



STRATEGY PAPER

Strategic Framework for an FSC® Climate Change Engagement

November 2011





Foreword

This strategic framework is the outcome of an exploration process mandated by the 2008 FSC® General Assembly, Policy Motion No. 43. It is based upon the report by the FSC Forest Carbon Working Group (FCWG) to the FSC Board of Directors which had been approved at their 56th meeting held March 30 to April 1, 2011. With the submission of their report to the FSC Board, the term of the FCWG had formally ended. The FCWG report had been reedited by the FSC Secretariat and made available to the FSC membership and the public in June 2011. This strategy paper constitutes an extract from that report. No changes have been made to the substance and set of objectives and goals formulated in the original report.



Title: **Strategic Framework for an FSC Climate Change Engagement**

Contact: **Policy and Standards Unit, FSC International**

E-mail for comments: policy.standards@fsc.org

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The Forest Stewardship Council® (FSC) is an independent, not for profit, non-government organization established to support environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

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

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Introduction

Background [the significance of forests and forest management]

Responding to and offering solutions to tackle climate change is being increasingly expected from all sectors of the economy. Forestry in particular has come into focus due to the critical role that forests play in regulating the Earth's climate.¹ By removing carbon dioxide (CO₂) from the atmosphere, they form the world's largest terrestrial store of atmospheric carbon. Equally, when forests are cleared, large amounts of carbon are released into the atmosphere. The destruction and degradation of forests worldwide accounts for a higher share of global CO₂ emissions than the entire transport sector. These emissions contribute to the greenhouse effect, increasing the risk of catastrophic climate change.

Forest management can make a very significant contribution to a low-cost global mitigation portfolio that provides synergies with adaptation and sustainable development. Forest mitigation options include reducing emissions from deforestation and forest degradation, enhancing the sequestration rate in existing and new forests, providing wood fuels as a substitute for fossil fuels, and providing wood products for more energy-intensive materials.²

Good forest management therefore needs to consider carbon cycles and should aim at maintaining or restoring carbon stocks. Well-managed forests are more resilient, can more readily adapt to climate change and provide a wide range of socio-economic benefits and environmental services. It is therefore imperative for mankind to manage the world's remaining forests in a responsible manner. Protecting forests from conversion to other land uses such as agriculture, introducing management practices that maintain the integrity of the forest, as well as restoring degraded forests, all contribute to reducing the impacts of climate change. These activities should be in addition to, and not a substitute for, necessary reductions in greenhouse gas emissions from other sectors.

Reasons for an FSC Climate Change Engagement

It is now widely recognized that forests need to be maintained for the ecosystem services they provide, but more importantly that maintaining forests requires comprehensive safeguarding of their social and environmental values going well beyond maintenance or restoration of their carbon stocks alone. Robust, performance based social and environmental standards are required for this purpose. FSC certified forest operations, through adherence to the Principles and Criteria, are in the best position to demonstrate commitment to these safeguards.

And while new certification initiatives have emerged in order to provide assurance both for the 'climate benefits' of forest climate projects as well as for their social and environmental integrity, it is FSC's comprehensive approach towards responsible forest management, the unique participatory and interest-balanced governance system as well as a strict accreditation programme which positions the organisation well to take a more proactive stance in the sphere of ecosystem services certification as well.

So FSC certification can be used, and is already, to supplement for example carbon accounting standards by organizations pursuing financial benefits from carbon markets. This is likely to become more prevalent. And while FSC as an organization does not engage in, or in any way benefit from, carbon markets, there are potential reputational risks for FSC to become unduly associated with these markets and underlying mechanisms, accounting practices and resulting claims.

In order to control and minimize these risks but equally to exhaust the potential benefits of a much wider application of FSC certification in tropical regions and for the purpose of sustaining natural forests, a strategic and policy based engagement in mitigations efforts against climate change has been suggested for FSC as one of the spearheading institutions for the introduction of responsible forest management worldwide.

1. Joint Liaison Group of the Rio Conventions (2008): 'Forests - Climate Change, Biodiversity and Land Degradation': http://unfccc.int/resource/docs/publications/forest_eng.pdf

2. IPCC 4th Assessment Report (2007): Chapter 9 – 'Forestry'. http://www.ipcc.ch/publications_and_data/ar4/wg3/en/ch9.html

The proposed strategic framework is meant to guide FSC as a standard-setting organisation for forest stewardship on how to position and evolve itself over the coming years in order to maintain this leadership role.

