

## FSC and VRG begin process to possibly end disassociation

BONN, 8 January 2020 - FSC will enter into formal discussions with the Vietnam Rubber Group (VRG) to design a plan for VRG to correct past activities which were not in line with the FSC's Policy for Association, and mitigate any negative impact that happened as a result, with a view to VRG potentially re-entering the FSC system.

The decision follows an FSC-conducted assessment into VRG's readiness to implement changes across the board to make it FSC-compliant. The assessment results were positive, and FSC and VRG will enter the planning phase – called a "road map towards ending disassociation" – in 2020.

The readiness assessment showed clear evidence of VRG top management's commitment towards FSC. This evidence included public acknowledgement by VRG of identified past deficiencies in its operations and commitment to address these; tangible steps taken by VRG towards adopting suitable social and environmental values, and more responsible business practices; demonstrated transparency; steps towards improving stakeholder engagement; and no additional evidence of significant forest conversion to plantations.

FSC will now begin development of the 'roadmap' through a structured, transparent and inclusive stakeholder engagement process. The 'roadmap' will state the conditions to be fulfilled by VRG to correct identified deficiencies, remedy any negative environmental and social impacts related to these, and prevent the reoccurrence of any activities which are not in line with FSC's Policy for Association. The 'roadmap' will also specify how the fulfillment of the conditions will be verified. Should the verification show VRG has met all conditions, FSC will assess the case and possibly allow VRG back into its system.

VRG was <u>disassociated from FSC</u> in 2015 following an independent investigation, which determined that VRG has been involved in the activities which were not in line with the FSC Policy for Association in Cambodia. The disassociation resulted from a formal complaint filed by Global Witness in September 2014.

For media enquiries:

Dania Mousa - Media Engagement Manager

d.musa@fsc.org

