



# FSC® Global Market Survey

Report 2018

Forest Stewardship Council®



|  |           |
|--|-----------|
| <b>Introduction</b>                          | <b>2</b>  |
| <b>Executive summary</b>                     | <b>3</b>  |
| <b>Methodology</b>                           | <b>4</b>  |
| <b>Certificate holders</b>                   | <b>5</b>  |
| <b>Profile of respondents</b>                |           |
| Response rate                                |           |
| By region                                    |           |
| By company size                              |           |
| <b>Highlights</b>                            | <b>6</b>  |
| Satisfaction and renewal plans               |           |
| Business reasons and benefits                |           |
| Relevance and perception of FSC              |           |
| Sourcing and sales of FSC certified products |           |
| Communicating about FSC                      |           |
| <b>Promotional license holders</b>           | <b>11</b> |
| <b>Profile of respondents</b>                |           |
| Response rate                                |           |
| By region                                    |           |
| By sector                                    |           |
| <b>Highlights</b>                            | <b>12</b> |
| Satisfaction and renewal plans               |           |
| Business reasons and benefits                |           |
| Relevance and perception of FSC              |           |
| Sourcing and sales of FSC certified products |           |
| Communicating about FSC                      |           |



Every two years, FSC conducts the global market survey to gain a better understanding of how FSC certification is perceived by certificate holders and promotional license holders. The results help us to identify the needs of our stakeholders and to see how certification trends evolve over time. This information is vital as we strive to continuously improve the FSC system. The latest survey results were collected in 2018 and have been analyzed and compiled into this report.

The previous surveys indicated many positive trends, including high satisfaction rates, benefits for business and an increase in relevance for FSC in various sectors. This year is no different.

I am pleased to note that the vast majority of respondents (75 per cent of certificate holders and 76 per cent of promotional license holders) are satisfied with their certification or promotional license. Compared to the 2016 survey, there has been a small increase in satisfied respondents. This is reassuring and lets us know that we are on the right path.

Certificate holders report that they are deriving many benefits from FSC certification, especially in meeting the needs of their clients, communicating their business sustainability policies, and accessing markets. Seventy-five per cent of certificate holders communicate about FSC, with online communications being a favoured channel.

Most of our certificate holders are planning to renew their certificate, especially those in the paper production and conversion sector, where 95 per cent of respondents plan to renew their certificates. Certificate holders across all sectors believe that FSC will remain relevant, with many reporting that they expect that the relevance of FSC certification will increase in their sector.

I also find the results from our promotional license holders very encouraging. On average the surveyed respondents agreed that labeling and certification provided various benefits. An interesting change from the previous survey is that meeting the demands of customers is a more important benefit to respondents in the 2018 survey, compared to respondents in 2016 who indicated that transparency and credibility of their company was the most important benefit.

Nearly 80 per cent of participants that used the international license service found it useful. And 70 per cent of those that used the self-approval service found it to be helpful.

As we celebrate 25 years of certification in 2019, these results are useful measures for what we are doing right, and for what we can further improve on. FSC remains the world's most trusted sustainable forest management solution.

Thank you to each of our dedicated certificate holders and promotional license holders. Without you, our work would not be possible.

**Kim Carstensen**  
**FSC Director General**



# EXECUTIVE SUMMARY



## High levels of satisfaction

The vast majority of certificate holders (75 per cent) and promotional license holders (76 per cent) were satisfied or very satisfied with their FSC certification or promotional license, and 89 per cent of the respondents for both surveys indicated that they intend to renew their certification or promotional license.



## FSC is increasingly relevant

Most certificate holders and promotional license holders indicated that FSC would either remain relevant or become increasingly relevant in their sectors in the future, with a higher number of respondents selecting the latter option.



## Benefits achieved

Certificate holder responses indicated that meeting client demands, achieving competitive advantage and market access were the primary reasons given by newly certified companies for becoming certified in the first place. Furthermore, these responses aligned closely with the business benefits identified by respondents who have been certified longer than a year.

On the other hand, promotional license holder results showed that corporate social responsibility, public relations and communication, and competitive advantage were the main reasons provided by new licensees for obtaining a promotional license. These responses also aligned with the benefits identified by respondents who had been licensed longer than a year.

These results indicate that the perceived benefits when becoming FSC-certified or obtaining a promotional license were achieved in the long term.



## Survey

The research was carried out by the independent research institute, UZBonn, based at the University of Bonn, Germany. The method was an online survey administered from 31 October to 3 December 2018.

## Target audience

An invitation with a link to the survey was sent to all forest management (FM) certificate holders (n=4), forest management and chain of custody (FM/CoC) certificate holders (n=1,538), chain of custody (CoC) certificate holders (n=33,032), controlled wood (CW) verified operations (n=39), and promotional license holders. Promotional license holders included both commercial and non-commercial clients that hold a promotional license with FSC. The total population for the survey was 34,613 certificate holders and 833 promotional license holders.

## Languages

The certificate holder survey was conducted in 21 languages, and the promotional license holder survey in 12 languages.

## Analysis

In the analysis of the results, "I don't know" responses were treated as empty answers, if not otherwise indicated.

## Incentives

As an incentive to encourage participation, a sector-specific benchmark report was offered to both certificate holders and promotional license holders.

## Data protection

Participation in the survey was on a voluntary basis, and the data FSC received from UZBonn was anonymized, unless the respondent explicitly agreed to waive anonymity.