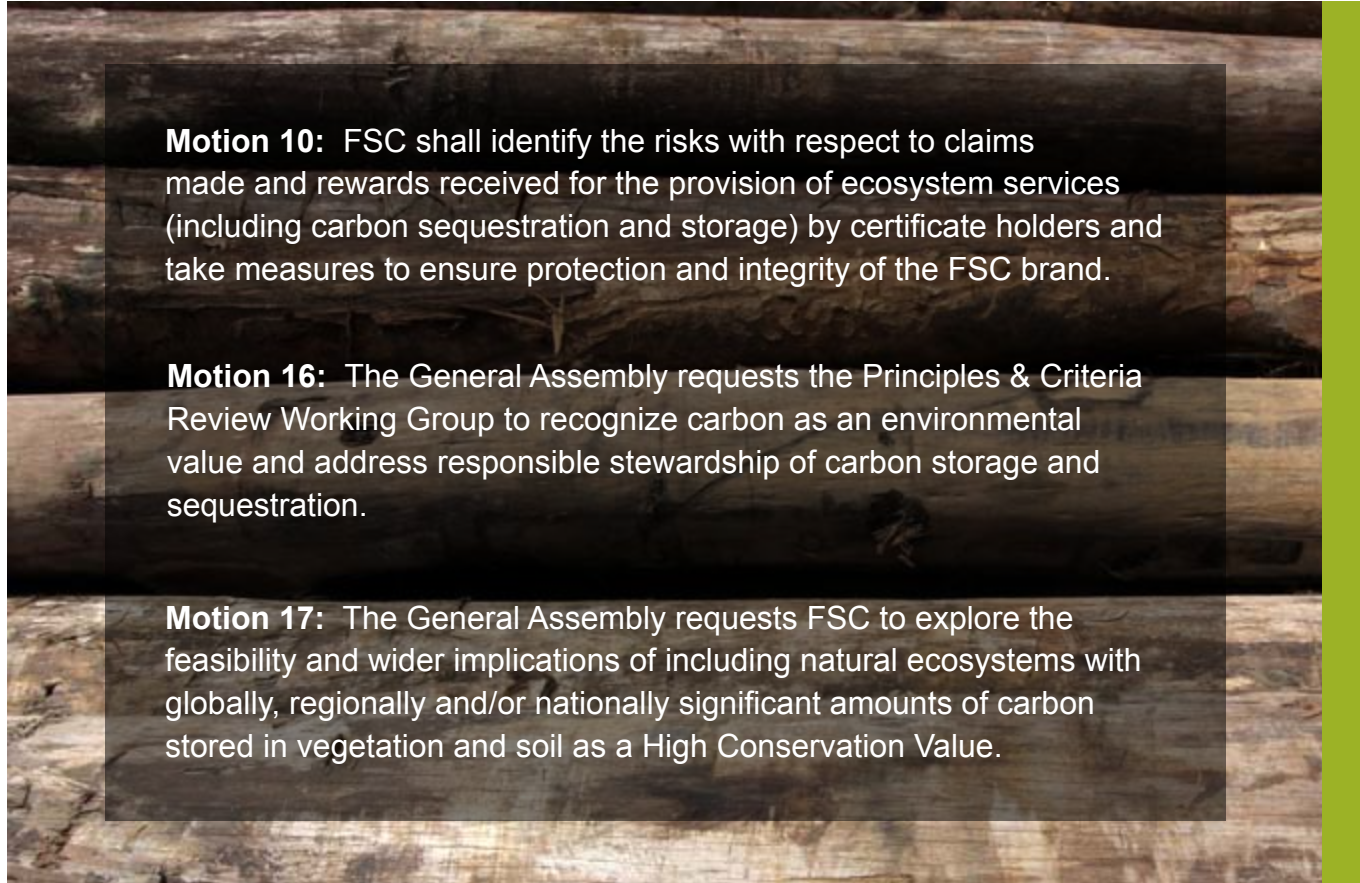
The route towards the strategic framework

At the 2008 General Assembly, a Policy Motion³ was passed with overwhelming majority by the FSC membership requesting exploration of FSC's engagement in frameworks to mitigate climate change by means of a member-constituted expert panel. Based on this mandate, the 'FSC Forest Carbon Working Group' (FCWG) was established in the following year (see Annex I).

Over the course of five meetings and some 18 months, the FCWG discussed and analyzed the opportunities, necessities and risks for FSC to develop a clearer 'climate profile'. Input had been sought from consultants, carbon scheme representatives, experts serving on an advisory group and the FSC membership.

The FCWG completed this analysis in early 2011 and submitted their report to the FSC Board of Directors who approved the proposed strategic framework for FSC's engagement on climate change. With the submission of their report to the FSC Board, the term of the FCWG had formally ended.

In July 2011, the FSC General Assembly has adopted three policy motions by FSC members, two of which have been put forward by members of the FCWG and one going back to earlier recommendations made in relation with the review of the FSC Principles & Criteria:



Motion 10: FSC shall identify the risks with respect to claims made and rewards received for the provision of ecosystem services (including carbon sequestration and storage) by certificate holders and take measures to ensure protection and integrity of the FSC brand.

Motion 16: The General Assembly requests the Principles & Criteria Review Working Group to recognize carbon as an environmental value and address responsible stewardship of carbon storage and sequestration.

Motion 17: The General Assembly requests FSC to explore the feasibility and wider implications of including natural ecosystems with globally, regionally and/or nationally significant amounts of carbon stored in vegetation and soil as a High Conservation Value.

The FSC membership further adopted changes to the FSC Statutes and By-Laws now recognizing the provision of ecosystem services as an inherent part of environmentally appropriate forest management.

The motions will be implemented over the coming years and results presented at the 2014 General Assembly.

3. Policy Motion #43 (2008): 'FSC Engagement in Forest-based Carbon'. <http://www.fsc.org/1037.html>

1 - Areas of Engagement

Five strategic areas of engagement pertaining to forest carbon within the FSC forest management context have to be differentiated.

The FSC engagement within the various areas will be very different and can be basically differentiated by strategic actions that directly support or “promote” the relevant area and actions aiming at minimizing adverse impacts or reputational risks, thereby acting as safeguards.

Engagement areas & main strategic actions:



Safeguarding

Ensuring that management, monitoring and monetization of forest carbon resources does not come at the expense of people’s rights or the environment.

In the context of carbon rewards, there is a risk of forest management being reduced to primarily render climate benefits, narrowing down the manifold benefits and services that well-managed forests should provide and often concurring with less rigorous certification and accreditation practices. FSC’s domain is forest stewardship, and monitoring of the various forest aspects is considered an intrinsic element or prerequisite, reflected by constituting a principle on its own within the FSC Principles & Criteria. But it is the comprehensive set of provisions safeguarding environmental values and peoples’ rights and livelihoods that established FSC as the lead forest management standard. FSC therefore has the best prerequisites to ensure, and receive recognition accordingly, that the full range of social and economic benefits and environmental services are realized and that forest carbon stewardship and monitoring is well-balanced within this range.

Carbon stewardship

Responsibly managing forest carbon resources: maintenance, enhancement or restoration of the carbon stock.

A forest stewardship that considers the impact of management regimes on forest carbon cycles and aims at maintaining, restoring or enhancing forest carbon resources is the best and immediate contribution for FSC to provide in this regard. It can be argued that the requirements to sustain the yield of forest products, to conserve biological diversity and soils, and to maintain the ecological functions of forests. Adoption of Motion #10 at the 2011 General Assembly, recognizing forest carbon as environmental value, allows FSC to become explicit about forest carbon stewardship.

Carbon monitoring

Monitoring the impacts of management practices on forest carbon resources: qualitative and quantitative assessments of the carbon stock.

At the very heart of stewardship is accountability. Monitoring the carbon resources of forests and plantations is essential in underpinning FSC claims about responsible forest management contributing to the mitigation of climate change. FSC certified forest operations already have the relevant proxy measures in place for assessing carbon stock levels and their changes over time. These proxies are largely based on existing inventory data for the stocks, growth and yield volumes. Additional analysis and volume conversion will put forest managers in the position to provide first-order estimates of their forest carbon stocks. New technologies will provide cheaper ways of accurately measuring actual carbon volumes but, for the time being, the proxies provide an important and sufficient first step.

