



FSC-STD-01-001
Version 5-0
Draft 3-0

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1 Introduction and Recommendations for Commenting

FSC Principles and Criteria for Forest Stewardship FSC-STD-01-001
Version 5-0 Draft 3-0

Introduction

1.1 This document is divided into three sections. This first section '1 Introduction and Recommendations for Commenting' provides an overview of the structure of whole document and information on the procedures for commenting on Draft 3-0.

1.2 The second section '2 Background Information' provides background information on the review and revision, including:

- Information about the mandate and objective of the review and revision;
- The general procedures for the review and revision from initiation to completion;
- The sources of information used in the review and revision;
- Major changes compared to the current version (Version 4-0) of the Principles and Criteria (FSC-STD-01-001 V4-0) including information on how specific mandates, e.g. General Assembly motions, recommendations of the Plantations Review etc. have been followed up upon;
- Major changes in Draft 3-0 compared to Draft 2-0 by Principle.

1.3 The second section should be helpful to understand the wider context of the review and revisions as well as the general justification and an overview of many of the actual changes.

1.4 The third section (3 FSC Principles and Criteria for Forest Stewardship) provides the actual draft wording proposed for Version 5-0 Draft 3-0 of the FSC Principles and Criteria (FSC-STD-01-001 V5-0 D3-0).

Recommendations for commenting

1.5 All stakeholders are invited to comment on the entire draft. However, it is not required to comment on all parts of the draft. Stakeholders may decide to simply focus their comments on their specific area interest.

1.6 FSC invites comments in any written form (email, fax, letter, email attachments). However, FSC encourages everyone making comments to use the comment form. This facilitates and speeds up the process of compiling comments and thereby allows FSC staff and the P&C Review Working Group to focus their efforts on analyzing the subject matter of submitted comments. The comment form can be downloaded here:

http://www.fsc.org/fileadmin/web-data/public/document_center/Current_consultations/FSC-STD-01-001_V5-0_D3-0_EN_FSC_P_C_Comment_Form.doc



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1.7 Comments can be submitted to Matthias Fecht at pcreview@fsc.org by the 10th May 2010.

1.8 However, FSC and the Working Group would very much appreciate if comments were provided well in advance of this deadline. This would greatly facilitate the analysis of comments by the Working Group.

1.9 Two versions of Draft 3-0 are made available. A complete version is included in section 3 of this document consisting of 1) the revised Principles and Criteria, 2) Explanatory Notes, and 3) Rationales for changes. This is the main document for stakeholder comments. The Explanatory Notes and Rationales should enhance the understanding of the revised Principles and Criteria and the reasons for the proposed changes and comments are invited on all these elements.

1.10 A short version consisting only of the revised Principles and Criteria is provided as a quick reference and tool for easy comparison with the current P&C (Version 4-0). However, in many cases in order to find answers to questions and concerns stakeholders should consult the Explanatory Notes and Rationales in the complete version provided in the 3rd section below. The short version can be downloaded: http://www.fsc.org/fileadmin/web-data/public/document_center/Current_consultations/FSC-STD-01-001_V5-0_D3-0_EN_FSC_P_C_Short.pdf

1.11 Comments received will be considered as publicly available unless the contributor explicitly requests that comments should be treated confidentially.



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2 Background Information

FSC Principles and Criteria for Forest Stewardship
FSC-STD-01-001 Version 5-0 Draft 3-0

Foreword

2.1 Since their adoption in 1994 FSC never fully reviewed and revised the P&C. Principle 10 for plantations was added in 1996 and Principle 9 was expanded to cover high conservation values in 1999. However, over the past several years, there has been a growing recognition by many stakeholders of the need to review and when applicable revise the FSC Principles and Criteria.

2.2 Taking also into account that the forestry sector has changed greatly almost everywhere during the 15 years since their approval, FSC decided to embark on the first comprehensive review and revision of the P&C in September 2008.

What is the formal mandate for this revision?

2.3 The 2005 General Assembly approved two motions related to the review of the FSC Principles and Criteria (Motion 7 and motion 66).

2.4 Statutory Motion 7 as approved at the FSC General Assembly 2005 was a composite from Motions 4, 5, 6, 8, 9, 11, 12 and 13 which included several proposals for changes to the P&C. The motion mandated FSC to establish a sub chamber balanced Working Group to analyze the proposals make recommendations for changes subject to approval by a vote of the FSC membership.

2.5 Acknowledging the need for clear procedures for such a process the membership through Motion 66 directed the FSC International Center to develop clear protocol for the careful consideration of proposed revisions. Both motions can be accessed through the FSC website.¹

2.6 In response to Policy Motion 66 and drawing on the ISEAL Code of Good Practice for Setting Social and Environmental Standards the FSC Policy and Standards Unit (PSU) developed FSC-PRO-01-001 V2-0 (The development and approval of FSC social and environmental international standards).²

2.7 The FSC Board of Directors decided to revise the Principles and Criteria itself and a draft (Draft 1-0) limited in scope was issued in May 2008. In September 2008 the FSC Board

¹ Motions of the 2005 General Assembly: http://www.fsc.org/fileadmin/web-data/public/document_center/general_assembly_documents/4th_FSC_General_Assembly_Minutes_final_08.05.26.pdf

² FSC-PRO-01-001 Version 2-0: http://www.fsc.org/fileadmin/web-data/public/document_center/Standard_development/FSC_PRO_01_001_V2_0_EN_Development_and_Approval_of_FSC_Social_and_Environmental_Int_Std.pdf



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of Directors issued a call for FSC members to participate in a comprehensive revision according to FSC-PRO-01-001 V2-0. The Principles and Criteria Review Working Group (P&C Review Working Group) balanced by sub-chamber and with FSC PSU facilitation was appointed in January 2008.

What is the general process for the comprehensive review and revision?

2.8 A first of three drafts of comprehensively revised Principles and Criteria (Draft 2-0) was developed by the P&C Review Working Group and publicly consulted in July and August 2009. Taking into account stakeholder feedback provided during this consultation, the P&C Review Working Group has developed Draft 3-0.

2.9 Draft 3-0 is included in this document is now published for a 60 day consultation period from the 11th of March to the 10th of May 2010. Draft 4-0, the final draft, is scheduled to be submitted to the FSC membership for approval via vote in late 2010.

2.10 The main tool for stakeholder involvement is the Consultative Forum. All FSC Members, FSC accredited certification bodies and FSC approved National Initiatives are already included in the Consultative Forum. Members of the Consultative Forum will be proactively invited and reminded via email to comment on the revision drafts of the P&C.

2.11 All stakeholders not belonging to the above group can register for the Consultative Forum in order to also receive email invitations and reminders.

2.12 An Advisory Group was established to support the P&C Review Working Group in ensuring the actual and potential views of all FSC stakeholder groups receive due consideration.

2.13 Further information on the

- P&C Review Working Group,
- Advisory Group and
- Registration for the Consultative Forum,

can be found on the Principles and Criteria Review section of the FSC website at:

<http://www.fsc.org/pcreview.html>

What is the objective of this review and revision?

2.14 The Terms of Reference of the Principles and Criteria Review Working Group (September 2008) state:

- “The objective of this comprehensive review and revision is to analyze all issues identified in the past regarding the FSC Principles and Criteria and to propose, when necessary, revisions to the Principles and Criteria needed to solve the identified issues. The review and revision covers the entire Principles and Criteria including their introduction and glossary of terms”.
- The justification was the “need to ensure continued relevance and appropriateness of the FSC Principles and Criteria” (ibid.).



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2.15 The aim is the same as Policy Motion 35 approved at the FSC General Assembly 2008 – to “ensure Policy and Standards are practical to apply and create predictability, stability and consistency”.

Notes on the development of this draft

What sources of information were used to develop Draft 2-0?

