

ISEAL Community Member System Overview

Organisation Name	Forest Stewardship Council
Year	2022
Version	1

1) The **STRATEGIES** the FSC system employs to meet its sustainability objectives

FSC's long-term vision is of resilient forests sustaining life on Earth, where the world's forests are treasured for the value and benefits they provide. Three strategies have been designed to reach this vision:

Strategy 1 - Co-create and implement forest solutions: this strategy aims to invigorate certification to drive the spread of forest stewardship by making it attractive, usable and viable for potential users. This will protect FSC's credibility and demonstrate impact through using modern technology, and together with members and partners, FSC will co-create solutions to forest-related challenges.

Strategy 2 - Transform markets: this strategy aims to foster market uptake of FSC to drive outcomes on the ground and greater value to certificate holders, supporting the shift to bio-based and low-carbon circular economies. Through improved data and powerful communications, FSC aims to highlight the social, environmental and economic value and benefits of FSC-certified forests and their products and services. FSC works with market actors to enhance and satisfy demand for certified products and services, focusing on sectors with greatest opportunity for impact to achieve the 2050 vision.

Strategy 3 - Catalyse change: This strategy aims to work with diverse organizations and stakeholders to increase the recognition of the value and benefits of forests and FSC's role as the most credible validation of forest stewardship. FSC aims to expand and invigorate its partnerships and alliances as efficient ways to contribute to global agendas and boost results on the ground. FSC aims to deliver on its mission, create results that matter to FSC members and partners, and seek opportunities in the broader landscape where it can achieve results without increasing burden on the FSC system and certificate holders.

2) A description of the **STANDARD** that FSC has developed

FSC's main sustainability standards are the national forest management standards. These standards are developed in standard development groups balancing social, environmental, and economic interests and are composed of local experts defending their respective interest and aiming to develop standards generating positive outcomes. These national standards are based on the "FSC Principles and Criteria" (P&C) and on the "International Generic Indicators" (IGIs). The Principles and Criteria 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. They also include requirements concerning management planning and implementation, as well as monitoring and evaluation. These international standards provide a globally consistent framework thanks to which locally generated outcomes from national standard can deliver on large-scale durable positive impacts.

Additionally, there is a set of standards for the chain of custody. The chain of custody standards ensure the volumes of FSC-certified products can be tracked along the supply chain and cover worker health and safety and other labour requirements.

3) How we maintain **RESPONSIBILITY** for decisions taken about and by FSC

Decisions related to the Monitoring and Evaluation system are entirely made by FSC International.

Decision-making and responsibilities for the development of national forest management standards as well as various elements of the assurance system (e.g. role and responsibilities of certification bodies) is described in and regulated by process-related standards.

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

New or revised normative documents are developed with stakeholder participation until the working group in charge of the process can recommend it to the Policy and Standards Committee and ultimately the FSC Board of Directors. The FSC Board of Directors itself is accountable to the FSC General Assembly of members.

Only in the case of Forest Stewardship Standards can the Policy and Standards Committee approve the standards based on consensus, because extensive consultations and discussion with local experts have already taken place in the respective area.

The heart of the FSC system, however, the FSC Principles and Criteria that establish the core forest management standard, must be approved by the FSC General Assembly of members.

4) How FSC 's design demonstrates a **COMMITMENT TO IMPROVEMENT**

FSC commit to continuous improvement mainly via its Monitoring & Evaluation framework. It is composed of two main components:

One focuses on the Global Strategy to report on progress made against the intended outcomes of the three strategies. The progress indicators have been developed jointly with various teams of FSC International and to ensure a good balance between data availability and relevance towards the intended outcomes. Data are provided and their quality checked by responsible respective teams. Data quality and consistency is further checked by the M&E lead. Annual data reports in the form of interactive dashboards are shared with FSC staff and FSC membership to create insights and help us improve.

The second component focuses on the impacts of forest stewardship, as per the P&C. It is composed of three pillars. The first pillar concerns targeted monitoring of some basic value and benefits of forest stewardship. Data are collected via audit reports which will soon be subject to large improvements in terms of quality checks, consistency, and management (digitalisation). Data are also collected thanks in-house remote sensing analysis (e.g. forest cover and health). The second pillar concerns impact evaluations. These are commissioned to independent external research teams to ensure unbiased and robust design and implementation. The third pillar concerns outcome-orientation of forest management standards. This new initiative at FSC aims to clarify the definition of intended outcomes and foster the collection of data and their transmission to FSC Int. to run analysis and derive insights that will be provided back to standard development groups.