## Certificate holders and promotional license holders

Forest Management (FM) certification confirms that a specific forest area is being managed in line with the FSC Principles and Criteria. The certificate is issued to a forest manager or owner.

Forest Management/Chain of Custody (FM/CoC) certification applies to operations with FM certification that sell FSC-certified material to customers, providing assurance that the material is the product of certified forest management.

Chain of custody (CoC) certification applies to manufacturers, processors, and traders of FSC-certified forest products. CoC certification verifies that FSC-certified material is identified or kept segregated from non-certified or non-controlled material throughout the production process. FSC certificates are valid for five years.

Controlled wood (FM/CW) allows organizations to avoid categories of wood considered unacceptable to FSC. FSC controlled wood can only be mixed with FSC-certified wood in labelled FSC Mix products.

Promotional license holders, such as retailers and brand owners, are organizations that have a trademark licence agreement with FSC, which grants them the right to use the FSC trademarks and FSC support in creating promotional materials and marketing campaigns.





**12.7%**

**FSC certificate holders participated**

**4,062**

**respondents**

**93% CoC**

**7% FM/CoC**



**95**  
**Countries**

**69%**

**medium size companies**



**23%**

**small companies**



**8%**

**large companies**



# CERTIFICATE HOLDERS

## Response rate

Approximately **12.7 per cent of FSC certificate holders participated**, with **4,062 respondents** out of 32,086 successfully completing the survey. A total of 93 per cent of respondents were CoC certificate holders, and seven percent FM/CoC certificate holders. The sample also included one FM certificate holder and five CW/FM clients. Some 85 per cent of the respondents hold single certificates, 12 per cent have multisite certificates, and three percent have group certificates. The response rate reflects the current ratio of forest management and CoC certificate holders.

## By region

The survey respondents were based in **95 different countries**, whereas FSC had **certificate holders in 123 countries at the time of the survey**. Some 50 per cent of responses came from ten countries with large numbers of FSC certificate holders: Germany, Italy, United States, China, United Kingdom, Japan, Poland, Brazil, Netherlands and Russia.

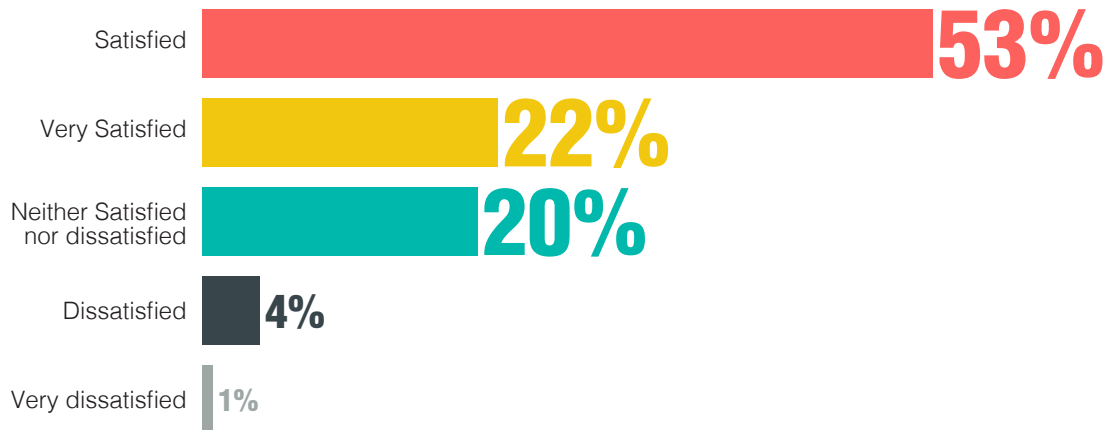
## By company size

Based on sales of forest products, **69 per cent of certificate holders at the time of the survey were medium-sized companies**, **23 per cent were small companies**, and **eight per cent large companies**.



## High levels of satisfaction

Q: How satisfied are you with your FSC certification?

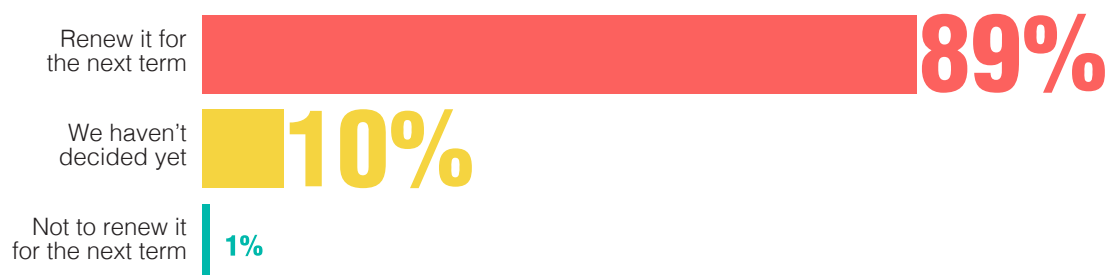


Overall the average level of satisfaction with FSC certification is high.

Seventy-five per cent of respondents are either “satisfied” or “very satisfied” with their certification. Only five per cent of the respondents state explicitly that they are dissatisfied.

## Continued commitment to FSC

Q: What plans does your company have regarding its FSC certificate?

