



## FSC Forest Carbon Working Group

### Terms of Reference and Rules of Procedure

DRAFT – 20 May 2009

#### 1 Background

Based on a mandate provided by the FSC Membership at the 2008 General Assembly, the FSC Board of Directors (**BoD**) establishes the Forest Carbon Working Group (**FCWG**) in order to research, advise, and facilitate decision-making processes in relation to the engagement of FSC in initiatives relating to forest-based carbon and development of FSC Policies addressing forest-based carbon management.

FSC acknowledges that forests can play important roles in addressing climate change by reducing or preventing greenhouse gas emissions and/or increasing carbon sequestration in situations where business as usual management practices are improved.

FSC further acknowledges that there are potential risks associated with developing forest carbon projects and markets, including threats such as forest conversion, forest degradation (e.g. expansion of industrial logging in natural forests), and the violation of indigenous peoples' rights.

#### 2 Objective

The Forest Carbon Working Group acts to advise FSC with respect to all matters related to the formal engagement of FSC in climate change, greenhouse gas accounting, and forest-based carbon programs, projects and standards.

#### 3 Duties

The FCWG is an advisory working group charged with the development of reports and, potentially, recommendations to FSC.

The general duty of the FCWG is:

1. Exploring the role (including the risks and opportunities) that the Principles & Criteria, governance, accreditation, policy development and forest certification can play in frameworks to mitigate climate change by maintaining and/or increasing carbon stocks.

Specific duties that can be considered include the examination of the following options, focusing on their risks and opportunities:

2. Participating in efforts focused on establishing real and verifiable emission reductions from forest protection and improved forest management projects, and research into how FSC certified management practices could maintain and/or increase forest carbon sequestration;
3. Exploring FSC Principles & Criteria and FSC certification in climate change mitigation strategies under UNFCCC negotiations, including those aimed at reducing emissions from deforestation and forest degradation (REDD);
4. Exploring alignment or partnership with voluntary carbon standards or program design protocols;

5. Engaging voluntary and regulatory carbon finance mechanisms to recognize FSC certification as an effective tool to ensure environmental and social co-benefits (e.g. HC VF, restrictions on conversion of natural forests, free prior and informed consent, etc.);
6. Exploring the development of guidelines and cost models to help FSC certificate holders, including small holders, Indigenous-, and community-managed forests, access revenue sources for maintaining or enhancing carbon sequestration; and,
7. Exploring the capacity of the Chain of Custody system to facilitate determination of product-level carbon footprinting – including net carbon emissions from management, processing, and transport of wood products.

Finally, the FCWG shall provide recommendations for a review of the FSC Statement: 'Forests & Climate Change' (August 2008).

#### **4 Structure and Accountabilities**

The FCWG should consist of a minimum of six FSC members, with at least one from each FSC sub-chamber.

##### *4.1 Appointment and term*

FCWG members are appointed by the BoD based on an application and nomination process open to all FSC members. The term of FCWG members is three years, which can be renewed for an additional period.

##### *4.2 Support and facilitation*

The FCWG is supported by and interfaces with the FSC-IC and through staff personnel assigned to assist the FCWG through any exploration or recommendation development process.

The FCWG is facilitated by a professional appointed by the FSC Executive Director. The facilitator is responsible for the administration and management of the FCWG as well as for chairing working group meetings. The facilitator shall ensure that:

- ▶ the FCWG operates in accordance with its terms of reference and any applicable FSC procedures;
- ▶ all members of the FCWG have the opportunity to express their opinions and concerns;
- ▶ the members aim to find consensus in all recommendations of the FCWG.

##### *4.3 Accountabilities*

The FCWG is accountable to the BoD. All reports and recommendations generated by the FCWG are to be delivered to the BoD.

##### *4.4 Declaration of interests*

All members of the FCWG shall declare any interests they have, whether general or specific, that may be affected by their work as FCWG member and resulting recommendations. If a member is subsequently found not to have declared interests that are considered relevant to the issue being considered by the FCWG, then that person may be excluded from further participation in the working group.

##### *4.5 Advisory committee*

The BoD may establish an advisory committee to the FCWG, providing technical, scientific and strategic input on issues under examination of the FCWG. The advisory committee may consist of FSC members and non-FSC members.

## **5 Decision making**

### *5.1 Role of the FCWG*

The role of the FCWG is to develop reports and recommendations and have these submitted to the BoD. Formal decision making authority in relation to publication and strategic implementation of reports rests with the BoD.

### *5.2 Submission of reports*

When the facilitator considers that a report is ready for approval of the BoD, the facilitator shall put a formal request to the FCWG members and obtain their confirmation accordingly. The facilitator will then prepare a summary of main issues and the way they have been addressed. The report, together with the summary, will be submitted to the BoD for information or decision making.

### *5.3 Consensus principle*

The FCWG shall take decisions by consensus, defined as general agreement in favour of a proposal, plus the absence of a sustained objection to the proposal. If a vote is required, then consensus is defined as meaning that at least two thirds of the members of the FCWG vote in favour of the proposal, and there are no votes against the proposal.

In absence of consensus, FCWG members will be asked to specify what changes would be considered sufficient to merit their support for a report or recommendation. The facilitator may still present a report in the absence of consensus, together with the specified concerns.

## **6 Member responsibilities**

### *6.1 Meetings*

FCWG members are expected to attend 1-2 working group meetings annually of 3-4 days each. Each FCWG member shall nominate a substitute to represent the respective membership interests in case of being prevented.

### *6.2 Other obligations*

In addition to attending working group meetings, FCWG members are expected to participate in bi-monthly conference calls and contribute an additional 5 working days for preparation and follow-up.

### *6.3 Consultation*

FCWG members shall engage and consult with the other FSC (sub-)chamber members in order to represent the (sub-)chamber position as accurately as possible.

## **7 Expenses and remuneration**

Participation in the FCWG takes place on a voluntary non-paid basis. FSC is prepared to cover all reasonable travel and accommodation expenses related to above activities upon sub-mission of respective invoices and receipts.

## **8 Working language**

The working language of the FCWG is English.