sie sind auf Karten veröffentlicht und werden dennoch ignoriert.

Das Holz für ihre Produkte beziehen die drei Firmen von verschiedenen Anbietern in Finnland, teilweise auch aus Russland und den baltischen Staaten. Größter – und umstrittener – Lieferant für UPM, Stora Enso und die Metsä-Group ist jedoch der finnische Staat selbst: Verfolgt man die Lieferkette, stößt man auf das Staatliche Forstunternehmen Metsähallitus, das systematisch Urwälder und Lebensraum gefährdeter Arten vernichtet. Der Großteil des von Metsähallitus eingeschlagenen Holzes wird zur Herstellung von Zellstoff und Papier verwendet – und die einzigen Käufer des Holzes für die Herstellung von Zellstoff sind UPM, Stora Enso und die Metsä-Group.

¹ Holz aus zweifelhafter Quelle kann sein: Holz aus illegalem Einschlag, Holz, das aus der Umwandlung von Naturwäldern in Plantagen oder nicht-forstlichen Nutzungsformen stammt, Holz aus Wäldern, deren besondere Schutzwerte durch die Waldbewirtschaftung gefährdet sind, Holz aus Gebieten, in denen gegen traditionelle und bürgerliche Grundrechte verstoßen wird, sowie Holz aus Wäldern, in denen gentechnisch veränderte Baumarten gepflanzt werden.

#1 MIT DEM EINSCHLAG IM GESCHÜTZTEN LEBENSRAUM DES GLEITHÖRNCHENS IN DER REGION KAINUU VERSTÖSST FINNLAND GEGEN SEINE EIGENEN GESETZE:

In der Region Kainuu im Osten Finnlands schlägt das Staatliche Forstunternehmen Metsähallitus systematisch in den letzten noch verbliebenen Urwäldern ein, die nicht als Schutzgebiete ausgewiesen sind. Die Urwälder der nördlichen Region Kainuus sind ein wichtiger Lebensraum für das auf der Roten Liste gefährdeter Arten (IUCN) stehende Gleithörnchen (*Pteromys volans*). Laut finnischem Naturschutzgesetz darf der Lebensraum des Gleithörnchens nicht zerstört oder degradiert werden. Greenpeace hat die regionalen Holzeinschlagspläne von Metsähallitus für den Zeitraum 2012 bis 2013 untersucht und festgestellt, dass viele der geplanten Erntemaßnahmen im gesetzlich geschützten Lebensraum des Gleithörnchens liegen. Aktuelle Informationen der regionalen Umweltbehörden bestätigen zudem, dass in der Region bereits mehrere Lebensräume des Gleithörnchens durch das Staatliche Forstunternehmen eingeschlagen wurden. Selbst laut Metsähallitus' eigenen ökologischen Landschaftsplänen (Landscape Ecological Plans) für die Jahre 1998 bis 2000 schrumpften die Lebensräume der Urwaldarten in dieser Region aufgrund von Holzeinschlag und Fragmentierung und haben eine kritische Größe erreicht. Dennoch sind weitere Einschläge geplant.

#2 MALAHVIA: METSÄHALLITUS BRICHT SEINE EIGENE UMWELTLEITLINIE:

Laut staatlichen Forschungsberichten ist Malahvia ein Waldgebiet von nationaler Bedeutung. Die dort angesiedelte vielfältige Insektenfauna und andere gefährdete Arten können nur gerettet werden, wenn keine weitere Fragmentierung stattfindet. Nichtsdestotrotz schlägt Metsähallitus weiter in diesem Gebiet ein – sogar in Wäldern, die in den eigenen ökologischen Landschaftsplänen als ökologisch bedeutsame Korridore ausgewiesen wurden. Korridore zwischen einzelnen Naturschutzgebieten erhöhen die Chance auf die Erhaltung der Artenvielfalt.

