

OLSEN FSC NEWS

August 2002

Welcome to the second edition of Olsen FSC News.

Olsen FSC News – WE ARE CERTIFIED!

The Olsen FSC Group Scheme was assessed in late February and we have confirmation from our assessors (SmartWood) that the Olsen FSC Group Scheme has been certified as FSC Resource and Group Managers. This means that our FSC clients that have met the requirements can now carry the FSC Logo on their forest products and sell these to an FSC certified chain of custody buyer. Our SmartWood certification number is **SW-FM/COC-190**.

Olsens are the first company in New Zealand to achieve group FSC certification and there does not appear to be another that will achieve this for some time. This adds great value to our service provision and should allow our clients to the opportunity to take advantage of some great marketing prospects. We now have over 5,000 ha consisting of 21 forests in the FSC pool, which is growing rapidly as FSC becomes more essential to sell high grade logs.

FSC News

The procession towards FSC certification marches on in New Zealand. Carter Holt Harvey Forest Resources are well under way with their bid to become FSC certified. Their assessor, SCS, have already been undertaking consultation with stakeholders. Once Carter Holt Harvey Forest Resources is certified over half of New Zealand's plantation resource will have FSC certification. The majority of the uncertified area will be made up of thousands of smaller forest owners. This is a significant resource that will be in need of group schemes to acquire certification.

The National Initiative Working Group Plantation Committee has been busy and the draft standards are taking shape. Most areas have been resolved and the main sticking points continue to be indigenous reserve contributions and prohibited chemicals. Olsens have been in constant contact with the members representing Economic Chamber and trying to obtain the best result for our Group Membership.

Log Buyer Survey

As a result of all the indications that forest owners should obtain FSC Olsens undertook a log buyer survey of New Zealand sawmills. We asked over 200 sawmills about their intentions regarding FSC certified logs and received the following results:

- Returns from 35 mills.
- 60% wish to purchase FSC certified logs of which:
 - 24% indicated they would pay a premium of between 5% and 15%.
 - 82% expected that there would be some restrictions to purchasing non-FSC logs.
 - 73% require pruned FSC logs.
 - 60% require unpruned sawlogs.
 - 10% require pulp logs.