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# NEWSROOM

News and topics around our activities

Thursday, 04. February 2016

## FSC abandons proposal of mediation involving Resolute Forest Products and asks FSC Board of Directors to take action

**4 February 2016 (Bonn, Germany)** - Following an unwillingness on the part of Resolute Forest Products (Resolute FP) to be involved in mediation efforts to resolve its suspended Canadian FSC certificates, the Forest Stewardship Council (FSC) has abandoned its efforts to engage Resolute FP in such a process. Rather, FSC will continue to engage many other Canadian organizations that are willing to find solutions.

In November last year, FSC proposed a mediation process to Resolute FP to help the rein-statement of its suspended FSC certificates in Canada. It is in this context that the Director General of FSC International, Kim Carstensen, visited Canada during the last week of January this year to hold discussions with stakeholders from all parts Canada: provincial governments, forest industries, aboriginal leaders and organizations, unions and environmental NGOs.

"During a meeting with Resolute FP's CEO, there were no signs that Resolute is willing to engage in efforts to resolve the problems they pointed out so eloquently. This confirms the consistent, negative signals we are receiving from Resolute, and for this reason, FSC is abandoning the idea of a mediation process involving Resolute Forest Products," said Kim Carstensen, Director General, FSC.

"Instead, FSC will now develop a national discussion among the many other members of FSC, who have expressed their willingness to come together to find solutions. In this setting we are confident that we can address contentious issues that the Canadian boreal forest faces, specifically First Nations' rights and protection for species at risk, including woodland caribou," explained Carstensen.

FSC's proposal for mediation was received positively by all members of FSC, except Resolute Forest Products. Carstensen remains convinced that mediation would end the acrimonious relationship between Resolute FP and other stakeholders, particularly environmental organizations and some First Nations. But mediation could only work if all parties were willing to engage. Unfortunately, with Resolute's rejection, this was no longer the case.

"Over the last months, we have repeatedly tried to open the door for constructive engagement from Resolute. Instead, Resolute has made derogative comments and attempted to instil public distrust in our system. This behaviour is contrary to what is expected from FSC's members.

"Resolute Forest Products' attitude and unwillingness to engage in finding a solution to problems raised will be presented to the Board of FSC International at its next meeting in March this year. The Board will be asked to consider Resolute Forest Products' destitution as a member of FSC, or whether there are other means in FSC's statutes of making it clear that FSC does formally require from its members to share the same values of cooperation and constructive engagement that the FSC system is built on," explained Carstensen.

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As FSC is well aware, the issues for which they proposed mediation affect numerous forest products companies - not just Resolute. Others have expressed concerns, and a number of certificates have been terminated or suspended. In fact, FSC suspensions and terminations in Canada currently total 13.8 million hectares. And yet the focus of FSC—like the focus of Greenpeace—has been entirely on Resolute.

The mediation process proposed by FSC carried no set rules. While FSC has been pushing for such a process, Resolute has been engaged in FSC's existing consultation process on its new Canadian forest management standard. Why is this process never mentioned?

Interestingly, the only ENGO FSC has specifically named in its proposal for a mediation process... is Greenpeace.

What FSC received from Resolute and others were legitimate expressions of concern, on multiple occasions. Why has FSC never bothered to address these concerns in any meaningful way?

Assuming FSC is referring to Greenpeace, who are leading a fundraising campaign targeting Resolute and misleading the public about the health of the Canadian boreal forest. Resolute has had no choice but to defend its reputation and that of its employees and partners. Given that the case is currently being heard in court, it is unacceptable for FSC to interject. Did FSC propose a mediation process to resolve forest management issues, or to resolve a totally unrelated dispute between two of its members?

We did not create the problems - we simply raised them.

This would be an unfortunate development, as Resolute is still the second largest holder of FSC certificates in Canada and North America.

**This is wrong.** On December 18, Resolute stated that "we would certainly support an equitable consultative mediation process." We also stated that "the provincial governments of Quebec and Ontario would be the only appropriate overseers of a mediation process. They are the stewards of public forests." **Instead of recognizing this fact, why does FSC choose to misconstrue the facts? Could this be evidence of a strategy to try and isolate Resolute in the public eye?**

That meeting included provincial officials and other industry representatives—not just Resolute. All unanimously expressed concerns about the issues at hand, and committed to work through them within the current FSC consultative process. **Again, why does FSC continue to single out Resolute?**

Why does FSC omit the most significant issue facing the Canadian forest products industry - the proposal to protect "intact forest landscapes"?

Resolute has extensive consultative and commercial partnerships with First Nations across Quebec and Ontario. To imply otherwise is simply untrue.

Resolute has expressed legitimate concerns in a series of lengthy letters to Kim Carstensen - never once receiving a substantive response. **Why?**

Richard Garneau was an early supporter of FSC. He pushed to adopt FSC certification and Resolute has strongly supported the certification standard since then. Only when Greenpeace began to attack Resolute on various fronts, including its FSC certificates, did issues begin to arise.