



## **FSC SUSPENDS UKRAINIAN CHARCOAL CERTIFICATE HOLDERS**

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FSC takes swift action following an investigation revealed a scheme with over 18,000 tons of non-certified product entering the market as FSC certified.

The Forest Stewardship Council (FSC) has suspended eleven chain of custody certificates in the Ukraine, following an Assurance Services International (ASI) investigation into charcoal manufacturing. The investigation revealed sales of non-conforming products and the exploitation of the FSC system by evading the scrutiny of audits by certification bodies.

The investigation was triggered after a number of certificate holders in the region dropped their certificates less than a year after being fully assessed and becoming certified, and prior to having their first annual surveillance audit. This practice raised suspicions within ASI and FSC, and immediately prompted an investigation into these companies.

The investigation followed a series of transaction verification actions to identify mismatches in volumes traded in FSC-certified charcoal supply chains and to detect false claims and non-conforming product. In addition, the investigation was supported by forensic testing conducted by FSC and several incident investigations conducted by ASI.

ASI identified a pattern of sales between certificate holders that drop their certificates and certificate holders that only purchase from these types of suppliers.

The investigation discovered that over 18,000 tons of non-conforming product had been sold to distributors and retailers as FSC-certified.

Immediately after discovering these false claims, FSC suspended the companies' FSC trademark license agreements. This means these companies are no longer allowed to trade products with FSC claims.

The ASI in-depth investigation of FSC chain of custody certificate holders in the Ukraine spanned ten months. As a result, the following certificates have been suspended:

- Private entrepreneur (PE) Trotsenko Andrii (Trotsenko Group) (FC-COC-804317)
- Grill Meister (FC-COC-804614)
- RONDILLC (NC-COC-026664)

- Derevno Vuhilnyy Alliance Ltd (FC-COC-804590)
- FOP STRILTSOVA LARYSA (Striltsova Group) (FC-COC-804515)
- Eco Grill Plus LLC (FC-COC-804863)
- Wood Energy Exports Plus (FC-COC-001132)
- PAVLINTIME LLC (FC-COC-804801)
- ALT-STAR UKRAINE LLC (FC-COC-804852)
- Woodtrend LLC (FC-COC-804892)
- Limited Liability Company “Holzland” (NC-COC-053462)

FSC is currently notifying affected retailers and is taking steps to remove non-conforming product from supply chains.

The FSC trademark license agreements will be suspended until the certificate holders remedy non-conforming products and provide verifiable evidence that measures have been taken to assure valid FSC claims in the future. Without these conditions being met, FSC will terminate these certificates.

Companies that do not, in good faith, follow the requirements of the FSC system will find themselves increasingly under scrutiny as the system cracks down on non-conforming products and false claims.

ASI and FSC will continue to inform stakeholders as next steps are determined and taken.

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