



Forest Stewardship Council®



Standard Setting in FSC

Version 1-1, submitted to ISEAL on 30 June 2016

VISION

The world's forests meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.

MISSION

FSC shall promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.



FSC Forest Management Standard

Scope

FSC is a voluntary certification scheme that sets out best practices for **forest management** worldwide. By becoming FSC certified, forest owners and managers demonstrate that they are managing their forests responsibly.

FSC certification is currently applied in 81 countries, covering an area of more than 180 million hectares. All forest products can be certified, be it timber or non-timber forest products such as mushrooms and latex, but timber is the main product. FSC is developing new tools for clients (certificate holders) to access emerging markets for ecosystem services. FSC has adjusted requirements for group certification and small and low-intensity managed forests (SLIMF).

Additional to the forest management standard, there is a **chain of custody** standard to provide credible assurance that forest products sold as FSC certified originate from well-managed forests, controlled sources, reclaimed materials or a mixture of these. FSC chain of custody certification facilitates the transparent flow of goods from the forest, through all the processing and trading stages, to the final consumer.

Performance level

The global forest management standard is called *FSC Principles and Criteria for Forest Stewardship*, or simply ***Principles and Criteria*** (P&C, FSC-STD-01-001).

The P&C contain 10 principles and 70 criteria. Each criterion has a number of indicators which are defined globally as ***International Generic Indicators*** (IGIs, FSC-STD-60-004)¹.

FSC standards are designed for full compliance and FSC has a five-year certification cycle. When a company successfully passes the main audit, a certificate is issued after which annual surveillance audits take place. After five years, a re-evaluation is held at which point the certificate can be renewed. During audits minor and major nonconformities can be identified, which have to be corrected within a given timeframe; however, a certificate can only be issued, maintained or re-issued when no major nonconformities are open.

Sustainability outcomes

The P&C address compliance with laws; rights of workers, communities, and Indigenous Peoples; benefits from the forests; environmental values such as biodiversity, water and soil; and high conservation values. There are also requirements concerning management planning and implementation and monitoring and evaluation.

FSC does not allow for deforestation, degradation or conversion of natural forest areas into plantations. FSC requires forest owners and managers to minimize the negative impacts of forest management interventions.

Why is a forest management standard needed?

The FSC objective was and continues to be to address the issues of accelerating deforestation, environmental degradation and social exclusion. After the Earth Summit in Rio in 1992 produced no binding commitments on forest management, (though it did result in the non-legally binding

¹ FSC is currently transferring national standards and interim national standards (formerly called CB generic standards) from version 4 to version 5 of the P&C. Within the next two years, all national standards should be transferred to the P&C V5 and the IGIs. This report is based on the P&C V5.

Forest Principles), FSC was founded by an alliance of nongovernmental organizations (NGOs), companies, and experts. A voluntary certification system was seen as a contribution to address these persisting problems.

Adaptations

The P&C are adapted by national FSC **Standard Development Groups** to **national forest stewardship standards** to accommodate to the specific situation in a country or region. The Standard Development Groups cannot change the principles or criteria, but may adopt, adapt or (in exceptional cases) drop IGIs or add indicators.

In countries without a national Standard Development Group, the assurance providers (certification bodies, CBs), will develop an **interim national standard**.

Standard-Setting and Revision Process

When was the main standard first written and by whom?

The first draft of the P&C was written in 1991. In the next two years, the draft underwent a lot of changes, and the revisions were mainly based on input from NGOs and selected individuals. All drafts were distributed widely, by the end of 1992, it was decided to extend this exercise to national consultations in eleven selected countries covering all continents. The members of the FSC founding assembly (with the exception of government representatives) provisionally approved the final draft in 1993, and the Board of Directors (BoD) finally endorsed the P&C in September 1994.

Already in the early years of FSC, the wide engagement of stakeholders, extensive discussions and hence a stakeholders' sense of ownership of the whole process was perceived as crucial for the success of the FSC system.

Stakeholder categorization and geography

FSC is a membership organization as explained in the section below and members are assigned to the economic, social or environmental chamber. Public consultations are not restricted to members, but aim to reach as many institutions and individuals as possible, for which they are announced on the FSC website and in the FSC newsletter. Announcements and public consultations are also issued via mailing lists for specific stakeholder groups such as assurance providers and national FSC representations.

For the development of national forest stewardship standards (see *Process Requirements for the Development and Maintenance of National Forest Stewardship Standards*, FSC-STD-60-006), stakeholder groups are identified as belonging to at least one of the following categories.

With an **economic** interest:

- Owners/managers of large and medium-sized forests
- Owners/managers of small forests
- Owners/managers of operations where there is a low intensity of timber harvesting
- Forest contractors
- Timber producers associations.

With a **social** interest:

- Forest workers
- Indigenous peoples
- Local communities

- People who use forests for recreation
- Consumers.