#3 YLI-VUOKKI: ZERSTÖRUNG BESONDERS SCHÜTZENSWERTER WALDKORRIDORE UND PUFFERZONEN IN WASSERNÄHE FÜR „KONTROLLIERTES HOLZ“:

Im Januar 2013 schlug Metsähallitus in einem weiteren ökologisch besonders wertvollen Waldkorridor im Yli-Vuokki-Gebiet im Osten Finnlands ein. Dieser Korridor verbindet zwei größere Schutzgebiete. Auch hier hatte Metsähallitus in einem eigenen Bericht die Bedeutung des Gebiets für bedrohte Arten hervorgehoben. Metsähallitus schlug auch Wälder in Rand- bzw. Ufergebieten kleiner Seen und Teiche kahl. Damit handelt Metsähallitus gegen seine eigene Umweltleitlinie.

GREENPEACE-FORDERUNGEN

Greenpeace hat die drei größten Kunden des staatlichen Forstunternehmens Metsähallitus – Stora Enso, UPM and Metsä Group – über das Risiko informiert, dass Holz in ihre Lieferkette gelangt, das aus besonders schützenswerten Wäldern stammt oder sogar illegal sein könnte.

Firmen wie UPM, Stora Enso und die Metsä-Group untergraben die Glaubwürdigkeit des FSC. Durch ihre Machenschaften gelangt unkontrolliert Holz aus zweifelhaften Quellen in FSC-Produkte. Greenpeace fordert deshalb den FSC auf, den drei Unternehmen sofort die FSC-Trademark Lizenz entziehen, bis diese garantieren können, dass sie kein Holz beziehen, das im Zusammenhang mit der Zerstörung besonders schützenswerter Waldgebiete steht. Zusätzlich müssen die Zertifizierer die Risikoanalysen genauestens überprüfen und sicherstellen, dass Schlupflöcher für Holz aus kontroversen Quellen ausgeschlossen sind.

Established nearly 20 years ago, the Forest Stewardship Council (FSC) is widely recognised as the highest global certification standard for forest management. Nonetheless, with the FSC's rapid growth, there is growing concern with the increasing number of certificates being awarded to controversial forest management operations that do not meet the standards of the system.

To keep FSC certification as a credible tool to help protect forests, Greenpeace International is publishing a series of case studies exposing controversial operations that are posing the greatest risk to the FSC's integrity. We will also be highlighting best practice operations that are meeting and/or exceeding the FSC's principles and criteria. These case studies will show the standards that must be consistently met if the FSC is to maintain its credibility.

Increasingly, the poor performance of some companies holding FSC certificates is beginning to overshadow the cases where the FSC has led to a substantial improvement from status quo logging practices and supported the increased on-the-ground protection of forests. These "bad apple" FSC-certified operations present a reputational liability to the FSC brand, and will likely undermine consumer trust of the label.

The FSC needs to be strict with these "bad apple" operations by removing them from the system until they sufficiently reform their practices to meet FSC standards. FSC must also strengthen the certification process to prevent any more certificates from being awarded to operations that fail to meet the standards. Furthermore, the FSC needs to apply its world-leading criteria consistently in order to maintain the integrity of the FSC brand. Members of the FSC's economic, social and environmental chambers have worked hard for two decades to maintain the value of the FSC as a validator of responsible forest management, and as a tool for the marketing of responsible forest products. As a result, both the system and the availability of FSC-certified products have grown by leaps and bounds.

Now FSC supporters need to work together to keep the FSC strong as it continues to grow.

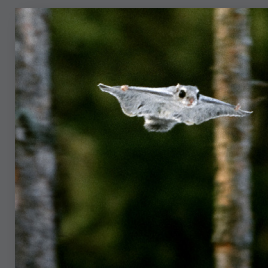


image: Logging by the Finnish state forestry enterprise Metsähallitus, in state-owned old-growth forest, is destroying the habitat of the red-listed flying squirrel.
© Greenpeace / Benjam Pöntinen

OTHER CERTIFICATION SYSTEMS

Greenpeace does not believe that other forest certification systems, such as PEFC (The Programme for the Endorsement of Forest Certification), SFI (Sustainable Forestry Initiative) and MTCS (Malaysian Timber Certification Scheme), can ensure responsible forest management. While the FSC faces challenges, we believe that it contains a framework, as well as principles and criteria, that can guarantee socially and ecologically responsible practices if implemented correctly. The other systems lack robust requirements to protect social and ecological values.