Carbon accounting

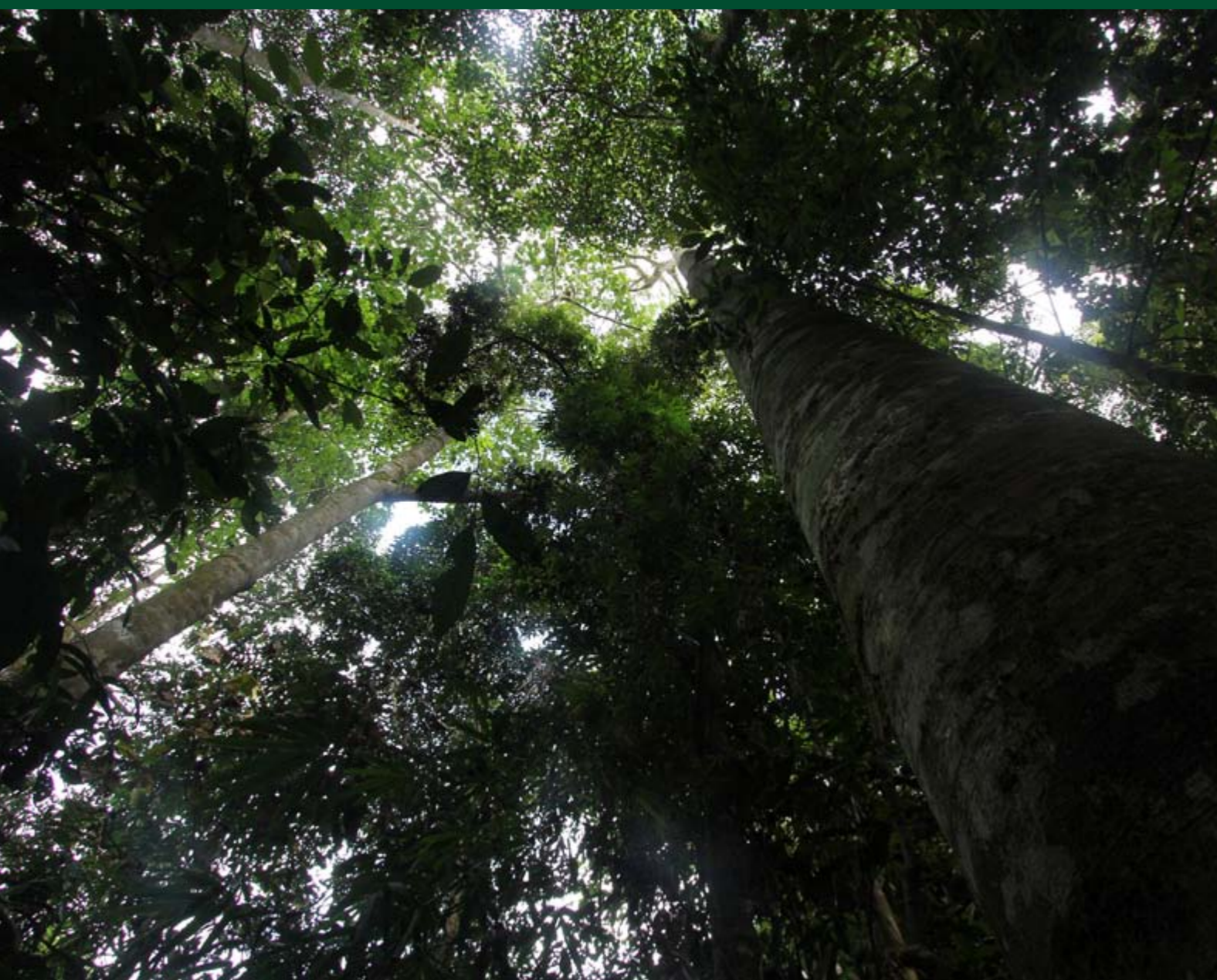
Quantification of additional carbon sequestration or emission reduction and transforming them into rewardable units (e.g. “carbon credits”).

While carbon accounting likewise requires the quantification of actual carbon resources, it becomes significantly more complex by adding assessments of future impacts on the carbon stock (to address and ensure permanence) as well as actual and future impacts outside the management area (to address and avoid leakage). This overall actual or future carbon footprint of an activity is then compared with a counterfactual “how it would have been without this activity” scenario. The difference between the actual and/or future footprint and the business-as-usual scenario describes the “climate impact” which is expressed in reduced or avoided tons of carbon dioxide emissions, the so-called carbon credits. The hypothetical or speculative nature of carbon accounting causes critics to question the environmental integrity of forest carbon credits altogether. Until the main concerns are addressed, uncertainties removed, and risks better understood, FSC will therefore not become involved in carbon offset quantification and verification.



Obtaining financial or otherwise support for carbon stewardship and/or claimed climate benefits.

Forest carbon has been turned into a virtual commodity that is used to offset both fossil carbon and agricultural emissions. Some governments as well as social and environmental NGOs object to the commoditisation of forest carbon, because of the potential negative impacts of new concepts such as 'carbon rights' on the existing, fundamental rights of local and indigenous peoples. The overall concerns about the prevailing carbon market mechanisms are generally the same for the compliance and the largely unregulated voluntary markets. Concerns about the compliance markets begin with the lack of necessary emissions reduction targets by governments under the UN Framework Convention on Climate Change. Linked to this is its scale and potential to delay crucial investments towards low-carbon technologies, ultimately requiring major changes in production and consumption patterns in key sectors of industrialized countries' economies. FSC will explore alternative models for rewarding forest managers that provide critical ecosystem services such as carbon storage and sequestration. At the same time, FSC will not prevent its certified beneficiaries access to specific reward mechanisms, but will ensure that this does not bring about reputational risks for FSC.



2 - Strategic Framework

The following strategic framework will guide FSC as a standard-setting organisation for forest stewardship on how to position and evolve itself over the coming years in order to maintain its leadership role. It explicitly recognizes the need to address the challenges arising from climate change and to proactively integrate new provisions and system components accordingly.