2.16 The terms of reference for the Working Group specify an initial set of the sources. According to section 3.3 the “Working Group shall review the Principles and Criteria and any relevant background information in order to identify possible issues and propose necessary changes for solving these issues. Changes might be proposed if their need is supported based on:

- issues raised by stakeholders
- final and draft versions of FSC discussion papers, policies, advice notes etc.
- decisions of the Board of Directors
- General Assembly motions
- changes proposed in the 1st draft of the revised Principles and Criteria (FSC-STD-01-001 (Version 5-0), Draft 1-0)
- stakeholder comments on the 1st revision draft of the FSC Principles and Criteria
- proposals of the Expert Teams of the Technical Phase of the Plantations Review for changes to the Principles and Criteria
- recommendations of the Policy Working Group of the Plantations Review.

2.17 Accordingly, an initial set of background documents was provided by FSC PSU and several others were added by Working Group members and analyzed. The Working Group also drew on a variety of sources for revision of the glossary of terms.

2.18 The Working Group also received input from conformity assessment bodies (CABs/certification bodies) during their annual meeting with ASI from ASI itself and written input from six offices of CABs, one FSC National Contact Person, and one certified enterprise. Some individual members of the Working Group received oral input from their respective chambers and from selected CABs, as well as specialists in the rights of indigenous and traditional peoples.

2.19 The concerns of some FSC stakeholders about certification of some large-scale industrial-intensity plantations was further expressed by a recommendation from the FSC Board of Directors at its 50th meeting in Montreal in April 2009: “The BoD recommends that the PWG Working Group strongly takes into account the policy recommendations of the Plantations Review, recognizing that they were based on a balanced multi-stakeholder process which counted with very strong consultation to the FSC members and other actors.”

2.20 The Policy Working Group anticipated that FSC (Board of Directors, or staff at the International Centre) would develop and promote a specific policy on plantations (in the sense of large scale, industrial intensity, low diversity tree plantations) upon conclusion of the Technical Phase which occupied 2008. The FSC Board of Directors decided to commission a



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revision of the Principles and Criteria before conclusion of the Technical Phase of the FSC Plantations Review, and thus before any Board decision to develop a specific policy on plantations. The Principles and Criteria Review Working Group has generally used the status ante quo as a reference where the Policy Working Group had anticipated an FSC policy decision to confirm its recommendations.

2.21 The Working Group presents a table below to show how it followed up on the recommendations of the Plantations Review and the other background information referred to in section 2.16 above.

What sources of information were used to develop this draft (Draft 3-0)?

2.22 FSC received 84 submissions of comments, some of which were joint submissions of several stakeholders, representing more than 100 stakeholders in total. Submissions were made by certificate holders, members of all FSC sub chambers, certification bodies, national initiatives, and non-members. However, the South and the Social Chamber were clearly underrepresented in the submissions. In order to avoid this shortcoming during this consultation FSC will conduct two meetings with members of the social chamber for the purpose of providing feedback on the draft. In addition FSC will take other measures to increase participation from the South.

2.23 FSC also conducted and received feedback from 5 regional meetings with representatives of indigenous peoples in Canada, Peru, Cameroon, Thailand and Germany.

2.24 Feedback was sought from the Advisory Group of the P&C Review on two occasions. At first, feedback was requested on the received stakeholder comments directly after the closure of the consultation on Draft 2-0.

2.25 The P&C Review WG at its meeting in October 2009 scrutinized all comments and recommendations by the Advisory Group received by then and based on these proposed revisions to draft 2-0. At this meeting, the P&C Review WG also considered the comments received on the Final Report of Expert Team D of the Plantations Review, FSC-DIS-30-005 V1-0 Review of FSC Conversion Policy as published for consultation in September 2009 as well as comments on draft advice note FSC-ADV-30-102 V1-0 D1-0 Nurseries and implications for the scope of FME evaluation.

2.26 Following this meeting all comments were yet again analyzed by PSU staff in order to identify issues not yet considered by the Working Group. Feedback was again sought from the Advisory Group on decisions of the P&C Review Working Group concerning a number of issues of crucial importance to stakeholders.

2.27 Comments were also provided by the Forest Carbon Working Group and considered by the P&C Review WG.

2.28 In order to finalize Draft 3-0 the P&C Review WG after its meeting in October 2009 conducted 12 telephone conferences from November 2009 to February 2010.



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2.29 All comments as well as a summary of all comments for every Principle and Criterion will be provided together with Draft 3-0 or shortly thereafter on the P&C Review Section of the FSC website: <http://www.fsc.org/pcreview.html>

What changes in structure have been proposed for the FSC Principles and Criteria?

2.30 While some stakeholders have urged that only small changes should be made to the Principles and Criteria the Working Group has proposed some significant changes for consistency and greater auditability. The Working Group fully recognizes that such changes imply a ripple effect of changes in nationally adapted Forest Stewardship Standards. However, the Working Group believes that such changes from the current version are justified by the unusually long period without substantial review and revision. FSC is currently in the process of exploring best ways for the transition of national standards to the new Principles and Criteria after their approval.

2.31 Unlike standards covering industrial processes, the FSC Principles and Criteria cover a wide range of issues. There are almost infinite ways in which these issues could be grouped into themes. In both drafts, the Working Group has conserved much of the structure and sequence of the current version of the P&C. However, Principles are more evidently structured around major issues, generally with cross-references rather than repetition. There is now some limited but intentional duplication between Principles and Criteria to aid clarity in understanding.

2.32 In accordance with one of the recommendations of the policy phase of the FSC Plantations Review (October 2006), Principle 10 on plantations has been incorporated into the other nine Principles or into a new Principle 10 on Management Activities. And in agreement with Statutory Motion 8 of the 2005 FSC General Assembly, Principle 4 has been divided into a new Principle 2 on Workers' Rights and Employment Conditions, and a new Principle 4 on Community Relations. Criteria in former Principle 2 have been transferred and adapted for Principles 1, 3 and 4.

2.33 The more field-level Criteria in Principle 6 (e.g. road construction, waste management, pesticides, biological control agents) have been transferred into new Principle 10 on Management Activities, so that Principle 6 now concentrates on the ecological bases for responsible forest stewardship.

2.34 Principle 1 is now a more stand-alone section, so that it can be used for legal verification as one step in an modular approach to FSC certification (see FSC-POL-10-003 2005 Modular approaches to forest certification)³ and thus also moving the FSC Principles and Criteria closer to independent schemes for legality verification. Principle 1 adapts wording proposed by some FSC accredited Conformity Assessment Bodies and by some ENGOs,

³ http://www.fsc.org/fileadmin/web-data/public/document_center/international_FSC_policies/policies/FSC_POL_10_003_EN_Modular_approaches_to_forest_certification_2005.pdf



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mainly SmartWood's Generic Standard for Verification of Legal Compliance (SW VL-02, 15 November 2007), by agreement with SmartWood.

2.35 This draft includes Explanatory Notes and Rationales. The rationales explain why a certain Principle or Criterion has been revised. The Explanatory Notes explain the meaning and purpose and provide background information explaining the context of particular Principles and Criteria. The aim is to enhance the understanding of the Principles and Criteria for example in respect to applying them depending on Scale, Intensity and Risk. Explanatory notes are not mandatory.

2.36 Neither the Explanatory Notes nor the Rationales are intended to become an integral part of the P&C. They will not be subject to the membership vote for approval of the revised Principles and Criteria, scheduled for late 2010. However, the explanatory notes are intended to serve as the basis for the development of regional, national and sub-national indicators and international generic indicators. After their approval and in order to cater for different stakeholders groups different versions of the P&C may be produced. A simple version consisting only of the mandatory Principles and Criteria themselves and a comprehensive version consisting of the mandatory Principles and Criteria and the non-mandatory Explanatory Notes and/or international generic indicators.

What general changes have been proposed for the FSC Principles and Criteria?