With an **environmental** interest relating to:

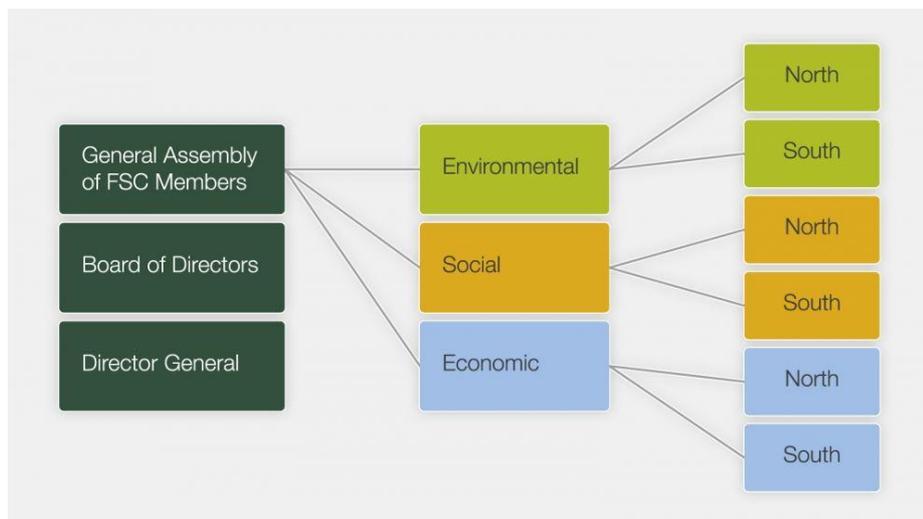
- Biological diversity
- Water
- Soils
- Ecosystems and landscapes.

A similar list exists for the development of interim national standards by assurance providers (FSC-STD-20-002).

FSC welcomes stakeholder input into the normative documents (policies, standards, and procedures) at any time. All stakeholder comments submitted to FSC are recorded and taken into account when developing or revising normative documents. The method of stakeholder engagement varies from submitting comments by means of a comments form or survey, through being part of a consultative forum for those stakeholders who choose to be more closely involved, up to moderated workshops and webinars in different languages. Global consultations normally take place electronically while national consultations rely more on face-to-face meetings in workshops. Underrepresented or disadvantaged stakeholder groups are given special attention. The means of contacting stakeholders for the development or revision of national standards will depend on what is culturally appropriate in the given context.

Governance

FSC has been a **membership organization** since its beginnings. In order to balance members' interests, the membership is divided into three chambers. According to a member's main interests, they will be placed in either the economic, environmental or social chamber, and additionally into the appropriate sub-chamber (South or North), depending on the level of economic power of their country. The voting power of all chambers and sub-chambers is equal, irrespective of the number of members. This guarantees that influence is shared equitably among different interest groups and levels of economic power. Members can be individuals or organizations.



While the **general assembly** of members meets every three years to discuss and submit motions to steer FSC, there are various committees that take decisions or give recommendations in between the general assemblies.

The **Board of Directors** is elected by the membership. It meets three times a year, and is responsible for approving standards.

The **Policy and Standards Committee** streamlines and facilitates the decision making related to the development of new and revision of existing normative documents, and issues a recommendation to the Board of Directors.

The Board of Directors and all of these “committees” are composed of FSC members, and have balanced representation from the three chambers.

Development, Review, and Revision process

FSC has a structured process for the development, review, and revision of its normative documents, defined in the procedure **The Development and Revision of Normative Documents** (FSC-PRO-01-001), and maintains a five-year review and revision cycle.

Several bodies have a role in the development and revision of standards:

- The FSC Policy Director will appoint a **coordinator** for each development and revision process. The coordinator will initiate the establishment of a working group (including the preparation of Terms of Reference and work plan); administer and manage the working group and a consultative forum; and will be responsible for drafting the document in question.
- The **working group** is a group of selected FSC members and/or technical experts with professional experience in the relevant field. It advises and provides input into the development or revision process of an FSC normative document. Working groups for environmental and social standards have to have balanced representation from the three chambers and be composed of FSC members.
- The **steering committee** is made up of the FSC Managing Director, the FSC Policy Director and the coordinator; it may also include additional members. It guides and supervises the development or revision. The steering committee will determine whether or not to develop or revise normative documents in situations where there are outstanding policy issues.
- The **consultative forum** is an email list of stakeholders who choose to be more closely involved in developing or revising an FSC normative document. Members of the consultative forum can often provide their input to drafts prior to general public consultation.
- The **Policy and Standards Committee** reviews the drafted document and gives a recommendation to the Board of Directors. The Policy and Standards Committee acts on behalf of the Board of Directors with respect to matters related to the development, execution, and decision making on all FSC policies, standards, procedures and other normative documents.