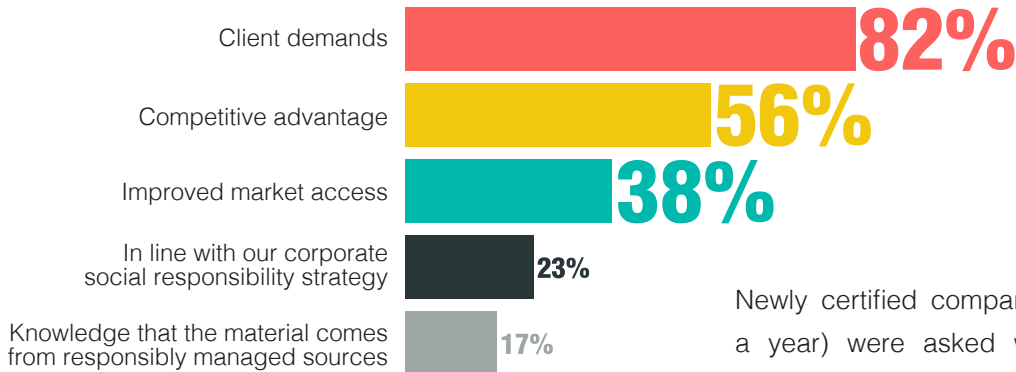


The vast majority of participants indicate they will renew their FSC certification for the coming term, while only one per cent said they will not renew their certification. Ten per cent of respondents are undecided.



## High demand for FSC

Q: What were the main reasons that your company engaged with FSC?

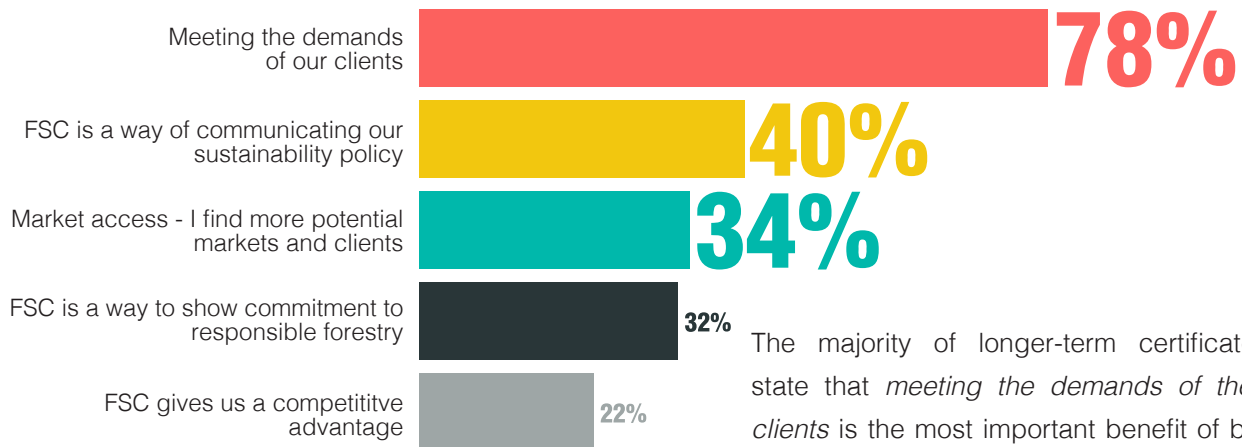


Newly certified companies (certified for less than a year) were asked why they had decided to engage with FSC, and the top reasons they chose were: *client demands*, *competitive advantage* and *improved market access*.

In general, meeting market requirements and operational considerations are more relevant than communicating social and environmental responsibility.

## FSC delivers business benefits

Q: What are the most important benefits for you from being FSC certified?

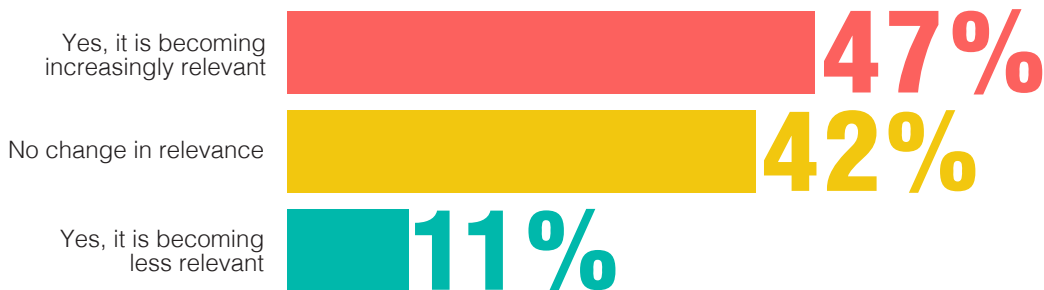


The majority of longer-term certificate holders state that *meeting the demands of their current clients* is the most important benefit of being FSC-certified; followed by *FSC is a way to communicate our sustainability policy* and *market access-finding more potential markets and clients*.

The benefits *meeting the demands of current clients* and *market access - finding more potential markets and clients* match the top reasons given by newly certified companies for becoming FSC-certified. This is encouraging as it suggests that FSC delivers on expectations of certified companies in the long term.

## Increasing relevance of FSC

Q: In your opinion, is the relevance of FSC certification changing in your sector?



Most respondents think that FSC certification will remain at least as relevant as it is currently or become increasingly relevant. The majority of respondents think that FSC certification is becoming increasingly relevant in their sector while only 11 per cent believe it is becoming less relevant.