image: Logging by the Finnish state forestry enterprise Metsähallitus, in state-owned old-growth forest, is destroying the habitat of the red-listed flying squirrel.
© Greenpeace / Benjam Pöntinen

CONTROLLED WOOD IS OUT OF CONTROL

The FSC's controlled wood classification (CW) was introduced to allow more FSC material mixed with non-certified material to be labelled, and to provide an intermediate step to move its wood suppliers or its own forests to full FSC forest management certification. However, many companies are just using controlled wood as a permanent solution to having their products labelled as FSC.

The majority of the FSC's controlled wood supply is screened by companies through risk assessments to avoid controversial wood from "uncontrolled" sources, such as illegal logging, conversion of forests to plantations or non-forest uses, high conservation value (HCV) forests, social conflict areas, and genetically modified organisms (GMOs). Currently, there is little consistency in, or accountability for, how companies conduct their own risk assessments. This results in weak risk assessments without sufficient proof of low risk, but with a high potential for controversial wood to enter the FSC system.

FINNISH FORESTRY SECTOR ABUSE OF CONTROLLED WOOD THREATENS THE FSC BRAND

This case study describes how FSC chain-of-custody (CoC) certificates – held by Finland's three largest pulp and paper producers UPM, Stora Enso and Metsä Group – do not comply with FSC's CoC standard for sourcing controlled wood, and therefore present a liability to the FSC reputation and brand.¹ These companies are sourcing "controlled wood" in contravention of requirements for the maintenance of high conservation values.

UPM, Stora Enso and Metsä Group have all held FSC CoC certificates to produce FSC mixed products and, since 2006/7, have been purchasing controlled wood from different suppliers in Finland, as well as from Russia and the Baltic states.

	UPM ²	STORA ENSO ³	METSÄ GROUP ⁴
Case Study FSC certificates #	SGSCH-COC-002249 SGSCH-COC-002238	DNV-COC-000287 DNV-COC-000020 DNV-COC-000157	SQS-COC-100746 SQS-COC-100488 BV-COC-897631
FSC licence codes	FSC-C014719 FSC-C011143	FSC-C092800 FSC-C015932 FSC-C003140	FSC-C002102 FSC-C081807 FSC-C014476
Certifying body	SGS Qualifor (SGS)	Det Norske Veritas Certification AB (DNV)	Swiss Association for Quality and Management Systems (SQS), Bureau Veritas Certification (BV)
Countries of operation	Worldwide	More than 35 countries worldwide	Finland, Baltic countries, Sweden, Russia, other
Total FSC forest management (FM) area certified	563,628 hectares (ha)	912,126 ha (in 2012)	305,910 ha (2012)
Controlled wood (CW) district of origin identified in company risk assessment	Central and southern Finland, Kainuu	Lists the 12 regions of Finland including Kainuu	Finland
Number of FSC chain-of- custody (CoC) facilities/ certificates	120 (including sites/group members)	80 (including sites/group members)	54 (including sites/group members)
FSC products: Pulp, paper, lumber	Pulp, paper, plywood, timber	Paper (fine and board), pack- aging and building materials	Wood chips, paper (fine and board), timber
Markets for FSC products	Global	Global	Global
FSC complaint(s) on CW sourcing or certificates by stakeholders	_____ Concerns expressed directly to the companies _____ (the first step to activate a formal FSC complaint process)		
FSC corrective action requests filed	No	No	No
Public availability of permits and forest management plans from CW supplier(s)	_____ Not required by FSC _____		
Public availability of detailed maps of the lands from CW supplier(s)	_____ Not required by FSC _____		