The framework is structured as a hierarchical set of objectives and subordinate goals, headed by an overall vision statement:

Table 1: Linkage between engagement areas and the FSC Principles & Criteria

Vision	FSC contributes to the mitigation of and adaptation to climate change and demonstrates the positive impact of the forest area under FSC certification.	Engagement areas
Objective	FSC forest management certification requires the management and assessment of the carbon stock as environmental value.	Stewardship / monitoring
1.1 Goal	The FSC Principles & Criteria recognize the carbon stock as environmental value that needs to be maintained and/or restored over the long term.	Stewardship
1.2 Goal	FSC operations assess the qualitative and quantitative impacts of their management practices on the carbon stock, ensuring that these practices maintain and/or restore the carbon stock over the long term.	Monitoring
1.3 Goal	FSC demonstrates its contribution to reduce deforestation and forest degradation by maintaining ecosystem functions and high conservation values in natural forests.	Stewardship
1.4 Goal	FSC explores and promotes the important role that ecosystem based adaptation to climate change has for responsible forest management.	Stewardship

FSC has a unique governance structure that is built upon the principles of participation, democracy, and equity. FSC is governed by three chambers with equal vote and power that make decisions collectively.

Objective	FSC is widely recognized as benchmark and leading certification scheme, including the carbon stewardship in forests, plantations and forest protected areas, thereby contributing to the growth of forest area under FSC certified management.	Safeguarding / Stewardship
2.1 Goal	FSC's leadership in ensuring social and environmental safeguards is recognized and promoted in the context of forest carbon financing.	Safeguarding
2.2 Goal	FSC is applicable for management and maintenance of the carbon stock in the context of forest conservation and forest protected areas.	Stewardship / Safeguarding
2.3 Goal	FSC has systems in place assessing the social and environmental safeguards of forest carbon projects and programmes at their design stage.	Safeguarding
2.4 Goal	FSC is recognized by credible forest carbon schemes in order to facilitate and lead participants towards FSC certification.	Stewardship / Safeguarding
2.5 Goal	FSC Network Partners play an active role in the architecture and implementation of REDD+ programmes in key countries.	Stewardship / Safeguarding
2.6 Goal	National FSC forest stewardship standards are approved in key countries with REDD+ programmes and interlinked with REDD+ standards.	Stewardship / Safeguarding
Objective	Involvement of FSC operations in carbon claims and reward mechanisms contributes to enhancing FSC's reputation as a leader in forest stewardship.	Accounting / Rewards
3.1 Goal	FSC operations generating rewardable carbon claims comply with a defensible and credible carbon accounting standard.	Accounting
3.2 Goal	FSC standards constrain the use of FSC trademarks related to carbon claims by certificate holders and other parties.	Accounting / Rewards
3.3 Goal	FSC fosters multiple mechanisms to reward stewardship of forest carbon storage / sequestration and other ecosystem services.	Rewards

Objective	FSC has the institutional capacity to keep up with the rapidly evolving policy framework and financing mechanisms for ecosystem services, to collaborate in research as necessary, and to implement strategic actions as resulting from this strategic framework.	
4.1 Goal	The FSC Secretariat actively implements the actions and research resulting from this strategic framework and provides capacity building to the FSC network.	n/a
4.2 Goal	FSC establishes a Consultative Forum of experts, practitioners and researchers that discusses, analyzes and proposes strategic options for FSC's future engagement in frameworks and initiatives related to the mitigation of or adaptation to climate change.	n/a
4.3 Goal	FSC establishes specialist advisory panels for reviews of the FSC Principles & Criteria, e.g. on how to address stewardship of ecosystem services.	Stewardship



VISION

FSC contributes to the mitigation of and adaptation to climate change and demonstrates the positive impact of the forest area under FSC certification.

Explanatory Notes

Considering FSC's statutory purpose⁴ to promote "a forestry production that preserves the environment" as well as to promote "the development of all kinds of activities addressed to the preservation and maintenance of forests", it falls within FSC's mission to contribute to the mitigation of and adaptation towards climate change.

Climate change engagement that goes beyond political statements but instead is prepared to imply behavioural change and system development does not come at 'no cost' to the institution or the system users. It requires certain investments and therefore diligent transition processes. Particular care needs to be taken in order not to overstrain smallholders or other socio-economically disadvantaged groups.

On the other hand, 'doing nothing' will entail reputational risks for again the institution and system users, ultimately threatening the status of FSC as spearheading the forestry sustainability debate.

Actions & research

FSC will strengthen its existing partnerships with organizations such as ISEAL and seek new ones accordingly to benefit from synergies and avoid duplication of research and policy development. A focus will be put on monitoring and evaluation of FSC impacts particularly with respect to the effectiveness of safeguards as increasingly required by international policy frameworks.

4. Laid down in the FSC Statutes, Article 4.

Objective 1

FSC forest management certification requires the management and assessment of the carbon stock as environmental value.

Explanatory Notes

The circumstance that forests, as sinks and sources, have strong effects on the levels of CO₂ in the atmosphere and that their ongoing conversion and degradation severely contributes to increasing CO₂ levels at global scale, makes forest carbon stocks an important environmental value and their assessed maintenance and/or restoration imperative for responsible forest stewardship. This objective relates to the main areas of engagement 'stewardship' and 'monitoring'.

Actions & Research

Implementation of this objective requires working on the Principles & Criteria, developing supportive methodologies and guidelines, undertaking field-level research and capacity building with the FSC Network.

Goal 1.1: The FSC Principles & Criteria recognize the carbon stock as environmental value that needs to be maintained and/or restored over the long term (Passed Motion #16).

Explanatory Notes

Four ecosystem services are commonly listed as being most relevant in terms of ecosystem integrity and market potential: 1. Carbon sequestration and storage; 2. Biodiversity protection; 3. Watershed protection; and 4. Landscape beauty.⁵ The carbon stock⁶, as result of carbon sequestration and storage, should be included as part of the new 'environmental value' concept in the revised FSC Principles & Criteria.

Actions & Research

Apart from amending the Principles & Criteria accordingly, field-level guidance material will be developed for forest managers and affected stakeholders that outline best practices for maintaining and/or restoring the carbon stock in its various pools.