2.37 Revisions to the Principles and Criteria have been guided by the following drivers and values.

Drivers for a change

- Availability of new knowledge,
- Changes in international conventions,
- Commonly found in associated standards,
- Problems shared by stakeholders, especially the observations by CABs or FSC National Initiatives.
- Preference for change expressed by FSC stakeholders; for example, in approved motions of FSC General Assemblies or in comments during public consultations,
- Need for clarification because of ambiguity, errors in expression of intention or wording, lack of clarity, facilitate translation into other languages, etc.

Values of a change

- Avoids adding further complexity,
- Avoids or removes duplication,
- Consolidation of advice and guidance,
- Focus on outcomes rather than prescribing activities,
- Avoids proliferation of new explanatory documents, e.g. advice notes, policies,
- Value of change is commensurate with the costs,
- Fits all kinds of management units – if not, clarification of applicability is needed with regard to scale, intensity and risk,
- Focus on performance aspects which can be audited.



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2.38 The revision addressed:

1. Statutory Motions 4, 5, 6, 8, 11, 12 and 13 of the FSC General Assembly 2005, as incorporated into Statutory Motion 7	How addressed in Draft 3-0?
Unfolding of Principle 4	Worker rights now P2, Local communities now P4
Removing directions to Conformity Assessment Bodies	Original 1.4, 2.3 and 9.2 removed, partly removed or clarified
Demonstration of commitment to P&C	C1.27
Strengthening of stakeholder consultation	C7.6
Include social management planning	C7.2
Clarification of the requirement for public availability of management plan	C7.5
Protection of local peoples against forest fires	C10.7
Clarification of 'Shall and Should'	Shall used throughout the P&C
2. Approved Policy Motions 8, 10, 39, 43 and 44 of the FSC General Assembly 2008;	
Updating of Principle 3 in line with new international agreements, e.g. UN Declaration on the rights of indigenous peoples	C3.4 and C3.6
Inclusion of native forest peoples (e.g. afro-descendents)	Traditional peoples defined and now covered either by P3 or P4
Active involvement of Indigenous Peoples in P&C review	5 regional meetings
Improved P&C applicability for every type and scale of forest in line with ISEAL requirements	Concept of Scale, Intensity and Risk added to several criteria. Prescriptive list of management plan components moved to explanatory notes of C 7.2
Incorporation of ILO core conventions	C1.17, C1.19, C2.1
Carbon certification	C10.13
Certification of conservation and protection	Scope clarified Wording of applicable P&C refers to all products



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	and services.
3. Recommendations of the Plantations Review⁴	
3.1. Social issues	
Ensure “good neighbor” relationships with local communities and other stakeholders	P4
Increase opportunities for, and contribute to, positive local sustainable development with an emphasis on reduction of poverty	C4.3, C4.5, C5.3, C5.4
Uphold the legal rights of workers, ensure worker’ rights to organize and maintain or improve workers’ health and social security	C1.16 to C1.19, C2.1, C2.3, C2.4
Uphold the legal and customary rights of indigenous peoples to own, use and manage their lands, territories and resources	C3.1, C3.2, C3.3, C3.4, C3.6
Implement a systematic approach through a social management system	C7.1, C7.2
Analyzing and mapping socially important features in the landscape, such as habitations, areas that provide resources to local communities, etc.	C3.5
Identifying, in cooperation with affected stakeholders, the social objectives of the management unit in relation to employees (including contractors and sub-contractors), the local community and indigenous peoples	C7.2, C7.6, definition of affected and interested stakeholders
Systematic management of personnel, including local employment policies and actions related to employees, contractors and subcontractors	P2, C7.2, C4.3
Detailed, participatory social assessments of positive and negative impacts of the plantation management on the local community	C4.3, C4.4, C4.5
Clear strategies for preventing, remedying, mitigating and/or compensating local communities in the event of negative impacts	C4.3, C4.7
Locally appropriate actions to participate, together with other stakeholders, in improvement of livelihood, local development and poverty reduction	C4.3, C4.5, C5.3, C5.4
3.2. Ecosystem integrity	
Active approach to prevent, mitigate and if needed, remedy / restore for any environmental effects of its management on ecosystem integrity. Consequently, a higher level of impact shall	C6.3

⁴ The final report of the Policy Working Group of the Plantations Review made several recommendations in relation to the improvement of plantations management. These recommendations were then used by the four Expert Teams of the Technical Phase of the Plantations Review for making proposals for changes to the Principles Criteria, which to a large degree were then included in Version 5-0 Draft 1-0 of the P&C as circulated for consultation in May 2008. The recommendations of the Policy Working Group, the resulting proposals of the four Expert Teams as well as the comments received on Draft 1-0 were analyzed and used by the P&C Review WG when developing Version 5-0 Draft 2-0 of the P&C (with the exception of conversion). The structure of Section 3 of this table follows that of the original recommendations of the Policy Working Group of the Plantations Review.



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correspond with higher conservation efforts to maintain ecosystem integrity.	
<p>Adopt a proactive conservation strategy within its management unit, characterized by identifying, safeguarding and optimizing the design and implementation of:</p> <ul style="list-style-type: none"> • Areas and features of high conservation value; • Areas of representative ecosystems, rare ecosystems and habitats for rare species; • Riparian zones of native vegetation, conservation corridors and other elements of landscape connectivity. 	P9, C6.4, C6.5, C6.6, C6.7
<p>In order to optimize (its conservation strategy) undertake field trials - appropriate to size, scale and knowledge - that may include:</p> <ul style="list-style-type: none"> • Various levels of retention of native tree species and structure at stand level in areas where the natural vegetation is forest; • Various conservation area designs; • Retaining structures and properties characteristic of natural ecosystem dynamics; • Adapting the size and spatial distribution of managed stands within the plantation management unit. <p>The field trials shall be continuously assessed, monitored and where relevant, the knowledge gained shall be integrated into the management of the plantation</p>	<p>C10.2 (for species selection). The P&C Review WG refrained from including a general requirement for field trials. Too many exemptions would be needed, e.g. for SLIMF's. This is also covered by requiring impact assessments (e.g. C6.2). Also, optimization does not require field trials as it can be achieved by other means.</p>
3.3. Stakeholder consultation	
<p>Responsibility for engaging affected parties rests with the manager. In the absence of a national standard, the manager is also responsible for demonstrating how the concerns expressed by other interested parties have been taken into account.</p>	C1.20, C1.24, C2.5, C3.1, C3.5, C4.1, C4.4, C4.8, C7.4, C7.6, C9.1, C9.2
<p>The following terms should be clearly and consistently defined:</p> <ul style="list-style-type: none"> • 'Affected' and 'interested' parties as outlined in the report from the 3rd Policy Working Group meeting ; • Stakeholder; • Rights holder; • Consultation; • Participation. 	<p>Definition of interested and affected stakeholder. Rights holder is not used. Consultation and participation covered by the term engagement.</p>
<p>The manager has implemented a clear and robust consultation process which covers pre- and ongoing certification periods</p>	C7.4, C7.6
<p>There is a similarly recognized conflict resolution process in place</p>	C1.24, C2.5, C4.7



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3.4. Use of chemicals	
Adopt a consistent best practice integrated chemicals management approach	C10.7
3.5. Conversion	
Maintaining the cut-off date of 1994 until it can be demonstrated that the new plantation policy is implemented and working	Two alternatives for C6.9 and C6.10 are proposed
Clarify what the term “normally” in P10.9 means	Two alternatives for C6.9 and C6.10 are proposed.
In case of conflict between indigenous peoples’ rights in P3 and requirements of P10.9, indigenous peoples’ right to control forest management on their lands and territories should be accorded higher priority (subject to NI approval, or in the absence of an NI, subject to approval by FSC IC).	There is no FSC policy for priorities between Principles
Expansion of the term High Conservation Value Forest in Criterion 6.10 to include other ecosystems of High Conservation Value. FSC to clarify how such ecosystem should be dealt with in relation to conversion	HCVF not mentioned anymore, only HCVs. Two alternative for C6.9 and C6.10 are proposed.
3.6. One Common Set of Principles & Criteria	
One integrated set of common Principles and Criteria for all management units.	P10 were integrated into P2-9 or into new P10
Uses more inclusive or neutral terminology, such as ‘forests and plantations’ or ‘management units’, for formulations in Principles and Criteria, standards and guidelines that refer to all management units	Management Unit is used to refer to the spatial entity. No reference is made to forests or plantations in the Principles and Criteria. However, the Preamble clarifies that the scope covers all vegetation types from natural forests to plantations.
4. Consolidation with FSC Policies, Procedures Advice Notes etc.	
4.1. ‘Should’ and ‘shall’ The FSC BoD at its 44 th meeting decided that the word ‘should’ in the P&C be interpreted as a requirement rather than a recommendation. See also 2005 motions above.	Shall is used throughout the P&C. But not in the Explanatory notes, which are not mandatory.