HCVS AND PROTECTED HABITATS AT RISK

UPM, Stora Enso and Metsä Group have always considered Finland to be low risk for supplying FSC controlled wood for all FSC CW categories.⁵ However, in 2007, the FSC in Finland stated that: "...Finland belongs for the time being in its entirety to the 'unspecified risk' category" [for controlled wood categories 2 (social issues) and 3 (HCVs)].⁶ In reality, the system of Finnish protected areas south of Lapland is not sufficient to ensure the survival of HCVs. The latest assessments of red-listed species (2010) confirm that forestry is the single biggest threat to species biodiversity in Finland, and the majority of Finland's red-listed species are forest species.⁷ The recent assessment of threatened habitat types in Finland (2008) concluded that two thirds of forest habitat types in Finland are threatened, and that the most significant reasons for this were forestry and drainage for forestry (ditching).⁸

The Finnish "Forest Act" is considered the most important regulatory tool for preserving biodiversity in managed forests. However, research conducted in 2006-2007 showed that in practice the Forest Act was already failing to preserve the conservation values of the habitats it was intended to protect.⁹ A new version of the Forest Act was drafted in early 2013 for approval in the summer. But, according to leading scientists and researchers who have reviewed the proposed draft, the new Forest Act is even worse.¹⁰ Therefore, Greenpeace and other major Finnish NGOs consider that there is, and will continue to be, high or unspecified risk related to threatening HCVs and legality for most parts of Finland. HCV compliance cannot be considered as low risk for sourcing FSC controlled wood.



CONTROLLED WOOD PURCHASES — BUSINESS AS USUAL

For as long as the FSC has existed, Finland's environmental NGOs have been publishing maps detailing the locations of Finland's HCV forests to highlight the threats they face and the need for their protection. These maps have either been published on the web or sent directly to forestry sector companies. Despite this, UPM, Stora Enso, Metsä Group and their certification bodies (CBs) have ignored the scientific evidence and, in doing so, have failed to accurately assess the risk of their CW supply threatening HCVs at the eco-regional level.

FINNISH STATE IS SYSTEMATICALLY LOGGING IN OLD-GROWTH FORESTS AND IN HABITATS OF IUCN RED-LISTED SPECIES

In the region of Kainuu in eastern Finland, the state forestry enterprise Metsähallitus, one of the main suppliers of Finnish wood, is systematically logging the last fragments of old-growth forests outside of protected areas. The most common method of logging in these forests is clear-cutting. Old-growth forests in this region are valuable on a national scale for many reasons. They are critically important remnant old-growth forest habitats for regionally dwelling IUCN red-listed species, and they act as stepping stones and ecological corridors to red-listed old-growth forest species from large intact old-growth forests in Russia as well as across the rest of Finland.

According to Metsähallitus' own "Ecological Landscape Plans" for this region for 1998-2000,¹¹ habitats of old-growth forest species continue to decline under critical thresholds in the region as a result of logging and fragmentation.

The three cases below show how logging operations in the eastern Finland region threaten HCVs, and may not comply with the Finnish Nature Conservation Act, and how wood from these operations can enter the FSC system as controlled wood.

#1 FINLAND BREAKS ITS OWN LAW BY LOGGING PROTECTED FLYING SQUIRREL HABITATS IN KAINUU REGION

image: Logging by Finnish state forestry enterprise, Metsähallitus, in state-owned old-growth forest, is destroying the habitat of the red-listed flying squirrel. Spring 2013.
© Greenpeace



The northern part of Kainuu region has a high density of Siberian flying squirrel (*Pteromys volans*: a red-listed IUCN species)¹² in old-growth forest habitats. According to the Finnish Nature Conservation Act, flying squirrel habitats are prohibited from being destroyed or degraded. In 2012/13, Greenpeace assessed Metsähallitus' 2012-2013 logging plans for this region and found many of its harvesting plans were in flying squirrel habitats. Recent statements by regional environmental authorities confirm that several flying squirrel habitats have been logged in the region by Metsähallitus, and more logging is planned in many additional flying squirrel habitat areas.¹³

“[A] significant amount of logging has taken place in the known habitats of flying squirrel in the area of Näljänkä, where this planned logging site is located. Some of the areas have been logged to an extent where even whole habitats might have been destroyed ...”

– The Centre for Economic Development, Transport and the Environment of Kainuu, 28 January 2013, in a statement on Metsähallitus' logging plans in Kolkonjoki forest area.