Goal 1.2: FSC operations assess the qualitative and quantitative impacts of their management practices on the carbon stock, ensuring that these practices maintain and/or restore the carbon stock over the long term.

Explanatory Notes

As for other environmental values such as water and soils, forest operations need to have a clear understanding about the qualitative and quantitative impacts of their management practices on stocks of forest carbon. Having information about the carbon resources of forests and plantations is further essential at an institutional level, in order to underpin FSC claims about responsible forest management contributing to the mitigation of climate change. FSC will need data to demonstrate its credibility as a standards-based organisation.

Actions & Research

FSC will carry out exemplary research to determine the actual costs for forest operations incurred by assessing and reporting their carbon stocks. Various scenarios could be considered, possibly involving FSC Network Partners in providing guidance for relevant regional conversion factors⁷. Ultimately, FSC might develop its own or refer to an existing simple, cost-effective methodology for carbon monitoring, reporting and verification. Such methodologies should also consider the role of local communities in the assessment of forest carbon.

5. Wunder, Sven (2005): 'Payments for environmental services: Some nuts and bolts.' CIFOR Occasional Paper No. 42. http://www.cifor.cgiar.org/publications/pdf_files/OccPapers/OP-42.pdf

6. Carbon stock: The absolute quantity of carbon held within defined carbon pools at a specified time. A carbon pool is a reservoir that has the ability to accumulate and store carbon or release carbon. (FAO: 'Forests and climate change - Carbon and the greenhouse effect', <http://www.fao.org/docrep/005/ac836e/AC836E03.htm>). Five forest carbon pools are commonly distinguished: Aboveground Biomass, Belowground Biomass, Dead Organic Matter (separate by Wood & Litter), and Soil Carbon.

Goal 1.3: FSC demonstrates its contribution to reduce deforestation and forest degradation by maintaining ecosystem functions and high conservation values in natural forests.

Explanatory Notes

This goal advocates for a proactive handling of the implications of primary harvests in natural forests. It is meant to address concerns about first-time "industrial logging" in tropical rainforests being facilitated through FSC certification.⁸ While there is an increasing pool of research indicating that FSC certification contributes to biodiversity conservation⁹, carbon losses due to the so-called "primary forest premium" are an issue that needs further attention. Positioning FSC certification as a tool against forest degradation in particular offers opportunities to promote further uptake and increase the FSC certified area in developing countries.

Actions & Research

Research is required about the "carbon impact" or footprint of FSC certified forest operations in comparison to conventional operations. Results can be integrated into a more comprehensive briefing paper about inherent conflicts of primary harvesting and how FSC certified operations can deal with these conflicts preventing forest degradation to occur.

Goal 1.4: FSC explores and promotes the important role that ecosystem based adaptation to climate change has for responsible forest management.

Explanatory Notes

Adaptation is complementing mitigation efforts in order to enhance the resilience of ecosystems and society towards expectable climate change. As the FCWG had only been tasked to explore FSC's role with respect to mitigation frameworks, research on how adaptation should be approached as part of a larger climate change engagement strategy still needs to be performed.

Actions & Research

FSC will produce adaptation guidelines for its certified beneficiaries helping them in understanding possible field-level action to prepare for climate change.¹⁰

Objective 2

FSC is widely recognized as benchmark and leading certification scheme, including the carbon stewardship in forests, plantations and forest protected areas, thereby contributing to the growth of forest area under FSC certified management.

Explanatory Notes

Built upon Objective 1, this objective aims at ensuring continued and enhanced leadership of FSC as certification scheme addressing most effectively degradation risks of forestry operations. It relates to the main area of engagement 'safeguarding'. In order to expand FSC's positive impact and outreach FSC will explore opportunities to extend the scope of FSC certification and advocate the comprehensive coverage of social and environmental issues in the FSC system towards carbon financing mechanisms and intergovernmental initiatives developing REDD+ frameworks.

7. Assessing forest carbon stocks and their changes usually entails expanding timber volume from forest inventories via so-called biomass expansion factors to estimate tree biomass, roughly 50 percent of which is carbon. Biomass reporting can and should be based on the set of variables and definitions as established by the "2006 IPCC Guidelines for National Greenhouse Gas Inventories, Vol. 4, Agriculture, Forestry and Other Land Use" (<http://www.ipcc-nggip.iges.or.jp/public/2006gl/vol4.html>). This guidance also provides default conversion factors to estimate carbon stocks in other relevant carbon pools (below-ground biomass, dead wood, litter, soil).

8. See for example an interview with Rainforest Action Network on mongabay.com "Timber certification is not enough to save rainforests", http://news.mongabay.com/2010/0603-ran_cortesi-barclay_interview.html.

9. ETFRN News 51 (2010): "Biodiversity conservation in certified forests". http://www.etfrn.org/etfrn/newsletter/news51/ETFRN_51.pdf

10. An example for such guidelines is the UK Forestry Commission (2009): 'Forests and Climate Change Guidelines', Consultation Draft.

Actions & Research

Implementation of this objective includes developing new certification standards, corresponding administrative capacities and promotional activities.

Goal 2.1: FSC's leadership in ensuring social and environmental safeguards is recognized and promoted in the context of forest carbon financing.

Explanatory Notes

FSC needs to promote its manifold relationships and holistic approach towards what is now commonly called "safeguards", specifically in the REDD+ context. FSC safeguards comprise the whole process of building local trust and relationships, having a system for complaints, a system for corrective actions, of having consultative processes for standards development, etc. thereby running much deeper than what most carbon schemes currently offer as "safeguard providers".

Actions & Research

Carrying out case studies and developing a more comprehensive briefing paper on this subject coupled with continued presence and promotion at relevant conferences.

Goal 2.2: FSC is applicable for management and maintenance of the carbon stock in the context of forest conservation and forest protected areas.

Explanatory Notes

The conservation of forest carbon pools plays a significant role in the context of the discussions and negotiations around REDD+. In order to provide long term climate benefits conservation projects need to be efficiently managed. So far, there are no standards covering implementation of projects for forest conservation or protected areas. FSC is encouraged through a motion from the 2008 General Assembly¹¹ to start activities aiming at the development of a standard for protected areas. In the context of forest carbon projects such an initiative would in fact fill a gap in the currently available framework.