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Use of these terms is also addressed in: ISO/IEC Directives, Part 2 (2004) - Rules for the structure and drafting of International Standards, section 6.6.1 and Annex H – concerning use of is/shall/should.	
4.2. FSC-POL-10-003 (2005) Modular approach to forest certification The Working Group was requested to analyze the need for a revision of P1 to accommodate a modular approach to FSC certification.	P1
4.3. Scope of the FSC Principles and Criteria The scope of the P&C is currently addressed in: <ul style="list-style-type: none"> • FSC-POL-10-004 (2005) Scope of the FSC P&C • FSC Guidelines for Certification Bodies - Subject 2.1 - Scope of forest certification • FSC Guidelines for Certification Bodies - Subject 2.8 – NTFP • FSC Guidelines for Certification Bodies Subject 2.12 Integrated wood processing facilities • FSC-ADV-20-006 EN_Certification of windbreaks_2005.doc • FSC-ADV-20-007 EN_Certification of forest remnants_2005.doc • FSC-ADV-50-001 EN_Shiitake mushrooms_2005.doc 	Preamble
4.4. Interpretation of P2 and P3 FSC-GUI-30-004 Guidance on FSC Principle 2 and 3 (2005) provides interpretation of Principle 2 concerning community relations and Principle 3 on indigenous peoples	P1, P3, P4
4.5. FSC and ILO Conventions FSC-POL-30-401 FSC Certification and ILO Conventions (2002) provides an interpretation that all managers must comply with all the ILO conventions that have an impact on forestry operations and practices, in all countries (including countries which are not ILO-members, and have not ratified the conventions). See also 2008 Motions above.	C1.17, C1.19, C2.1, C2.3, C2.4, C3.4, C10.14
4.6. Pesticides, chemicals and biological control Use of pesticides is addressed in <ul style="list-style-type: none"> • FSC-POL-30-001 (2005) FSC Pesticides policy • FSC-GUI-30-001 V2-0 FSC Pesticides policy guidance • FSC Technical Series No. 2009 – 001 Guide to integrated pest, disease and weed management in FSC certified forests and plantations See also Plantations Review recommendations above.	C10.9, C10.10
4.7. GMO Prohibition	C10.11 - Explanatory



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FSCs Policy in the prohibition of GMOs is defined in FSC-POL-30-602 FSC GMO Policy	Notes
4.8. Interpretation of Criterion 9.2 FSC-ADV-30-901 Clarified that the responsibility for stakeholder consultation on the identification of HCV lies with the manager.	C9.1
5. Additional systematic changes	
<ul style="list-style-type: none"> • Making the Principles and Criteria a set of requirements directed to The Organization which takes decisions about the forest management unit; • Ensuring that the Criteria map fully the intentions of each Principle; • Ensuring that each Criterion deals with a single issue; • Ensuring that Criteria have approximately equal weight or significance; • Wording, which was auditable and performance-related, so far as the context allowed combined with removing ambiguous words which make unclear what are the FSC requirements. Words eliminated almost completely from version 4-0 are – contribute to / encourage / ensure / include / minimize / place emphasis on / prefer / promote / respect / strive. However, if the Working Group considered that one of these verbs was the most appropriate for a Criterion, that verb has been used. Additional words considered but avoided in the draft were adequate / foster / inappropriate / proper / sufficient / support. 	Throughout the P&C.

What major changes have been proposed for Draft 3-0 in comparison with Draft 2-0?

General remarks

2.39 This section provides an indication of the major changes in the draft 3-0 of the Principles and Criteria in response to stakeholder comments on Draft 2-0. Generally, where applicable comments resulted in changes to the wording of a particular Principle or Criterion. However, many specific comments were addressed by clarifying or revising former Guidance Notes (now transferred into Explanatory Notes) or Rationales, or by adding new Explanatory Notes and Rationales. However, not all comments necessarily resulted in changes to the draft.

2.40 This draft refers to the Management Unit and not Forest Management Unit anymore, in line with the recommendations of the Policy Working Group of the Plantations Review. The draft has also been revised with a view to improving understandability as well as removing contradictions, overlap and inconsistencies of wording and between Principles and Criteria.

Structural Changes

2.41 Draft 2-0 included Guidance Notes, which in part were supposed to be normative and in part of explanatory nature. Several comments questioned the feasibility, suitability and



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appropriateness of including a new level of requirements in the form of normative guidance in addition to those requirements as formulated in the Principles and Criteria themselves. However, there were also several comments pointing out the usefulness of the guidance with regard to improving the understandability of the Principles and Criteria themselves.

2.42 Taking this into account the Working Group concluded that draft 3-0 should be accompanied by non-normative Explanatory Notes. These are based on the guidance and, where applicable rationales as already included in Draft 2-0. For further information on the Explanatory Notes, refer to paragraph 1.45 and 1.46 above.

Scale, Intensity and Risk

2.43 Generally the concept of Scale, Intensity and Risk may be applied to all Criteria. However, a reference is included in a number of Criteria when it is well known that these Criteria can only be complied with by the whole range of potentially certifiable vegetation types, land uses and related management systems if a certain flexibility depending on scale, intensity and risk is permitted.

2.44 A lot of the detail in relation to applying the concept of scale intensity and risk will be addressed in regional, national or sub-national Forest Stewardship Standards. It has not been the responsibility of the Principles and Criteria Review WG to develop specific guidance in relation to scale intensity and risk, e.g. for SLIMFs. The Working Group can only indicate where differentiation based on Scale, intensity and Risk is likely to be required. Further guidance will have to be developed in the future based on regional, national or sub-national Forest Stewardship Standards and international generic indicators.

2.45 The number of Criteria for which this specific indication is provided has been increased in this Draft 3-0. For further information on the concept of Scale, Intensity and Risk please refer to Annex 2 of Draft 3-0.

Preamble

2.46 The preamble was revised with a view to removing detail or moving it to Explanatory Notes. The preamble provides guidance on understanding the Principles and Criteria but is also normative in that it defines for example the scope of the Principles and Criteria or that the Principles and Criteria can only be applied through the development of regional, sub-regional and national Forest Stewardship Standards.

Principle 1 – Compliance with laws

2.47 This Principle consists of many more Criteria, in part as a result of transforming previous guidance into Criteria, so that it can be used independently from the rest of the P&C for legality verification within an FSC modular approach to certification (See paragraph 1.44 above).

2.48 The Principle does not refer to compliance with the Principles and Criteria anymore. A new criterion dealing with corruption was added. The requirement for long term commitment to the P&C was retained but clarified.



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2.49 Principle 1 now clearly refers to national and local laws and ratified international conventions and agreements. This recognizes that only if ratified by a country, international conventions or agreements become part of the national legal system in question.

Principle 2 – Workers’ rights and employment conditions

2.50 However, FSC as a voluntary certification scheme can require that certified entities or applicants for certification comply also with the relevant parts of international conventions in countries that have not ratified them. Therefore, in line with previous motions and subsequent decisions on the applicability of ILO conventions, Criterion 2.1 is now specific in relation to what compliance with these conventions entails.