According to our analyses, it is clear that wood from these logging operations has entered, and will likely continue to enter, the FSC CW supply chains of Finnish pulp and paper producers. This is because in all of Metsähallitus' logging operations, the majority of wood is used for pulp and paper production, and the only buyers of pulpwood from this region are UPM, Stora Enso and Metsä Group.

Current planned logging will also degrade ecological corridors between protected areas. In many of the cases, boundaries of clear-cuts are marked next to protected Natura 2000 sites – the EU-wide network of nature protection areas¹⁴ – without any buffer zones. Forests in many of the cases are also known to host other red-listed species, mainly fungi.¹⁵

“...the amount of habitats for old-growth forest species will decrease in the future under critical thresholds... habitats of old-growth forest species will diminish further as a result of fragmentation...”

– Landscape Ecological Plans of Näljänkä and Vepsa, region of Kainuu, Metsähallitus, 2000.

#2 FINNISH STATE COMPANY DESTROYS HCV FORESTS AND WATER BUFFER ZONES IN MALAHVIA

image: Clear-cutting by Finnish state forestry enterprise Metsähallitus in old-growth forests of Malahvia in eastern Finland – defined as an area of national significance for the protection of exceptional ecological values by government research institutes. October 2012. © Greenpeace/Liimatainen



According to numerous research reports by regional environmental authorities, the forest of Malahvia in Eastern Finland has national significance for the protection of red-listed old-growth forest-dwelling birds, such as the golden eagle (*Aquila chrysaetos*) and Siberian jay (*Perisoreus infaustus*), as well as fungi and insect species.¹⁶ The area has also been classified as one of the most valuable HCV forests for the protection of small waterway ecosystems in the region of Kainuu.¹⁷ According to governmental research reports, Malahvia is “a forest site of major importance even on a national scale, whose diverse insect fauna and other endangered species will be saved only if no further fragmentation takes place”¹⁸. However, Metsähallitus has ignored this information, and keeps on logging in the area, even in forests that have been defined as ecological corridors in its own “landscape ecological plans”¹⁹. In October 2012, clear-cutting also took place in areas defined as “landscape areas” by Metsähallitus. Moreover, Metsähallitus violated its own environmental guidelines, which forbid logging on the shorelines of small waterways.²⁰

“Metsähallitus promised to observe the environmental principles in the area. The logging practice seems to be something completely different.”

– Mr. Ville Niinistö, Finnish Minister of Environment, on logging in Malahvia, according to newspaper *Helsingin Sanomat*, 21 October 2012.

#3 CRITICAL HCV FOREST CORRIDORS AND ECO-TOURISM SITE LOGGED FOR CW IN YLI-VUOKKI

image: Logging in January 2013, in Yli-Vuokki in Eastern Finland, in an important forest ecological corridor between two larger protected areas. January 2013.
© Greenpeace/Ojutkangas



In January 2013, Metsähallitus logged in an important forest ecological corridor between two larger protected areas and an important recreational forest located in Yli-Vuokki area in eastern Finland. Metsähallitus, in its own special land use report, documented the area as having significance for threatened species, and as an ecological connection between protected areas.²¹ Yet it went ahead with clear-cutting some of the forests in the very same ecological corridors that it had identified in its public plans. It also clear-cut the forests along shorelines of small lakes and ponds in the area, in violation of Metsähallitus' own environmental guidelines, which identify the shoreline forests of small ponds as no-go zones for forestry.

“The cultural landscape is [again] being fragmented by clearcutting. There does not seem to be anyone who could stop this.”

– Mr. Heikki Rytkölä, researcher and former director of Museum of Kainuu, on logging in Yli-Vuokki forest, according to newspaper *Helsingin Sanomat*, 30 January 2013.

“The recreational forest of Yli-Vuokki is one of the most important ecotourism sites in Suomussalmi. The main attractions of the area are e.g. its wilderness character and waterways.”

– Metsähallitus land use plan for Yli-Vuokki, 2010.