Actions & Research

Research of existing initiatives and exploration of the potential for synergies.¹² Carrying out a feasibility study as well as integration with the GEF co-funded project "Enhancing FSC Forest Management Certification at the Landscape Level through incorporating additional Ecosystem Services" (2011-2015).

Goal 2.3: FSC has systems in place assessing the social and environmental safeguards of forest carbon projects and programmes at their design stage.

Explanatory Notes

The validation of a forest carbon project's future social and environmental impacts currently falls outside FSC's certification scope. This has led to 'project design schemes' entering the sustainability stage and providing assurance for the social and environmental integrity of forest projects, thereby occupying a niche that FSC had left open some years ago.¹³ Becoming applicable at the design stage and offering a corresponding certification approach would provide project developers an FSC entry stage and would establish a perfect linkage to the Principles & Criteria which are applicable to the operational phase of projects. Thus, combining the two project phases under the FSC scheme would provide coherent and attractive solutions for investors.

11. FSC General Assembly (2008): Policy Motion #44 – 'FSC Certification of Forest Conservation and Forest Protected Areas', http://www.fsc.org/fileadmin/web-data/public/document_center/GA_2008_English/Motions/FSC_General_Assembly_2008_final_motions.pdf.

12. One example is the Global Conservation Standard (GCS) that is designed to monetize conservation based on the volume of measurable ecosystem benefits. <http://www.conservationstandard.org/>

Actions & Research

Research of existing approaches towards project design and exploration of the potential for synergies with selected schemes. Carrying out a feasibility study and/or integration with the GEF co-funded project on ecosystem services aiming at the development of a stand-alone FSC certification standard for forest carbon project impact assessment.

Goal 2.4: FSC is recognized by credible forest carbon schemes in order to facilitate and lead participants towards FSC certification.

Explanatory Notes

This goal aims at linking forest carbon schemes that provide assurance for safeguarded project design with the FSC certification scheme. Selected carbon schemes should be provided the opportunity to act as 'feeders' into the FSC system, benefiting from providing investors a long-term perspective to link up with a renowned certification scheme and allowing FSC to attract carbon projects that otherwise would have remained with carbon schemes.

Actions & Research

In a first step, compatibilities and complementarities with various carbon schemes will be explored through a joint mapping exercise and field research. In a second step, joint certification protocols could be developed to facilitate future hand-over from carbon schemes towards FSC.

Goal 2.5: FSC Network Partners play an active role in the architecture and implementation of REDD+ programmes in key countries.

Explanatory Notes

FSC Network Partners can play a decisive role in ensuring uptake of FSC safeguards as part of national REDD+ programmes. Network Partners operating in key countries for REDD+ implementation (e.g. countries with high deforestation rates) can be supported and encouraged to take part in relevant debates and explore their potential to offer their experience and related services accordingly.

Actions & Research

Establishment of a coordinated Network forum on REDD+, facilitating exchange between relevant Network Partners and developing performance indicators for engagement in national REDD+ programmes.

Goal 2.6: National FSC forest stewardship standards are approved in key countries with REDD+ programmes and interlinked with REDD+ standards.

Explanatory Notes

It is one of FSC's strengths and competitive advantages to foresee adaptations of its global forest standard to national or regional circumstances. Including local stakeholders and increasing the suitability of certification requirements are key assets following from such processes. FSC should therefore prioritise support for corresponding standard-setting processes in key countries for REDD+ implementation.

Actions & Research

Strategic prioritisation of relevant standard-setting processes, facilitating exchange between Network Partners (see Goal 2.5), and exploration of what role FSC generic indicators can play.

13. For example, various developers of the Climate, Community and Biodiversity Standard (CCBS) confirmed that FSC had been approached before the creation of the CCB Alliance to explore FSC interest in the subject.

Objective 3

Involvement of FSC operations in carbon claims and reward mechanisms contributes to enhancing FSC's reputation as a leader in forest stewardship.

Explanatory Notes

Forest carbon has been turned into a virtual commodity that is used to offset both fossil carbon and agricultural emissions. While some stakeholders see opportunities, others fundamentally question the environmental integrity of these forest carbon credits. Where FSC operations participate in relevant markets or are involved in carbon claims, this involvement needs to be framed in order for FSC not to be associated with corresponding negative impacts.

Actions & Research

See the various goals under this objective.

Goal 3.1: FSC operations generating rewardable carbon claims comply with a defensible and credible carbon accounting standard.

Explanatory Notes

FSC certified operations planning to obtain, or obtaining financial reward for increased carbon sequestration and storage, or avoided deforestation or degradation as part of their certified management objectives should demonstrate compliance with a defensible and credible carbon standard and accounting protocol. These standards need to follow internationally accepted rules for carbon accounting, requiring claimed carbon benefits to meet corresponding integrity tests and including accurate reporting of emissions and carbon stock changes

Actions & Research

FSC will identify the risks with respect to claims made and rewards received for the provision of ecosystem services (including carbon sequestration and storage) by certificate holders and take measures to ensure protection and integrity of the FSC brand.

Goal 3.2: FSC standards constrain the use of FSC trademarks related to carbon claims by certificate holders and other parties.

Explanatory Notes

Any use of the FSC label in the context of carbon claims should be subject to explicit trademark rules in order to ensure correctness of claims and avoid association with low-performing carbon standards.

Actions & Research

Integration of provisions in the relevant FSC trademark standards that restrict the use of the FSC trademarks related to carbon claims.

Goal 3.3: FSC fosters multiple mechanisms to reward stewardship of forest carbon storage / sequestration and other ecosystem services.

Explanatory Notes

FSC should explore different models for rewarding forest managers that provide critical ecosystem services, such as carbon storage and sequestration. This will provide an opportunity to associate with stakeholders that are critical towards the mainstream carbon markets and offsetting practices. It will further allow to analyze finance streams that might be more suitable to support local and small producers.

Actions & Research

Opportunities will be explored through the GEF co-funded project "Enhancing FSC Forest Management Certification at the Landscape Level through incorporating additional Ecosystem Services" (2011-2015).

Objective 4

FSC has the institutional capacity to keep up with the rapidly evolving policy framework and financing mechanisms for ecosystem services, to collaborate in research as necessary, and to implement strategic actions as resulting from this strategic framework.