## Positive perception of FSC

Q: Please indicate the extent to which you agree with the following statements.

|  | I strongly agree | I agree | Neither agree nor disagree | I disagree | I strongly disagree |
|--|------------------|---------|----------------------------|------------|---------------------|
| FSC certification helps to create a positive corporate image             | 22%              | 61%     | 13%                        | 2%         | 2%                  |
| FSC is a credible and trustworthy organization                           | 20%              | 56%     | 18%                        | 3%         | 2%                  |
| FSC helps us communicate our corporate social responsibility initiatives | 18%              | 56%     | 19%                        | 5%         | 2%                  |
| FSC's standards are consistent   | 13%              | 51%     | 25%                        | 6%         | 4%                  |
| My clients regard FSC certification as proof of timber legality          | 19%              | 51%     | 23%                        | 5%         | 3%                  |
| FSC certification helps in reducing legality risks                       | 16%              | 46%     | 27%                        | 7%         | 4%                  |
| The FSC label adds value to our products                                 | 21%              | 45%     | 23%                        | 7%         | 4%                  |
| Consumer awareness of the FSC label is increasing                        | 11%              | 39%     | 32%                        | 13%        | 4%                  |

Certificate holders were asked to rate their agreement with statements about FSC, FSC certification and the FSC label.

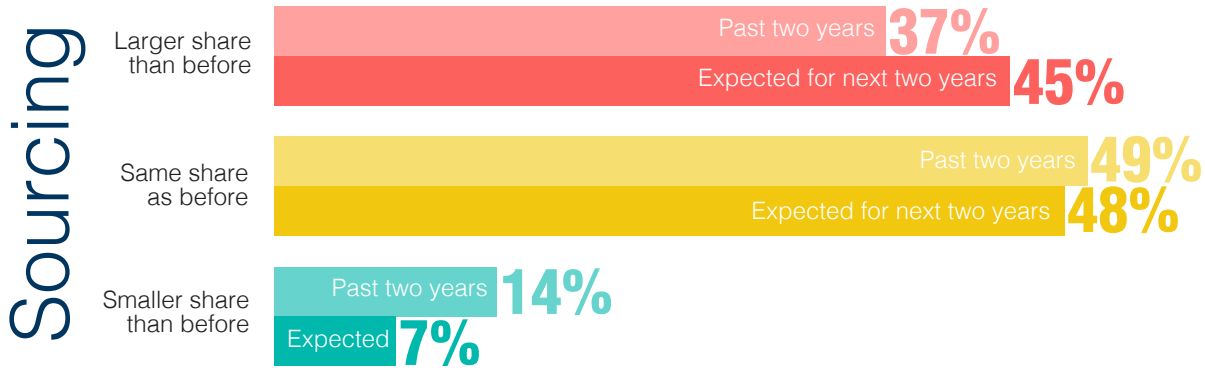
The answers revealed a favourable view on FSC. On average, certificate holders chose to agree rather than disagree with all statements. The most favourable statements were: *FSC certification helps create a positive corporate image*; *FSC is a credible and trustworthy organization*; and *FSC helps us communicate our CSR initiatives*.



## Sourcing and sales on the rise

Q: Has your company's sourcing of FSC-certified products or materials changed during the past 2 years compared to prior sourcing?

Q: What are your plans for sourcing FSC-certified products during the next 2 years?

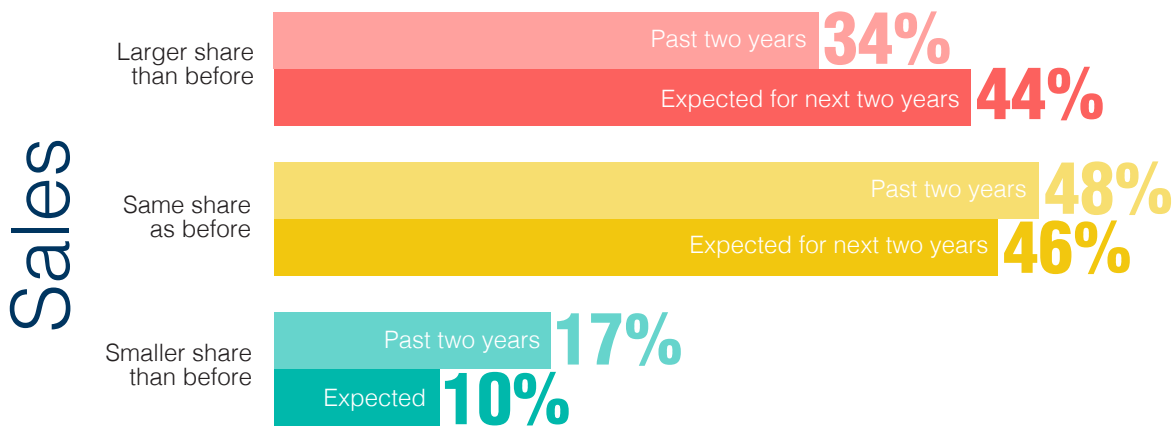


Nearly half of certificate holders **sourcing FSC-certified products** state that over the **past two years** the share of FSC-certified products they have sourced has stayed the same, while over one third claim their share has increased and only 14 per cent state that their share has decreased.

The respondents also **expect an increase in the sourcing of FSC-certified products for the coming two years**. While the majority (48 per cent) expect the share of FSC-certified products they source to stay the same, a high percentage of respondents (45 per cent) expect their share to rise, and only seven percent expect it to drop.

Q: How have your company's sales changed during the past two years compared to sales before?