COMPANY RESPONSES TO EVIDENCE OF WOOD FROM THREATENED HCVS ENTERING THEIR CW SUPPLY CHAIN

Greenpeace informed Metsähallitus' three largest customers, Stora Enso, UPM and Metsä Group, about the risk of threatened HCVs and illegal wood entering their supply chains. Each of the companies responded differently to Greenpeace's inquiries.²²

Regarding the flying squirrel habitat destruction in northern Suomussalmi, Stora Enso said that – together with its CB – it would investigate the risk of the controversial wood supply, but admitted that it does not have a system in place to exclude HCV wood from controversial sources, as the company has outsourced its risk assessment to Metsähallitus.²³ Regarding the HCV destruction in Malahvia, Stora Enso concluded that buying wood would have been a breach of FSC CW rules, so it refused to buy the wood.²⁴ Stora Enso bought the wood from the Yli-Vuokki forest area because it considered it not to have threatened HCVs forests that contravene FSC's CW standard.²⁵

UPM stated that it was not buying wood from Malahvia or Yli-Vuokki but, even if it was, it did not recognise that these areas of concern had such HCVs that would prevent its wood from being sourced there. It refused to provide any more information on how it verifies risks in practice.²⁶ The low risk assessment for all CW categories for Finland in UPM's FSC company risk assessments, verified by its CB, SGS, are justified by discounting FSC Finland's "unspecified" guidance for HCV and social category for all of Finland, due to it not having been properly consulted and agreed upon. UPM added that it also did not have board consensus or proper justification – the latter being especially ironic, as UPM and SGS do not provide any justification for low risk for the rest of Finland for any of the CW categories.

Finally, Metsä Group replied that it does not see any problems in its wood procurement from these areas.²⁷

CONCLUSION ON UPM, STORA ENSO AND METSÄ GROUP'S "UNCONTROLLED" WOOD SOURCING

Companies like UPM, Stora Enso and Metsä Group are jeopardising the FSC's integrity by allowing "uncontrolled" wood from operations that negatively impact HCV forests to enter the system. The FSC must immediately revoke the FSC trademark licences of UPM, Stora Enso and Metsä Group until they have cleaned up their supply chain so that they are not sourcing from HCV forests.

In addition, the CBs must properly verify risk assessments to ensure that no "high risk" wood from HCV areas is entering the supply chains of UPM, Stora Enso and Metsä Group. SGS, DNV, SQS and BV have all failed to practise adequate due diligence in verifying the information provided by the companies.

KEEPING THE FSC CREDIBLE

While Greenpeace continues to support the FSC, we cannot indefinitely endorse a system that is not globally consistent in its certification of forest management and controlled wood.²⁸ Along with other FSC members across its chambers, we are working to achieve the following key improvements in FSC operations and procedures so that the environmental and social values of forests are maintained under the FSC seal of approval.

FSC members, certification bodies, stakeholders and consumers must hold FSC accountable to ensure its standards and policies are strengthened, consistently applied and met to ensure that the ecological and social values of forests managed under the FSC seal of approval are maintained.

FSC must:

- 1) Support the conservation of Intact Forest Landscapes (IFLs) and other HCVs via the International Generic Indicators (IGI) process, and provide guidance on HCV identification and on their maintenance and enhancement.
- 2) Establish safeguards for FSC certification in “high risk” regions facing rampant social conflict and human rights violations, including prioritising the development of a robust Policy for Association due diligence approach – which ensures the disclosure of a company’s ownership, including parent, sister and subsidiary companies – and compliance guidance.
- 3) Tighten the controlled wood system by: increasing the scope and rigour of National Risk Assessments (NRAs) and its control measures, requiring field verification in the absence of a NRA, and implement measures for transition to full forest management certification including a phase-out of CW by 2018;
- 4) Improve on the ground performance by holding certification bodies (CBs) accountable for meeting the FSC’s standards. Also, increase FSC’s level of transparency by requiring that Accreditation Services International (ASI) and CBs publish all assessment reports, including the location of forest management units, HCVs and protected areas.
- 5) Increase its support for smallholders and community forest managers to achieve FSC certification across the FSC network, including swiftly implementing the Modular Approach Programme standard.