Explanatory Notes

This objective calls for the necessary institutional investments into the implementation and regular review of an FSC climate change engagement strategy.

Actions & Research

As outlined by the below stated goals.

Goal 4.1: The FSC Secretariat actively implements the actions and research resulting from this strategic framework and provides capacity building to the FSC network.

Explanatory Notes

The success of a strategic framework ultimately depends upon the resources allocated to its implementation.

Actions & Research

Review at regular intervals the institutional capacity to deliver actions and research as foreseen by this framework.

Goal 4.2: FSC establishes a Consultative Forum of experts, practitioners and researchers that discusses, analyzes and proposes strategic options for FSC's future engagement in frameworks and initiatives related to the mitigation of or adaptation to climate change.

Explanatory Notes

A permanent advisory body providing strategic advice on how to adjust the FSC climate change engagement strategy in the light of new scientific knowledge as well as policy and market developments can catalyse the incorporation of relevant issues. Such a body could also have an outreach and liaising function where experts are recruited from other relevant forest climate initiatives.

Actions & Research

Establishment of advisory body and coordination with other expert panels of FSC-related initiatives (e.g. such as ISEAL, or the WWF Forest Carbon Initiative).

Goal 4.3: FSC establishes specialist advisory panels for reviews of the FSC Principles & Criteria, e.g. on how to address the stewardship of ecosystem services to the mitigation of or adaptation to climate change.

Explanatory Notes

FSC should consider establishing specialist expert panels for reviews of the FSC Principles & Criteria that would have a formalised and technical advisory role to the more politically constituted Review Working Group. This ensures that specific subjects could be explored technically outside the political debate.

Actions & Research

Corresponding adaptation of the FSC Procedure for "The Development and Approval of FSC Social and Environmental International Standards" (FSC-PRO-01-001). Establishment of specialist advisory panels for future revisions of the Principles & Criteria on how to address ecosystem services.

3- First actions and next steps

As a first step towards the implementation of the strategic framework, the FSC membership has adopted an amendment to the FSC Statutes and By-Laws with respect to the FSC mission now recognizing the provision of ecosystem services as an inherent part of environmentally appropriate forest management.

Through a larger research and development project co-funded by the Global Environment Facility FSC will pilot test over the coming years opportunities to cover, amongst other ecosystem services, carbon storage and sequestration more explicitly in its certification system. New business models supporting the provision of ecosystem services will be evaluated and on-the-ground impacts systematically assessed.



ANNEX I: The FSC Forest Carbon Working Group

Ben Vickers

Represented chamber: Social South



Ben Vickers is a forester by profession, with long experience in the Asia-Pacific region. Ben joined the FCWG in his function as Senior Program Officer at RECOFTC where his main task had been promoting the strong role of community-based forest management in national REDD+ strategies. Ben has provided advisory services to numerous government and non-government stakeholders and produced a number of RECOFTC publications including a series of three Media Briefs on People, Forests and Climate Change.

Christoph Thies

Represented chamber: Environmental North



Christoph Thies, Forest Campaign Policy and Strategy Coordinator at Greenpeace International, is part of their international team working on REDD+. Christoph has been attending all key UNFCCC conferences and key intersessional meetings since the Bali conference in 2007. Before, Christoph has been representing Greenpeace in other FSC Working Groups such as the FSC Controlled Wood WG (2005-2007).

Gerald Steindlegger

Represented chamber: Environmental North



Gerald Steindlegger is Manager of the Global Forest Programme at WWF International. His responsibility is the formulation of WWF's policy on forests integrating sustainable forest management, climate change mitigation and biodiversity conservation. Gerald is member of the Steering Group of the High Conservation Value Resource Network (HCV RN) based in the UK. Gerald has been working for more than 16 years on forest conservation and related policy. His career path led him to more than 35 countries around the globe.

Henry Sauvagnat

Represented chamber: Economic North



As Vice-President Sustainable Development for Cascades Inc. Henry Sauvagnat has over 25 years experience in launching and expanding companies, specifically in the pulp and paper industry, Henry acquired FSC experience by launching and managing the French National Initiative. Henry has been taking part in the debate for which he required multi stakeholder consultation from the French Government "Grenelle de l'Environnement" and is now following up this objective in North America.

Jessica Clogg

Represented chamber: Social North



Jessica Clogg is West Coast Environmental Law's Executive Director and Senior Counsel and heads up their work on Aboriginal and natural resource law. Working extensively on forest and carbon issues she has followed closely the development of legal frameworks at all levels, including REDD. Jessica has been working with First Nations to enable new revenue sources associated with payments for ecosystem services and/or avoided forest degradation as an element of their legally protected rights to land and resources.

Joseph William Osei

Represented chamber: Economic South



Joseph William Osei is a Natural Resources Manager with good business education and experience, specialisation in forestry with rich technical, management, consultancy and research experience gained with the Soil Research Institute of Ghana, the Forest Services Division (FSD) Ghana, Subri Industrial Plantation Limited in Ghana and many institutions in Ghana and abroad. He is further a FM / Forest Carbon and Chain of Custody Certification Lead Auditor of the SmartWood programme of the Rainforest Alliance.

Martha Nunez

Represented chamber: Social South



Anthropologist by profession, Martha Nunez is the Executive Director of Fundación Ambiente y Sociedad in Ecuador. Having a long and intense experience with FSC processes, Martha has been brightly representing social and southern interests and concerns in the non-governmental sector multilateral meetings and conferences for the last 15 years. Martha served on the first FSC Board of Directors and again from 2004 to 2007.

Peter Dam

Represented chamber: Economic South



Peter Dam is Managing Director of Da Ma Kuila Ltd, a PNG forest certification & community forestry consultancy company. Peter is also technical advisor for FORCERT (Forest Management & Product Certification Service) and coordinator of Community Carbon Forestry (CCF-PNG), a trial carbon credit project. Since 1998, Peter has been involved in FSC standard development and Working Groups such as the FSC Controlled Wood WG (2005-2007) or the FSC SLIMFs Technical Working Group (2002-2003),

Peter Weir

Represented chamber: Economic South



Peter Weir is Strategic Manager at Ernslaw One Ltd, with Environment Management and Forest Certification, Health & Safety, HR, and Corporate Support portfolios. Peter chairs the joint New Zealand Forest Owners Association (NZFOA) Environment Committee. Before joining Ernslaw One in 2002, Peter worked as Forest Hydrologist and Geotech in the British Columbia forest industry, and chaired the BC Division of Engineers and Geoscientists in the Forest Sector of APEGBC.