2.51 The reasons for inclusion and ways for promoting gender equality were clarified. Also, it was clarified that contractors need to comply with the Criteria under Principle 2 when working under a contract to the Organization for the management unit. Several more clarifications were provided in relation to the requirements to comply with the ILO Code of Practice on Safety and Health in Forestry Work, to pay industry minimum wages and to have conflict resolution procedures.

Principle 3 – Indigenous peoples rights

2.52 The proposal to refer in Principle 3 to Traditional Peoples did not receive sufficient stakeholder support. The working group recognized the concerns expressed but also recognized that in some countries the national law would treat the rights of traditional peoples as equivalent to those of indigenous peoples. The working group therefore concluded that in these cases traditional peoples shall be treated as equal to indigenous peoples for the purpose of the P&C according to the requirements in Principle 3. Where this is not the case they shall be treated as local communities according to Principle 4. A new definition for traditional peoples is being proposed as well. Accordingly proposed Criterion 3.7 was removed.

2.53 Clarifications were provided in relation to the right of indigenous peoples to control management activities within the Management Unit but also outside the Management Unit, when related to the Management Unit and regarding requirements for concluding agreements with IPs. The requirement for compliance with the United Nations Declaration on the Rights of Indigenous Peoples was retained in line with FSCs prerogative to require compliance with such international agreements even if not ratified in a certain country. Clarification was provided in relation to Indigenous Peoples rights based on the Convention of Biological Diversity, 1992.

Principle 4 – Community relations

2.54 Rather than always requiring the enhancement the Principle now refers to the maintenance and enhancement of the social and economic well-being of local communities. A criterion requiring the identification of local communities was added in line with the corresponding Criterion under Principle 3.



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2.55 The differences and relationships between Criterion 4.3 and 4.5 as well as between 4.3 and 5.4 have been explained better. The requirements for resolving grievances and providing compensations vis-à-vis existing legislation as well as the relationship between avoidance of negative impacts and compensation were clarified.

Principle 5 – Benefits from the forest

2.56 The meaning of economic viability was defined to encompass situations where the management objectives aim at providing environmental benefits and social benefits rather than making profits. Formulations of the Principle, some Criteria and Explanatory Notes were revised to take account of situations of management units that can only provide limited diversity of products and services.

2.57 Rather than requiring the inclusion of the exact environmental and social costs in management forecasts and budgets it is now required to provide estimates of the costs and benefits in the management planning.

Principle 6 – Environmental values

2.58 Several issues such as conservation, protection and restoration of biodiversity, water resources, soils and ecosystem as well as landscape features have been clarified, reemphasized and/or enforced in draft 3-0. This was in part achieved by re-introducing requirements of current Principle 10 on Plantations, which had been incorporated into Guidance Notes in Draft 2-0.

2.59 The Criteria under Principle 6 now refer to Environmental Values as the encompassing term for ecosystem functions, biodiversity, water resources, soils and landscape values.

2.60 Proposed new Criterion 6.6 of Draft 2-0, which dealt with the selection of silvicultural systems, was removed. This issue is now addressed in Criterion 10.6. A new approach based on avoiding losses to biodiversity and damages to other environmental values is proposed to replace current criterion 6.3.

2.61 Two separate alternatives, each proposing two revised criteria for addressing conversion, are being proposed in this draft for stakeholder feedback.

Principle 7 – Management planning

2.62 The main focus has been on improving the understandability of the requirements, especially in relation to verifiable measures of success and their linkage to the monitoring requirements of Principle 8, and the underlying adaptive management approach.

2.63 Clarification has also been provided in relation to the requirement for making the management plan available and publishing a summary of the management plan and the handling of confidential information.

Principle 8 – Monitoring and assessment



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2.64 Here the main focus has been on improving the understandability of the requirements and the interrelations between establishing management objectives, strategic and operational monitoring, the objectives of monitoring and adaptive management. The criteria more clearly differentiate between strategic monitoring which is linked back to the verifiable measures of success as required according to Criterion 7.3 and operational monitoring of the implementation and impacts of management activities.

2.65 The requirements in relation to tracking and tracing products from the management unit as well as making the monitoring results available have been clarified.

Principle 9 – Maintenance of high conservation values

2.66 This Principle now refers to maintenance of High Conservation Values rather than their management as was proposed in Draft 2-0. The precautionary approach has been re-emphasized and clearly defined. Requirements in relation to the identification of High Conservation Values and the engagement of stakeholders have been explained more clearly.

Principle 10 – Implementation of management activities

2.67 The requirements in relation to regeneration practices and the use of alien and invasive species have been revised and explained more clearly. Examples of situations justifying the use of alien species have been added. The protection of water resources, quality and quantity was re-emphasized.

2.68 The requirement to reduce and eliminate the use of chemical pesticides through Integrated Pest Management has been reintroduced and been combined with a reference to FSCs Policies for prohibiting pesticides. It has been clarified that in tree nurseries located outside the Management Unit pesticides prohibited by FSC may be used if an Integrated Pest Management is implemented and as long as these are not on the WHO list of highly hazardous pesticides and are not prohibited by law.

2.69 The P&C Review Working Group retained the proposed criterion on avoiding atmospheric pollutants but clarified that greenhouse gases are only one type of such pollutants.

Glossary of Terms

2.70 Several new definitions of terms used in Draft 3-0 have been included, several have been revised; wherever possible based on internationally accepted wording. A new definition of Management Unit is being proposed. The definition of The Organization has been revised as well.

2.71 The P&C Review Working Group is proposing to remove the Glossary of Terms from the Principles and Criteria and to incorporate the definitions in FSC-STD-01-002 FSC Glossary of Terms.



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What difficult issues remain unsolved?

2.72 The main issue to be resolved is conversion. The Working Group is providing two proposals for stakeholder feedback.

Legend

2.73 In this Version 5-0 Draft 3-0 of the Principles and Criteria the terms 'original criterion/criteria' or 'original principle(s)' or 'current criterion/criteria' or 'current principle(s)' are used refer to wording used in the current version (Version 4-0) of the Principles and Criteria.

2.74 The draft is structured as follows:

The proposed new or revised wording is highlighted in gray. For example:

1.1 (new) Indicates that proposed criterion 1.1 in Version 5-0 Draft 3-0 is an addition to the Principles and Criteria.

2.2 (revised 2.4) Indicates that the wording of proposed Criterion 2.2 in Version 5-0 Draft 3-0 is based on Criterion 2.4 of Version 4-0 of the Principles and Criteria.

Explanatory note(s):

For further information on the guidance please refer to the Introduction above.

Rationale:

1. Under rationale a justification is given for adding a new criterion or revising an original criterion.
2. Where the proposed wording is based on a criterion already existing in Version 4-0 of the Principles and Criteria the original wording is provided in the rationale section as well.

Original Criterion 2.4: Here the wording of Criterion 2.4 of Version 4-0 of the Principles and Criteria would be quoted.



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3 FSC Principles and Criteria for Forest Stewardship

FSC-STD-01-001 Version 5-0 Draft 3-0

Note on use of this standard

All aspects of this standard are considered to be normative, including the Preamble, standard effective date, references, terms and definitions, notes, tables and annexes, unless otherwise stated (e.g. Explanatory Notes).

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- A. Preamble**
- B. Standard effective date**
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Principle 1: Compliance with laws

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Principle 7: Management planning

Principle 8: Monitoring and assessment

Principle 9: Maintenance of high conservation values

Principle 10: Implementation of management activities

Annex 1: Glossary of Terms

Annex 2: Scale, Intensity and Risk - A Discussion Paper from the FSC P&C Working Group about the significance of Scale, Intensity & Risk in certified forests



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A. PREAMBLE

3.1. It is widely accepted that forest resources and associated lands should be managed to meet the social, economic, ecological, cultural and spiritual needs of present and future generations. Furthermore, growing public awareness of forest destruction and degradation has led consumers to demand that their purchases of wood and other forest products will not contribute to this destruction but rather help to secure forest resources for the future.