Q: How do you see the trend of your FSC-certified products during the next 2 years?

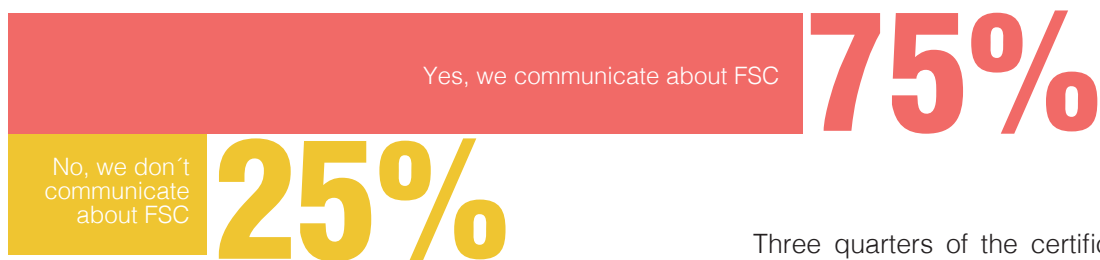


Nearly half of certificate holders state that during the **past two years** their **share of sales of FSC-certified products** has stayed the same, while about one third claim the share had increased. Only 17 per cent state the share has decreased. The majority (46 per cent) expect their **share of sales of FSC-certified products** to stay the same **in the coming two years**, and a high percentage of respondents (44 per cent) expect their share to rise, while only 10 per cent expect it to drop.

It cannot be said with certainty how the total share of FSC-certified material on the market is developing, because the results above do not account for the volume of material that was traded. However, these results may serve as a strong indicator pointing to a growing share of FSC-certified products on the market.

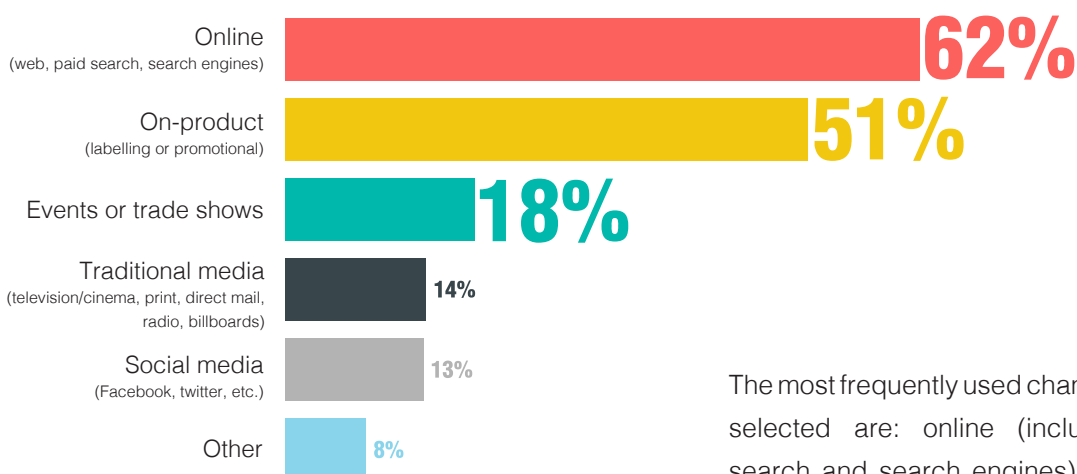
## Communication is the norm

*Q: Do you communicate about FSC?*



Three quarters of the certificate holders said that their company communicates about FSC.

*Q: If yes, through which channels?*



The most frequently used channels of communication selected are: online (including websites, paid search and search engines), on-product (labelling or promotional), and events or trade shows.





**17.5%**

FSC promotional license holders participated

**131**

respondents



**34**

countries operating



# PROMOTIONAL LICENSE HOLDERS

## Response rate

The response rate for the promotional license holder survey was 17.5 per cent (131 out of 749 participants completed the survey).

## By region

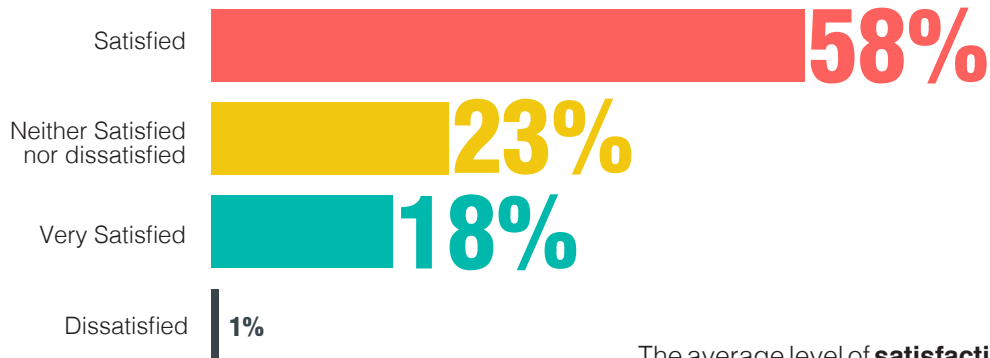
More than half of the countries in which promotional license holders are present (34 out of 64) took part in the survey. Nearly 70 per cent of promotional license holders completing the survey were based in Europe and 18 per cent in Asia.

## By sector

Most promotional license holders operate at the consumer-facing end of the supply chain and include retailers, holding companies, FSC members, NGOs, and investment companies, all of which want to promote FSC. Just over half of the respondents were retailers, traders, importers or resellers, consultants or training companies. Non-profit organizations constitute another large group of respondents.