Rob Ukkerman

Represented chamber: Economic North



Rob Ukkerman has extensive experience in development cooperation. Rob worked for the Dutch Ministry for Development Cooperation (DGIS) and the Netherlands Development Organization (SNV) in Africa, Central America, the Caribbean and Asia. An agronomist, Rob gradually became more involved in natural resources and environmental management. In his latest assignment for the SNV-Asia office, he was the knowledge manager for the forestry sector. Rob has recently joined the FSC International Center as Network Manager.

Sander van den Ende

Represented chamber: Social North



As a Forest Management and Forest Industry Expert, Sander van den Ende has more than 15 years experience on the field on scientific-based position related to forestry. Sander joined the FCWG as a conservation specialist for The Nature Conservancy in Panama where he operated on Regional Forestry Strategy and national REDD policy. Before, Sander worked on HCV and small holder capacity-building for the WWF Global Forest and Trade Network in PNG and Vietnam.

Xiaoping Wang

Represented chamber: Environmental South



Currently Director General of Beijing Forestry Carbon Administration, and General Secretary of the Beijing Forestry Association, Xiaoping Wang has been involved in sustainable forest management, forest certification, and forestry carbon sequestration for the last 20 years. He successfully conducted 17 international scientific and technological forestry and ecosystem services programs. Xiaoping worked as Chairman of a preparatory FSC Working Group. Since November 2010 he serves on the FSC Board of Directors.

Special thanks go to:

Eric Palola

Board Liaison Person



As a member of the FSC Board of Directors, Eric Palola had been the liaison person for the FCWG and provided invaluable advice to the group. Eric is Senior Director at the National Wildlife Federation where he directed NWF's northeast regional office in water quality, forest restoration, wildlife conservation, and environmental education. He is a forest policy and economics expert and worked previously for a private renewable energy firm, at US EPA, and for the Vermont Natural Resources Council.

Rodger O'Connell

Facilitator



Rodger O'Connell is Senior Consultant for Organisational Development at the UK based consultancy LEVELheaded and has fabulously facilitated all meetings of the FCWG. Rodger works with 'top' teams to lead their organisation through transition or crisis-mergers, restructurings, reviews, re-engineerings. He successfully facilitated the final meeting of the FSC Plantations Review Working Group and is currently acting as facilitator for the FSC P&C Review Working Group.

Our mission:

The Forest Stewardship Council® (FSC) shall promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.



Annex II: Foreseen implementation of climate change engagement

 Boxes indicate activities under the GEF co-funded project ForCES*

	2011	2012	2013
	[Amendment to Statutes & By-Laws]		
	FSC contributes to the mitigation of and adaptation to climate change and demonstrates the positive impact of the forest area under FSC certification.		
1	FSC forest management certification requires the management and assessment of the carbon stock as environmental value.		
1.1	The FSC Principles & Criteria recognize the carbon stock as environmental value that needs to be maintained and/or restored over the long term.	Approval of V2 Generic indicators FSC guidance on best practice	Implementation of V2 Generic Indicators
1.2	FSC operations assess the qualitative and quantitative impacts of their management practices on the carbon stock, ensuring that these practices maintain and/or restore the carbon stock over the long term.	FSC Guidance on best practice	First Data Collection
1.3	FSC demonstrates its contribution to reduce deforestation and forest degradation by maintaining ecosystem functions and high conservation values in natural forests.	FSC Position paper	
1.4	FSC explores and promotes the important role that ecosystem based adaptation to climate change has for responsible forest management.		FSC Guidance on best practice
2	FSC is widely recognized as benchmark and leading certification scheme, including the carbon stewardship in forests, plantations and forest protected areas, thereby contributing to the growth of forest area under FSC certified management.		
2.1	FSC's leadership in ensuring social and environmental safeguards is recognized and promoted in the context of forest carbon financing.	Promotional activities	Promotional activities
2.2	FSC is applicable for management and maintenance of the carbon stock in the context of forest conservation and forest protected areas.	Feasibility study (Motion 44/2008)	Implementation of study results
2.3	FSC has systems in place assessing the social and environmental safeguards of forest carbon projects and programmes at their design stage.		Needs assessment Technical Develop.
2.4	FSC is recognized by credible forest carbon schemes in order to facilitate and lead participants towards FSC certification.	Gap analysis	
2.5	FSC Network Partners play an active role in the architecture and implementation of REDD+ programmes in key countries.	Capacity building and advocacy	Capacity building and advocacy
2.6	National FSC forest stewardship standards are approved in key countries with REDD+ programmes and interlinked with REDD+ standards.		Technical support and advocacy
3	Involvement of FSC operations in carbon claims and reward mechanisms contributes to enhancing FSC's reputation as a leader in forest stewardship.		
3.1	FSC operations generating rewardable carbon claims comply with a defensible and credible carbon accounting standard.	Risk assessment re. claims + rewards	Guidance and policy
3.2	FSC standards constrain the use of FSC trademarks related to carbon claims by certificate holders and other parties.		Standard amendments
3.3	FSC fosters multiple mechanisms to reward stewardship of forest carbon storage / sequestration and other ecosystem services.	Inventory of reward mechanisms	Field testing
4	FSC has the institutional capacity to keep up with the rapidly evolving policy framework and financing mechanisms for ecosystem services, to collaborate in research as necessary, and to implement strategic actions as resulting from this strategic framework.		
4.1	The FSC Secretariat actively implements the actions and research resulting from this strategic framework and provides capacity building to the FSC network.		[as outlined above]
4.2	FSC establishes a Consultative Forum of experts, practitioners and researchers that discusses, analyzes and proposes strategic options for FSC's future engagement in frameworks and initiatives related to the mitigation of or adaptation to climate change.		International Steering Committee (Ecosystem Services) (cntd.)
4.3	FSC establishes specialist advisory panels for reviews of the FSC Principles & Criteria, e.g. on how to address stewardship of ecosystem services.		n/a