To review the FSC’s progress on Greenpeace’s recommendations, please visit: www.greenpeace.org/international/FSC-at-risk



REFERENCES

- 1 FSC Standard for Company Evaluation of FSC Controlled Wood, FSC-STD-40-005 (V2-1) EN, October 4, 2006.
<https://ic.fsc.org/standards.340.htm>
- 2 <http://info.fsc.org/Detail?id=a0240000005u7bNAAQ>
<http://info.fsc.org/Detail?id=a0240000005U60AAE>
<http://www.upm.com/EN/INVESTORS/Documents/UPMAnnualReport2012.pdf>
UPM's Finland CW Risk assessment:
<http://fsc.force.com/servlet/servlet.FileDownload?file=00P4000000C2VIAEAV>
- 3 <http://info.fsc.org/Detail?id=a0240000005sUPZAA2>
http://www.storaenso.com/media-centre/publications/annual-report/Documents/Stora_Enso_E_Global_Responsibility_Report_2012.pdf
Stora Enso's CW Risk Assessment:
<http://fsc.force.com/servlet/servlet.FileDownload?file=00P4000000ELIN3EAL>
- 4 <http://info.fsc.org/Detail?id=a0240000005sQoVAAU>
<http://info.fsc.org/Detail?id=a0240000005tcJMAAY>
<http://info.fsc.org/Detail?id=a0240000005sU25AAE>
http://www.metsagroup.com/SiteCollectionDocuments/Sustainability/Metsa_Group_2012_Sustainability%20Report.pdf
Metsä Group's CW Risk Assessments:
<http://fsc.force.com/servlet/servlet.FileDownload?file=00P4000000EKte0EAD>
<http://fsc.force.com/servlet/servlet.FileDownload?file=00P40000003zDN0EAM>
- 5 UPM's Finland CW Risk assessment: <http://fsc.force.com/servlet/servlet.FileDownload?file=00P4000000C2VIAEAV>
Stora Enso's CW Risk Assessment: <http://fsc.force.com/servlet/servlet.FileDownload?file=00P4000000ELIN3EAL>
Metsä Group's CW Risk Assessments:
<http://fsc.force.com/servlet/servlet.FileDownload?file=00P4000000EKte0EAD>
<http://fsc.force.com/servlet/servlet.FileDownload?file=00P40000003zDN0EAM>
- 6 FSC Finland identified for both the controlled wood categories 2 (Wood harvested in violation of traditional or civil rights) and 3 (Wood harvested from forest in which high conservation values are threatened by management activities) were of "unspecified" risk for Finland in letter from the board of the Finnish FSC National Initiative to FSC ASI and certifying bodies, 12 March 2007.
- 7 The 2010 Red List of Finnish Species. Ministry of the Environment, Finnish Environment Institute, December 2010
<http://www.ymparisto.fi/default.asp?contentid=432581&lan=fi&clan=en>
- 8 Assessment of threatened habitat types in Finland. Finnish Environment Institute, June 2008
<http://www.ymparisto.fi/default.asp?contentid=283841&lan=en&clan=en>
- 9 Pykälä J (2007). The importance of Forest Act habitats for biodiversity – a case study in Lohja municipality. Finnish Environment Institute, September 2007
<http://www.ymparisto.fi/download.asp?contentid=77637>
Pykälä J et al (2006). Importance of Forest Act habitats for epiphytic lichens in Finnish managed forests. *Forest Ecology and Management* 223: 84-92
<http://www.sciencedirect.com/science/article/pii/S0378112705006845>
- 10 "Compared to the present Forest Act, new proposal undermines safeguarding the biological diversity of Finnish forests. It also undermines possibilities to fulfil international [biodiversity] agreements and national objectives." An assessment on the effects of proposed new Forest Act (August 2012). Finnish Environment Institute, Finnish Forest Research Institute and Forestry Development Centre TAPIO, December 2012. Commissioned and published by Ministry of Forestry.
http://www.mmm.fi/attachments/metsa/newfolder/6D3KPUbAC/121220_metsalaki_vaikutusten_arviointi.pdf
- 11 Metsähallitus Landscape Ecological Plans in Kainuu region 1998-2000: Hyry Vepsä, Näljänkä, Tormua, Puhka, Metsäkylä-Jokijärvi, Kajaani-Vuolijoki, Luva-Ristijärvi
<http://julkaisut.metsa.fi/julkaisut>