The Forest Stewardship Council

3.2. The mission of the FSC is to: 'promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests'.

- Environmentally appropriate forest management ensures that the harvest of timber and non-timber products maintains the forest's biodiversity, productivity, and ecological processes.
- Socially beneficial forest management helps both local people and society at large to enjoy long term benefits and also provide strong incentives to local people to sustain the forest resources and adhere to long-term management plans.
- Economically viable forest management means that forest operations are structured and managed so as to be sufficiently profitable, without generating financial profit at the expense of the forest resource, the ecosystem, or affected communities. The tension between the need to generate adequate financial returns and the principles of responsible forest operations can be reduced through efforts to market the full range of forest products and services for their best value. (See FSC By-Laws)

3.3. The FSC is an international body that, in order to accomplish its mission sets standards for the responsible management of forests and other vegetation types as they contribute to the mission of the FSC. The FSC also sets standards for the accreditation of conformity assessment bodies (CAB's also known as certification bodies) that certify compliance with FSC's standards for responsible management. The FSC also sets standards for the development and approval of regional, sub-regional and national Forest Stewardship Standards (FSS) based on the FSC Principles and Criteria. Based on these standards the FSC provides a system for voluntary accreditation of certification bodies and certification and marketing of products and services resulting from responsible management.

The FSC Principles and Criteria for Forest Stewardship (P&C)

3.4. The worldwide standard for the responsible management of forests and the above mentioned other vegetation types are these FSC Principles and Criteria.

Scope

3.5. The FSC Principles and Criteria generally apply to the entire geographic space inside the boundary of the Management Unit, which is being submitted for certification or re-certification. Some of the Principles and Criteria apply to the geographic and social landscapes in which the Management Unit is situated and thereby extend beyond the geographic space of the Management Unit.



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3.6. The Principles and Criteria make no distinction between different climatic zones or between types of forest or other vegetation along the continuum between pristine natural forest and intensively managed plantations. The Principles and Criteria apply to the management of all such vegetation types as they contribute to the mission of the FSC.

3.7. The Principles and Criteria cover the production of wood products, non-timber products, conservation, protection, environmental services and other uses. Some of the Principles and Criteria address social, environmental and economic aspects that may be affected by facilities within the boundary of the Management Unit, such as administrative offices, product processing units, nurseries and housing. The relevant Principles and Criteria also apply to these facilities.

Explanatory Notes:

1. The Principles and Criteria cover management activities of The Organization within the Management Unit and also activities outside but related to the Management Unit. For example, in developing and applying measures to conserve habitat and biodiversity; in relations with local communities inside Management Unit or affected by The Organization's activities related to the Management Unit, for example construction and maintenance of long-haul access road and rail links.
2. Any land use and vegetation type along the continuum between natural forest and intensively managed plantations that contributes to the mission of FSC may be certified if in compliance with the FSC Principles and Criteria. Satisfaction of these requirements depends on the particular management system in question rather than on the product type, vegetation type or service as such.
3. In line with FSC's definition of natural forest and plantations, the following vegetation types and land uses may be certified:
 - Forests and plantations managed for timber;
 - Non Timber Forest Products originating from forests and plantations;
 - Very short rotation crops such as:
 - Conifers, traditionally Norway Spruce (*Picea abies*) grown for use as Christmas trees.
 - Poplar (*Populus spp.*) and other species coppiced on short rotations (e.g. 4-7 years) for use as fuel.
 - Willow (*Salix spp.*) and other species coppiced on short rotations for production of shoots for e.g. basketwork and production of hurdles;
 - Orchards and plantations solely managed for Non Timber Forest Products (e.g. rubber, oil palm, coconuts, cacao, brazil nut trees, apples, oranges or olives.)
 - Silvo-pastoral production systems;
 - Agro-forestry production systems;
 - Wind breaks;
 - Bamboo;
 - Nurseries;
 - Conservation and protection;
 - Recreation.



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Facilities located in the Management Unit

4. Integrated wood processing facilities but also other facilities located in the Management Unit may have substantial social, environmental or economic impacts. The criteria addressing these impacts, for example those addressing worker rights, waste disposal, chemical use also apply to these facilities.

Rationale:

1. The preamble is intended to supplant the Introduction of the current Principles and Criteria (FSC-STD-01-001 Version 4-0).
2. In comparison with the Introduction to Version 4-0 of the P&C the preamble was updated with a view to clarifying the scope of the FSC Principles and Criteria in line with a number of interpretive and clarifying decisions taken by FSC subsequent to the approval of the original P&C in November 1994.
3. These all confirm that the scope of the P&C extends beyond the mere certification of natural forests and the production of timber to several vegetation types, products, services and purposes. The applicable documents are:
 - FSC-GUI-20-200 (2005) FSC Guidelines for Certification Bodies, Part 2, Subject 2.1 Scope of forest certification
 - FSC-POL-10-004 (2005) Scope of the FSC Principles and Criteria
 - FSC-DIS-01-001 (The scope of application of the FSC Principles and Criteria for Forest Stewardship, January/May 2005).
 - FSC-ADV-30-502 (2004) Certification of Bamboo
 - FSC-ADV-50-001 (2005) Shitake Mushrooms
 - FSC-ADV-20-006 (2005) Certification of Windbreaks
 - Motion 44 of the 2008 General Assembly 'FSC Certification of Forest Conservation and Forest Protected Areas'
4. The preamble was also revised with a view to allowing the possible future expansion of FSC certification to other services, e.g. carbon sequestration. See for example Motion 43 of the 2008 General Assembly.
5. In line with subject 2.12 of FSC-GUI-20-200 Guidelines for Certification Bodies (Updated March 2005) the preamble was clarified to reflect that some of P&C have to be applied to facilities located in the Management Unit because of their social and environmental impacts. Compared with these guidelines the scope was extended beyond integrated wood processing facilities to for example administrative offices, nurseries etc. in order to make sure that their potential social and environmental impacts are addressed as well.

Scale, intensity and risk

- 3.8. The FSC Principles and Criteria are generally independent of spatial scale and intensity of management activities. All certified Management Units must comply with all Principles and Criteria including its Preamble. However, the Principles and Criteria recognize that the question of how compliance with the Principles and Criteria is achieved may differ



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depending on the scale, intensity and risk of negative impacts related to The Organization, Management Unit or management activities.

3.9. Depending on scale, intensity and risk, the actions taken by an Organization in order to comply with the Principles and Criteria may have to be intensified or reduced in comparison to other Organizations. Generally the concept of Scale, Intensity and Risk may be applied to all Criteria. However, a reference is included in a number of Criteria when it is well known that these Criteria can only be complied with by the whole range of potentially certifiable vegetation types, land uses and related management systems if a certain flexibility depending on scale, intensity and risk is permitted.

3.10. The uniqueness of the environmental resources and the relative ecological fragility of the area submitted for certification will be considered in all certification assessments.

3.11. Many of the details about how Scale Intensity and Risk is to be interpreted in different situations is provided in Indicators of approved regional, national or sub-national Forest Stewardship Standards (FSS).