## High satisfaction with promotional license

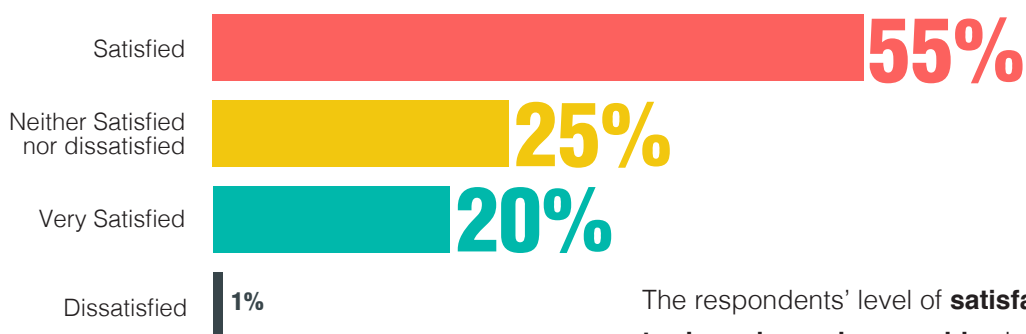
Q: How satisfied are you with the FSC promotional license?



The average level of **satisfaction** among promotional license holders is high. Seventy-six per cent are either “satisfied” or “very satisfied” with their **FSC promotional license**.

Only one per cent of the respondents are “dissatisfied” with their promotional license, and none of the respondents selected “very dissatisfied” as an option.

Q: How satisfied are you with the FSC trademark service provider?



The respondents’ level of **satisfaction** with the **FSC trademark service provider** is also very high: 80 per cent are “rather satisfied” or “very satisfied” with their provider.

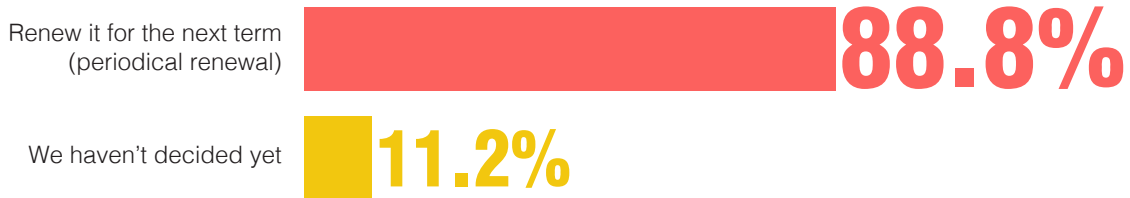
Only one percent claimed they are “dissatisfied” with the FSC trademark license provider and none of the respondents indicated they are “very dissatisfied”.



# PROMOTIONAL LICENSE HOLDERS

## High renewal rate

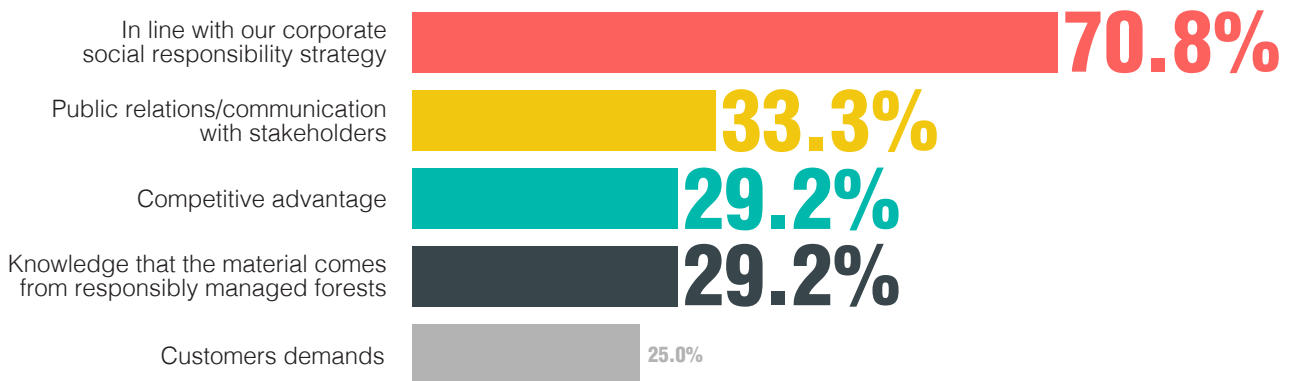
Q: What plans does your company have regarding its FSC trademark license?



Nearly 90 per cent of the participants are planning to renew their promotional license for the next term, while approximately 11 per cent of respondents are undecided whether they will renew their license or not. None of the promotional license holders indicate that they plan to end their license.

## CSR of primary importance

Q: What were the main reasons that your company engaged with FSC?