Overall, efforts have been made to continually consult, compile, and classify outputs from the scientific community with the aim to learn and share insights with all stakeholders. The impact dashboard has been published and an online portal is being developed for that purpose. This activity has a cross-cutting function to support all activities of the Monitoring & Evaluation framework, as well as local stakeholders developing national forest stewardship standards.

The forest management standards include the element of adaptive management to continually improve management policies and practices. Adaptive management consists of:

- developing and implementing management plans with defined objectives,
- setting verifiable targets to reach these objectives
- measuring progress against these targets (monitoring end evaluation, M&E), and finally
- updating and revising the forest management plan based on the results from M&E, to help reaching the objectives.

When it comes to introducing improvements into the FSC normative framework, a procedure makes sure this is happening in regular cycles and according to the best practices.

FSC also responds to the risks identified in its risk management plan. To close system gaps, FSC sets up targeted projects that may take place outside the normative framework and steered by FSC directly.

Examples are:

- developing an online reporting tool for FM audits in order to get more accurate and better accessible data from the ground, and
- exploring a risk-based approach for forest management auditing in order to increase effectiveness and efficiency of the auditing.
- carrying out transaction verification in the supply chain to increase detection of fraud,
- pilots for using Blockchain in the supply chain to reduce risk for fraud.

Finally, high-level decisions are taken during FSC General Assembly through the submission and vote of motions. These motions can affect any aspects of the FSC system (strategic orientation, operations, standards, etc.) and are taken over by FSC Int. whenever passed.

5) How FSC's standard or tool is monitored and reviewed to ensure its **RELEVANCE**

As part of the M&E system, FSC conducts performance monitoring using wide-ranging data on the reach of the FSC system. This allows to monitor spatio-temporal patterns on the update of FSC standards and react accordingly.

FSC invites all stakeholders to provide their views on the current standards and how they can be improved. This happens via a dedicated Consultation Platform. The Consultation Platform provides a questionnaire for targeted feedback and leads stakeholders to pivotal questions that need to be considered to arrive at an impactful and viable improvement of the standard.

FSC has all normative documents available at no cost on the public website. Almost all content through consultations, webinars, webpages, communications, and documents are offered in both Spanish and English.

When standards are developed or revised, the tools to reach stakeholders are diverse, considering that some communities and cultures need other ways of engagement. The utilized means range from personal interviews and workshops to piloting new tools like role-playing games.

A team at FSC monitors and analyses developments of legal requirements, particularly in North America and the EU to ensure FSC takes these up as possible to ensure FSC certification stay and increases relevance for such areas.

6) How the FSC standard and system is **IMPLEMENTED**

The FSC standards are implemented by certificate holders on the ground. FSC takes care that the Forest Stewardship Standards are adapted to the national situation and conditions while at the same time being as consistent as possible across the globe. FSC reaches this by basing the national standard on the globally applicable Principles and Criteria and on the International Generic Indicators.

FSC uses independent third-party certification through certification bodies (CBs) auditing certificate holders annually and an oversight body Assurance Services International (ASI) providing oversight of the CBs. This system is built to ensure that standards are implemented correctly by the certificate holder.

ASI has started cooperating with National Accreditation Bodies. In certain countries the formal accreditation of certification bodies is carried out by the national accreditation body while ASI provides oversight such as transaction verification if there is an identified risk in the supply chain.

ASI conducts a number of witness audits of each CB annually. The purpose of these witness audits includes observing the performance of auditors and audit teams.

In cases where CB and ASI have a differing understanding of specific requirements of the FSC standards, either of them can ask FSC to issue an interpretation. This interpretation will be binding for all involved parties and all certification bodies to increase consistency in auditing.

FSC carries out calibration workshops with ASI and CBs to align, to create a common understanding and a level playing field.

Product claims have to identify if the whole input of the products was certified or a share of it. The claim also has to identify which part of a product is certified in order to be transparent for the consumer. For instance, in a case of wooden pens in a paper box, the label would identify which of the components is certified. Statements by certificate holders must be approved by an FSC Trademark Service Provider to prevent misleading claims being made.