- 12 <http://www.iucnredlist.org/details/summary/18702/0>
- 13 Decisions on definition of habitats of Flying squirrel and allowed forestry operations in logging sites of Metsähallitus in Suomussalmi, The Centre for Economic Development, Transport and the Environment of Kainuu, 28.1.2013, 4.2.2013, 11.2.2013, 15.2.2013
- 14 <http://ec.europa.eu/environment/nature/natura2000/>
- 15 Field studies by Finnish NGOs from 1998-2013 and the register of red-listed species by Finnish Environment Institute
- 16 Research reports and statements on forests of Malahvia: Research reports on the beetle, fungi and butterfly species in Malahvia area, Research centre of Friendship Park, regional environment centre of Kainuu, 1999. Statement on the value of Malahvia for bird species protection by research coordinator Mr. Mauri Leivo, Important Bird Areas in Finland coordinator, Finnish Environment Institute, December 1999
- 17 The small waterway areas of ecological importance in the region of Kainuu, National board of waters, regional office of Kainuu, 1994
- 18 Research reports on the beetle, fungi and butterfly species in Malahvia area, Research Centre of Friendship Park, regional environment centre of Kainuu, 1999
- 19 Maps published in Natural Resources Plan for Kainuu, Metsähallitus, 2003 and Metsähallitus customer update on Malahvia, 4-2004
- 20 Metsähallitus (2011). Promoting forest biodiversity: "Valuable habitats are totally excluded from forest operations. Valuable habitats include ... old-growth forests .. the surroundings of small water bodies such as springs, brooks, rivulets and small ponds.."
<http://www.metsa.fi/sivustot/metsa/en/Forestry/promotingbiodiversity/Sivut/default.aspx> and Environmental guidelines of forestry, Metsähallitus, 2011
- 21 Land use plan for Yli-Vuokki recreational forest 2011-2020, Metsähallitus, November 16, 2010
- 22 Greenpeace delivered via email the coordinates of Metsähallitus's planned logging sites to UPM, Stora Enso and Metsä Group in October and November 2012 and presented evidence of threatened HCVS according to ENGO maps and field investigations (2003-2012), information and maps by environmental authorities.
- 23 A meeting with Stora Enso in October 2012, Greenpeace Nordic was told they planned along with DNV to investigate the risk of controversial HCV wood from these areas entering its supply chain. DNV promised (email 22 March 2013) to report us the conclusions after a final audit meeting with Metsähallitus that was held on 15 April 2013 – however at this time of publication Greenpeace Nordic has not heard back from DNV and Stora Enso on the audit conclusions and their course of action.
- 24 Stora Enso communicated by email and a phone call from its CB (DNV) that it would refuse to buy wood from Malahvia (email from Stora Enso, 15 October 2012 and call from CB (DNV) 24 October 2012)
- 25 Email communication from Stora Enso to Greenpeace Nordic on 1 February 2013.
- 26 Greenpeace Nordic email correspondence with UPM, 12, 20 and 22 November 2012
- 27 Metsä group email response to Greenpeace Nordic, 24 January 2013
- 28 <http://www.greenpeace.org/international/en/campaigns/forests/solutions/altern>



image: Old-growth forest in Kainuu, eastern Finland, habitat for the red-listed flying squirrel, has been marked for clear-cutting by Finnish state forestry enterprise, Metsähallitus. © Greenpeace

WORKING TOGETHER TO IMPROVE



“Forest Stewardship Council,” “FSC”, and the checkmark-and-tree logo are registered trademarks of the Forest Stewardship Council.

GREENPEACE

Greenpeace International
Ottho Heldringstraat 5, 1066 AZ Amsterdam, The Netherlands
For more information, please contact: pressdesk.int@greenpeace.org