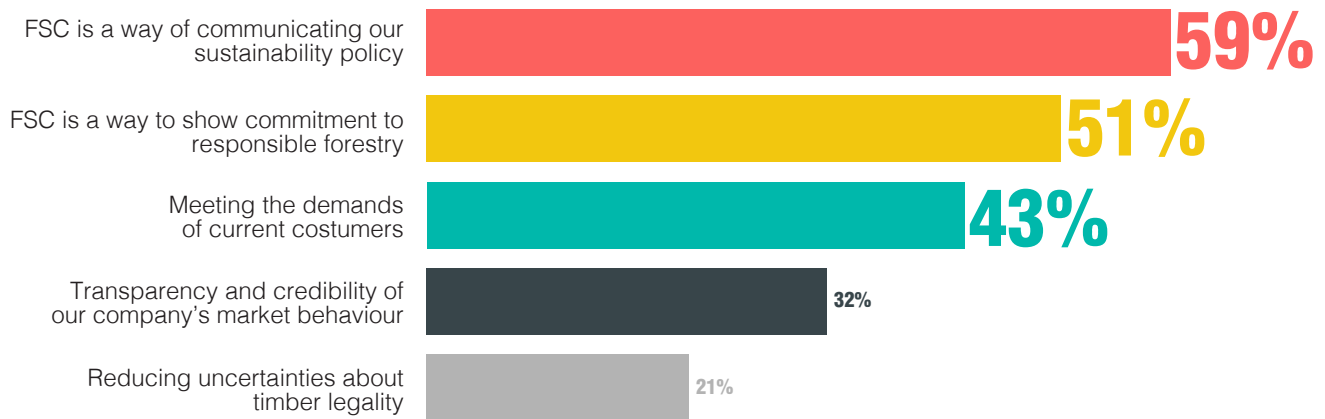
Newly licensed companies were asked the most important reasons for engaging with FSC, and over 70 per cent of the respondents selected *in line with our corporate social responsibility strategy* as their first option.

Other frequently selected reasons included using *FSC as a means for public relations/communication with stakeholders* (33 per cent), and *the knowledge that the material comes from responsibly managed forests* (29 per cent).

In general, communicating social and environmental responsibility are more relevant than meeting market requirements and operational considerations.

## FSC used to communicate commitments

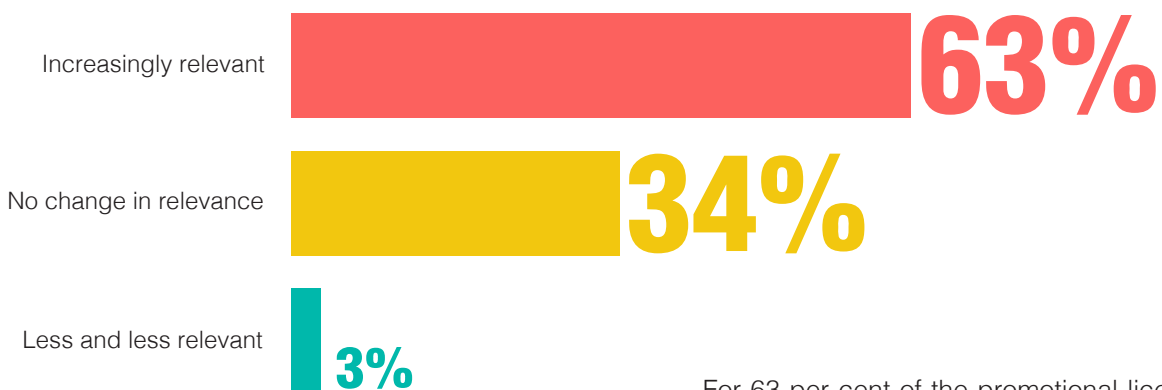
Q: What are the most important benefits for you of holding an FSC trademark licence and promoting FSC-certified products?



Promotional license holders consider FSC as most beneficial in *communicating their sustainability policy* (59 per cent), followed closely by the statements *FSC is a way to show commitment to responsible forestry* (51 per cent) and *meeting the demands of current customers* (43 per cent).

## FSC increasingly relevant

Q: How relevant is the promotion of FSC-certified products to you?



For 63 per cent of the promotional license holders, the promotion of FSC-certified products is seen as increasingly relevant.

# PROMOTIONAL LICENSE HOLDERS

## Positive perception of FSC

Q: Please indicate the extent to which you agree with the following statements.

|  | I strongly agree | I agree | Neither agree nor disagree | I disagree | I strongly disagree |
|--|------------------|---------|----------------------------|------------|---------------------|
| FSC is a credible and trustworthy organization                           | 29%              | 62%     | 8%                         | 1%         |                     |
| FSC's standards are consistent   | 18%              | 55%     | 20%                        | 6%         | 1%                  |
| FSC helps us communicate our corporate social responsibility initiatives | 36%              | 54%     | 9%                         | 2%         |                     |
| The FSC label adds value to our products                                 | 35%              | 54%     | 11%                        | 1%         |                     |
| FSC certification helps to create a positive corporate image             | 38%              | 51%     | 10%                        | 1%         |                     |
| FSC certification helps in reducing legality risks                       | 22%              | 49%     | 25%                        | 4%         | 1%                  |
| My clients regard FSC certification as proof of timber legality          | 15%              | 48%     | 34%                        | 3%         |                     |
| Consumer awareness of the FSC label is increasing                        | 14%              | 39%     | 36%                        | 9%         | 2%                  |