Explanatory Notes:

1. The concept of scale, intensity and risk is based on the assumption that these factors determine the likelihood of unacceptable environmental and social impacts and thereby non-compliance with the Principles and Criteria. Different approaches to avoiding such negative impacts and non-compliances may be required for example for small scale and low intensity managed Management Units (SLIMF's) or family managed groups harvesting of non-timber forest products (NTFP's) seasonally on the one end and large-scale intensively managed Management Units on the other end of scale.
2. "Scale" refers to the size of the Management Unit, or even the size of The Organization. It may also refer to the area of land or the proportion of the Management Unit affected by a particular activity. So, a large Management Unit is likely to be considered as "large scale". An activity such as hunting may be considered "large scale" if it affects a large part of the Management Unit, even if the intensity is very low.
3. "Intensity" is a measure of the force or strength of the activity. It should be judged on the basis of the environmental, social or economic impacts, and not simply on a comparison with other Management Units in the region. So, one rate of timber extraction (volume / hectare) may be considered high intensity on one forest type, but quite low in another.
4. "Risk" refers to a state of uncertainty about the likelihood or probability of an event with negative consequences, and also the seriousness of those consequences. It refers to the probability of an unacceptable negative impact, caused by any activity in the Management Unit, sufficiently serious to be a non-compliance with an Indicator or Criterion, and ultimately a Principle.
5. When the scale and intensity of activities and the risks of unacceptable negative impacts are low, The Organization is expected to decide on an appropriate package of monitoring, assessments, and prevention or mitigation measures, adequate for



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ensuring compliance with the Principles and Criteria. The manager is not required to carry out elaborate assessments or other measures simply because the results may be valuable, useful or interesting. However, where scale and intensity and risk are high, monitoring, assessment, prevention or mitigation measures will have to be intensified.

6. Scale, Intensity & Risk are especially helpful for taking decisions when there is a shortage of good data. This is the case for smaller enterprises everywhere (SLIMFs), and for those with lower levels of production and income, and especially in countries with weak national or regional forest research capabilities. In these cases larger and well-developed Organizations may be required to generate their own data in support of their management activities. In smaller operations, especially in the tropics, it may make better management sense to evaluate risks, based on empirical experience and any relevant research, rather than to invest heavily in expensive data-collection.
7. Details on taking account of scale and intensity in regional, national or sub-national Forest Stewardship Standards is provided in FSC-STD-60-002 Structure and Content of National Forest Stewardship Standards. Guidance on the Interpretation of the FSC Principles and Criteria in relation to SLIMFs is provided in FSC-GUI-60-001 Interpretation of the FSC Principles and Criteria to Take Account of Small Scale and Low Intensity.
8. Examples of international generic indicators for different scales and intensities are provided in draft guidance FSC-GUI-60-004 V1-0 D1-0 FSC Forest Stewardship Standards: Structure, Content and Suggested Indicators.

Rationale:

1. The concept of Scale and Intensity has been included in the Principles and Criteria since their approval in November 1994 based on the assumption that the smaller the Management Unit or Organization and the lower the intensity the lower the risk of unacceptable environmental and social impacts. The word risk was included to make this inherent concept more visible and align the Principles and Criteria with recent developments in other certification system, for example the Marine Stewardship Council or the new ISO 31000 series which both have adopted a risk based approach.
2. For further information on the concept of Scale, Intensity and Risk refer to Annex 2 of this document.

Application

3.12. FSC views responsible forest stewardship holistically. There are no priorities between Principles or between Criteria; they have equal status and validity. The FSC Principles and Criteria are applied at the level of the individual Management Unit through regional, national or sub-national Forest Stewardship Standards (FSS) that consist of the Principles, the Criteria and locally adapted Indicators and other mandatory elements as required by FSC. These standards are being developed for each country or region involved in FSC certification.

3.13. In this context, also more detailed Forest Stewardship Standards for particular vegetation types, products and services and types of management units, e.g. Small and Low



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Intensity Managed Forests (SLIMFs) or large scale high intensity plantations may be developed, in order to ensure compliance with the Principles and Criteria.

3.14. In this sense a Principle is an essential rule or element of forest stewardship. A Criterion is a means of judging whether or not a Principle has been fulfilled. An Indicator is a quantitative or qualitative variable which provides a means of judging whether a Management Unit complies with the requirements of an FSC Criterion. Indicators thereby define the requirements for responsible management at the level of the Management Unit and are the primary basis of evaluation. FSC approved regional, national or sub-national Forest Stewardship Standards may be accompanied by means of verification, which are a source of information or evidence for evaluating compliance with an Indicator.

3.15. Certification decisions are guided by the extent to which management activities satisfy each FSC Criterion, and by the importance and consequences of failure. Hence, the Principles and Criteria are a performance based standard. However, accidental events and unforeseen changes in cultural, ecological, economic and social environments may cause occasional failures in performance. FSC thus does not insist on perfection in satisfying the Principles and Criteria. The definition, procedures for assessing and consequences of partial or complete failure to satisfy the Principles and Criteria (non-conformities) are addressed in specific standards as developed by the FSC International Center.

3.16. With regard to complying with or interpreting the Principles Criteria problems and disputes may be encountered by The Organization, other stakeholders, CABs, National Initiatives or government agencies or between any of these bodies. In these situations the relevant FSC procedures for dispute resolution and interpretation apply.

Explanatory Notes:

1. In the Principles and Criteria, “management activities” is the phrase which covers all operations and field activities required to carry out the objectives of The Organization, and which are evaluated for compliance with these Principles and Criteria.
2. The process for the development and approval of regional, national and sub national Forest Stewardship Standards including explanations of the hierarchical framework of Principles, Criteria, Indicators and Verifiers is laid down in:
 - FSC-STD-60-002 Structure and Content of National Forest Stewardship Standards
 - FSC-STD-60-006 Development of Forest Stewardship Standards
 - FSC-STD-20-002 Structure, content and local adaption of Generic Forest Stewardship Standards
3. The definition and procedures for assessment and consequences of non-conformities with the FSC Principles and Criteria and regional, national and sub-national Forest Stewardship Standards are described in FSC-STD-20-001 General requirements for FSC accredited certification bodies – application of ISO/IEC Guide 65: 1996 (E) and FSC-STD-20-007 Forest Management Evaluations.
4. The relevant procedures for dispute resolution are laid down in:
 - FSC-STD-01-005 Dispute resolution system



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- FSC-PRO-01-005 Processing appeals
 - FSC-PRO-01-008 Processing complaints in the FSC Certification Scheme
 - FSC-PRO-01-009 Processing Formal Complaints in the FSC Certification Scheme
5. Questions of interpretation of the P&C are normally addressed in at the regional, national or sub-national level where this is supported by national stakeholders. Such interpretations are then subject to approval by the international FSC Board of Directors.

Responsibility for compliance

3.17. Responsibility for ensuring compliance with the FSC Principles and Criteria lies with the person or entity with ultimate decision-making power regarding management activities carried out in relation to the Management Unit. These persons or entities are referred to as 'The Organization'. FSC requires that The Organization takes ultimate responsibility for the actions of workers, contractors, sub-contractors and anyone else engaged by The Organization to carry out management activities for the Management Unit, so far as national and local law and regulations permit.

The FSC Principles and Criteria as one part of FSC documentation

3.18. The Principles and Criteria are a complete package to be applied as a whole including this Preamble. They need to be applied together with other interlinked FSC documents such as the FSC Statutes, FSC By-Laws, accreditation and certification standards and guidelines, and advisory, guidance, policy and standards development documents issued by the FSC International Centre.

Explanatory Note:

The additional documents are needed for the operation of the FSC certification and accreditation system which in turn cannot be operated without the Principles and Criteria. These include for example the standards for the development of regional, national and sub-national standards. Other documents, for example Advice Notes, might provide case specific international interpretations of the Principles and Criteria or non-mandatory guidance to facilitate compliance by managers, e.g. guidelines for SLIMF's.

The FSC Principles and Criteria and laws and regulations

3.19. FSC intends to complement, not supplant, other initiatives that support responsible forest management worldwide. The Principles and Criteria should be used in conjunction with international, national and local laws and regulations. There might be situations of conflicts between the Principles and Criteria and laws; in these cases specific FSC procedures will apply.

Explanatory Notes

1. Complementing in the context of laws means that the Principles and Criteria require compliance with national and laws and ratified international conventions and agreements according to Principle 1 but may lay down provisions that are more



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stringent than those laid down in these laws and regulations. That is, in a country with legal provisions that meet or exceed the provisions of Principles and Criteria compliance with these legal provisions is sufficient for compliance with the Principles and Criteria. Where the Principles and Criteria exceed such legal provisions the specific Principles and Criteria apply in addition. For example the planning documents required according to Criterion 7.2 may well go beyond those required by national or local law.