During the **review** phase for the development of a new or revision of an existing normative document, a proposal is written that is submitted for public consultation for at least 30 days. The review will consider the following information: new or changed legislation or best practices; emerging technologies or scientific knowledge; results of FSC and Accreditation Services International (ASI) monitoring and evaluation activities, e.g. implementation problems, competitive advantages or threats; and the evaluation of complaints and stakeholder comments. The FSC Policy Director will take into account all comments and finalise the proposal before sending it to the Board of Directors, which will take the decision to develop a new or revise an existing document.

The **development** of a new document or a **revision** of an existing document formally starts with the FSC Board of Directors approval of the process. To gather views and suggestions from stakeholders, FSC will initiate a public consultation based on a new or revised draft document. The **public consultation** normally takes place in two rounds of 60 days each. Drafts for public consultation are prepared by the working group and include a summary of the key points and a formal comments form; they are published and circulated to the FSC global network, the Board of Directors, all FSC accredited assurance providers, the consultative forum and other identified stakeholders. All valid comments are acknowledged on receipt and collated by the coordinator. The coordinator prepares a synopsis of the feedback received, including: an analysis of the

range of stakeholder groups that have submitted comments, a summary of the issues raised, a general response to the comments, and an indication as to how the issues raised were addressed. The synopsis is discussed in the working group as input into the new draft of the normative document, circulated to all parties that submitted comments, and published on the FSC website together with the subsequent public draft of the normative document. The consultation process is documented on the appropriate FSC International or national websites. Stakeholders can download all the relevant information there.

Draft standards may be **pilot tested** during the development or revision process.

FSC reviews its standards and determines the need for a revision at regular intervals. Stakeholder comments received since the last consultation are considered when taking the decision to revise a document and when developing the revised draft. Comments from stakeholders may lead to extraordinary revisions between the usual revisions cycles.

Outside of the revision process, clarifications can be requested from the FSC Policy and Standards Unit at any time, if an auditable requirement in a standard turns out to be ambiguous. The Policy and Standards Unit will publish the requested clarification, a so-called **interpretation**, which is binding for all assurance providers. Interpretations can be issued at short notice and do not need to be integrated into a revision process.

Decision-making process

All FSC committees and decision-making bodies aim at balanced representation of interests and at decision making by consensus. Balanced representation from the three chambers is a precondition for the working groups for social and environmental standards, for the Policy and Standards Committee, the Board of Directors, and national Standard Development Groups.

At the start of the development or revision process, the decision to develop a new document or to revise an existing one is taken by the Board of Directors based on a proposal by the FSC Policy Director.

The final approval of new or revised normative documents (policy, standard or procedure) is also taken by the Board of Directors, which is advised by the Policy and Standards Committee. The Policy and Standards Committee bases its advice on the draft normative document and the report of the working group, being the outcome of the revision process.

Only in case of national forest stewardship standards, the Policy and Standards committee can approve the standards based on full consent.

Complaints

The **FSC dispute resolution system** is regulated through *Processing Complaints in the FSC Certification Scheme* (FSC-PRO-01-008), which adheres to ISO regulations. Complaints about the standard setting process of FSC International can be submitted to FSC via an online form. FSC will accept a complaint if it is formally correct, is accompanied by a description of the steps already taken to resolve the complaint at the lowest level, and is supported by evidence. If the complaint is about a national standard, the complaint shall first be raised with the national Standard Development Group. In case of procedural issues with the standard, and if the complainant is not satisfied with the explanation provided, the complaint can be escalated to the dispute resolution system of FSC International.

If accepted, FSC International will investigate the case and provide a response within 60 days.

FSC encourages stakeholders to first try to resolve disputes informally through dialogue, before submitting a complaint.

Annex 1. List of the main normative documents mentioned in this document

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| FSC-STD-01-001 | <i>FSC Principles and Criteria for Forest Stewardship</i> |
| FSC-STD-01-003 | <i>SLIMF eligibility criteria</i> |
| FSC-STD-20-011 | <i>Chain of Custody Evaluations</i> |
| FSC-STD-20-002 | <i>Structure, Content and Local Adaptation of Generic Forest Stewardship Standards</i> |
| FSC-STD-30-005 | <i>Standard for Group Entities in Forest Management Groups</i> |
| FSC-STD-60-004 | <i>International Generic Indicators</i> |
| FSC-STD-60-006 | <i>Process Requirements for the Development and Maintenance of National Forest Stewardship Standards</i> |
| FSC-PRO-01-001 | <i>The Development and Revision of FSC Normative Documents</i> |
| FSC-PRO-01-008 | <i>Processing Complaints in the FSC Certification Scheme</i> |
| FSC-PRO-60-007 | <i>Structure, Content and Development of Interim National Standards</i> (currently in draft version, to replace FSC-STD-20-002) |

Annex 2. Abbreviations used in this document

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| ASI | Accreditation Services International |
| BoD | Board of Directors |
| CB | Certification body (assurance provider) |
| IGIs | International Generic Indicators |
| ISO | International Organization for Standardization |
| NGOs | Nongovernmental organizations |
| PSC | Policy and standards committee |
| P&C | Principles and Criteria |
| SDG | Standard development group |