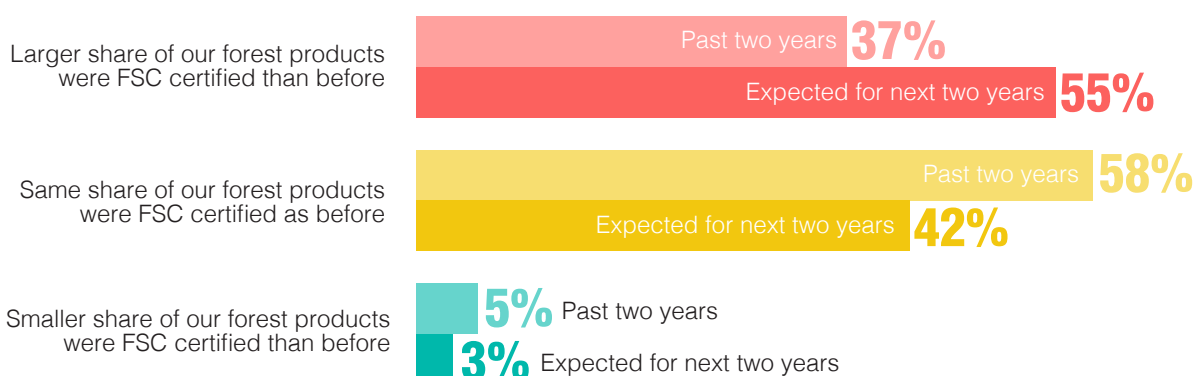
Promotional license holders were asked to rate their agreement with statements about FSC, the FSC certification and the FSC label.

The answers revealed a favourable view of FSC. On average, promotional license holders chose to agree rather than disagree with all statements. The most favourable statements were: *FSC is a credible and trustworthy organization*; *FSC standards are consistent*; and *FSC helps us communicate our CSR initiatives*.

## Positive outlook

Q: How do you view the trend of your FSC-certified products during the next 2 years?

Q: How have your company's use of FSC-certified products changed during the past two years compared to before?



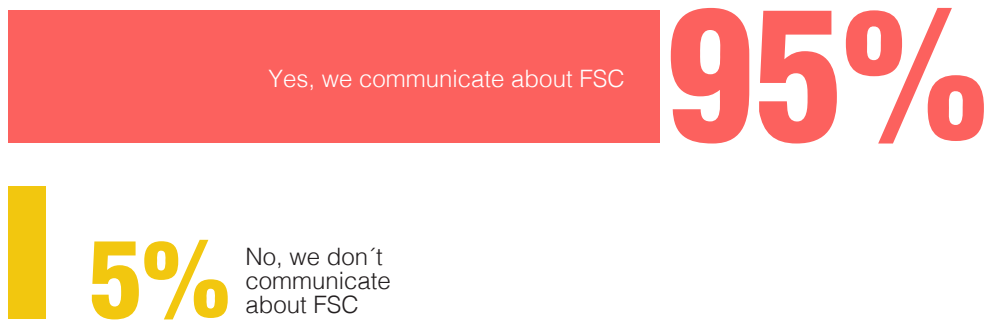


The majority of respondents claim the share of their sales/their use of FSC-certified products stayed the same (58 per cent) in the **past two years**, while nearly 40 per cent of promotional license holders state the share of their sales/use of FSC-certified products had increased. Only five per cent reported a decrease.

For the **coming 2 years**, a positive outlook among the promotional license holders is evident: Over half (55 per cent) of the respondents state a larger share of their forest products will be FSC-certified. Only three per cent of the respondents indicate they think a smaller share of their forest products will be FSC-certified in the future.

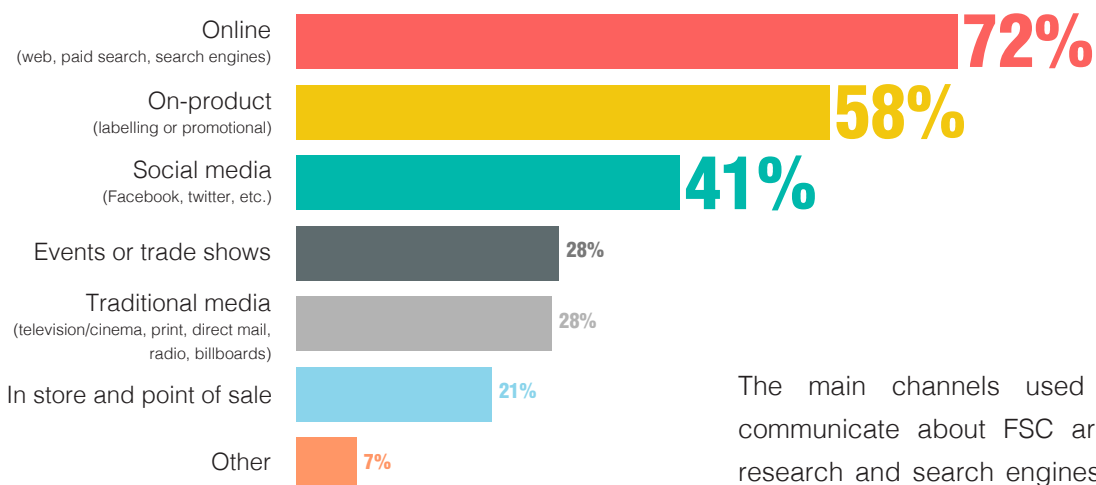
## Broad communications

Q: Do you communicate about FSC?



The majority of respondents (123 out of 130) said their company communicates about FSC.

Q: If yes, through which channels?



The main channels used by participants to communicate about FSC are online (web, paid research and search engines), which 72 per cent of the respondents claim to use, followed by on-product (labelling or promotional) with 58 per cent and social media (Facebook, Twitter) with 41 per cent.





FSC International  
FSC Global Development GmbH  
Adenauerallee 134, 53113 Bonn, Germany

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