

FOREST STEWARDSHIP COUNCIL DISASSOCIATES FROM THE VIETNAM RUBBER GROUP

October 26, 2015

Decision to terminate Vietnam Rubber Group certification due to proof of unacceptable activities in Cambodia. The Forest Stewardship Council (FSC) is disassociating from the Vietnam Rubber Group (VRG), effective today, after a decision was taken by the International Board of Directors in August this year. Disassociation will result in the termination of all FSC certificates held by VRG, taking effect effect three months from today.

The decision was made after in-depth research by an impartial complaints panel concluded that VRG subsidiaries were involved in unacceptable activities, as defined in the <u>Policy for the Association of Organizations with FSC (FSC-POL-01-004)</u>, in non FSC-certified forest operations in Cambodia. Unacceptable activities that occurred with the establishment of plantations in Cambodia by VRG include:

- the illegal logging and trade of illegal wood and forest products
- the violation of traditional and human rights
- the destruction of high conservation values
- the significant conversion of forests to plantations or non-forest use.

The disassociation results from a formal complaint filed by Global Witness in September 2014, alleging that VRG's rubber plantations in non FSC-certified areas were negatively impacting the environment, and the livelihoods of local communities in Cambodia and Laos.

"The decision to disassociate from an FSC certificate holder is always difficult, but safeguarding the integrity and credibility of FSC must be our priority. When evidence of activities contradictory to FSC values is presented to us, the robustness of the FSC Policy for Association, and the meticulous and impartial nature of our dispute resolution system, ensures these activities do not go unchecked," said Kim Carstensen, Director General of FSC.

"However, we are pleased that VRG signaled their interest to continue a dialogue with FSC on a path towards ending the disassociation, as it is always our intention to help companies improve their operations for the benefit of the environment and local communities," noted Mr.

Carstensen.

FSC has defined a set of conditions that, if satisfactorily fulfilled, would be grounds for considering an end of the disassociation with VRG. These can be found **here**, along with more information about the case, including a public version of the complaints panel report. [https://ic.fsc.org/vietnam-rubber-group-vrg.766.htm]

FSC Global Development GmbH · ic.fsc.org · FSC® F000100 Adenauerallee 134 · 53113 Bonn · Germany T +49 (0) 228 367 66 0 · F +49 (0) 228 367 66 65 Geschäftsführer | Director: Kim Bering Becker Carstensen Handelsregister | Commercial Register: Bonn HRB15990

FSC International Center gGmbH · ic.fsc.org · FSC® F000100

Adenauerallee 134 · 53113 Bonn · Germany

T +49 (0) 228 367 66 0 · F +49 (0) 228 367 66 30

Geschäftsführer | Director: Dr. Hans-Joachim Droste und/and Stefan Salvador Handelsregister | Commercial Register: Bonn HRB12589