2. In the cases of conflict between laws and the Principles and Criteria, which are defined as situations where it is not possible to comply at the same time with the Principles and Criteria and a law FSC-STD-20-007 Forest Management Evaluations applies. According to section 8.20 of FSC-STD-20-007 conflicts between laws/regulations and the Principles and Criteria shall be evaluated by the certification body on a case by case basis, in arrangement with the involved or affected parties.

Development standards for preparation and revision of the FSC Principles and Criteria

3.20. The Principles and Criteria have been developed and revised in accordance with FSC-PRO-01-001 V2-0 The Development and Approval of FSC Social and Environmental International Standards. They have thereby been developed in compliance with the ISEAL Code of Good Practice for Setting Social and Environmental Standards (public version 4, document P005, January 2006) and the applicable requirements of ISO/IEC Guide 59 Code of Good Practice for Standardization as well the WTO Agreement on Technical Barriers to Trade (TBT), Annex 3: Code of Good Practice for the Preparation, Adoption and Application of Standards (January 1995).

B Standard Effective Date

This standard becomes effective on (To be included after approval of Version 5-0).

C References

The following referenced documents are indispensable for the application of this document. For references without a version number, the latest edition of the referenced document (including any amendments) applies. (To be included after approval of Version 5-0)



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D The Principles and Criteria

1 Principle #1 (revised): Compliance with laws

The Organization shall comply with all applicable laws, regulations and nationally-ratified international treaties, conventions and agreements.

Explanatory notes:

1. The criteria under FSC Principle 1 concern the legal aspects of The Organization's work in and related to the Management Unit. The practical elements, performance and quality aspects of The Organization's work are covered by other Principles and Criteria. There may be some overlap between Principles, in order to improve the intelligibility of the wording.
2. Where customary law is nationally recognized to have legal status alongside statutory and common law, or civil law, such customary laws have the same status in the FSC Principles and Criteria for the purpose of Principle 1. Where customary law is nationally recognized to have legal status but is not equivalent to statutory and common law, its separate jurisprudence is effective with respect to the FSC Principles and Criteria in its own area of legal competence.
3. In case of conflict between legal instruments (such as a national constitution, a nationally-ratified international convention, statutory laws and their subsidiary regulations) and/or customary laws, the conflict affecting the operation of The Organization's Management Unit, and where The Organization has been unable to secure a valid legal judgment, FSC obviously does not have the local legal status to make its own judgment. In such a case, FSC will [normally] disqualify an Organization's Management Unit(s) from being certified. This is a situation parallel with the one covered by Explanatory note 2 to Criterion 1.24.
4. Conventions referenced elsewhere in the FSC Principles and Criteria include the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES 1975), UN International Covenant on Economic, Social and Cultural Rights (1976), UN Framework Convention on Biological Diversity (CBD 1992), International Labour Organization (ILO, many separate Conventions, and a Declaration on Fundamental Principles and Rights at Work (1998) which links the eight core ILO labour Conventions), and the International Tropical Timber Agreement (2006). These conventions and agreements are only applicable – in the sense of Principle 1 - when ratified nationally in the country where the Management Unit is located.
5. The ILO Code of Practice on Safety and Health in Forestry Work is a non-binding guidance, and so is not referenced by FSC Principle 1. UNDRIP 2007 is a Declaration and so is non-justiciable and thus not referenced by FSC Principle 1. Compliance with both ILO 169 and UNDRIP 2007 is required by FSC Principle 3 and compliance with the ILO Code is required by FSC Principle 4. All three requirements may be satisfied by national or local legislation which meets or exceeds the ILO and UNDRIP specifications.
6. Conflicts between laws/regulations are managed through Criterion 1.25.
7. Principle 1 is structured into groups of Criteria

Criteria	Group
C1.1 – C1.7	legal status of the Management Unit and of The Organization



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C1.8	valid approval of planning package
C1.9	compliance with tax rules
C1.10	compliance with harvesting rules
C1.11 – C1.15	compliance with environmental rules
C1.16 – C1.21	compliance with social rules
C1.22	compliance with transport and trade rules
C1.23	protection against unauthorized and illegal activities
C1.24 – C1.25	resolution of legal issues out of court
C1.26	anti-corruption in a legal context
C1.27	long-term commitment to the FSC Principles and Criteria

Rationale:

1. The general rationale for more explicit Criteria in Principle 1 is that the components of a legality verification scheme are more clearly indicated and the existence of parallel but different legal procedures is recognized.
2. FSC has determined that a legality verification scheme (LVS) shall form part of a Modular Approach Program and that Principle 1 shall be that LVS. Such schemes (LVS) have been developed –
 - a. to be usable in a Voluntary Partnership Agreement under the Forest Law Enforcement, Governance and Trade (FLEGT) action plan of the European Commission (2003);
 - b. to facilitate the operation of the Lacey Act of the USA (amended 2008) for control of illegally harvested forest products in international trade;
 - c. to be a component of a Monitoring, Reporting and Verification scheme associated with UN-REDD and the REDD Readiness Preparation projects of the World Bank's Forest Carbon Partnership Facility; REDD means Reduced Emissions from Deforestation and forest Degradation.
3. Principle 1 is designed to be comparable with such schemes. It differs from the other nine Principles in the FSC Principles and Criteria in having a larger number of Criteria but, like the others, it is supported by FSC global indicators.
4. The revised wording conforms to ISO wording, deletes unnecessary words, corrects misunderstanding about national application of international conventions.
5. Principle 1 adapts wording proposed by some ASI-accredited Conformity Assessment Bodies and by some ENGOs, mainly SmartWood's Generic Standard for Verification of Legal Compliance, document code SW VL-02, 15 November 2007, by agreement with SmartWood. SmartWood gives examples of verifiable indicators. http://www.rainforest-alliance.org/forestry/documents/vlc_standard.pdf

Original Principle 1: Forest management shall respect all applicable laws of the country in which they occur, and international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria.

1.1 (new) The legal status of the Management Unit shall be clearly defined and its boundaries delineated so that they can be verified independently on the ground.



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1.2 (revised 2.1) The Organization shall demonstrate clear evidence of tenure and/or use rights to the land and/or resources, with definition of the duration of the tenure and/or use rights.

Explanatory Notes:

1. See also Criterion 3.1, 3.2, 4.1 and 4.2.
2. If the tenure is freehold, the duration may be indeterminate.
3. Acceptable evidence of tenure includes land title, customary rights, concessions or lease agreements.

1.3 (revised 2.2) Where the resource access rights of The Organization overlap with pre-existing legal tenures, the holders of the pre-existing legal tenure, resource or land use rights shall maintain control over their tenure and resource rights unless they delegate their control to third parties with free, prior and informed consent.

Explanatory note:

See also Criteria 3.1, 3.2, 3.3, 4.1, 4.2 and 4.3.

1.4 (new) The Organization shall demonstrate that it has validly obtained the legal right to operate and to harvest products and/or to obtain services from within the Management Unit.

1.5 (new) The Organization shall have clear, documented and unchallenged legal registration, with authorization for specific activities.

Explanatory notes:

1. If registration is challenged, or if registration is a long and uncertain process, refer to Criterion 1.24.
2. If legal registration documents are not available, perhaps lost through storm damage or civil war, this Criterion would be satisfied by clear evidence of local stakeholder acceptance that The Organization did have such registration.
3. Legal registration is the national or local legal license or set of permissions to operate as an enterprise, with rights to buy and sell products and/or services commercially.

1.6 (new) The Organization shall demonstrate that the Management Unit is legally classified for the types of land use or commercial activities included in the legal right to operate.

1.7 (new) The Organization shall have written authorization from the legally competent agency to harvest within the Management Unit.

Rationale Criterion 1.1 to 1.7:

1. Criterion 1.1 to 1.7 deal with the legal status of The Organization and Management Unit.



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- In the current P&C (Version 4-0) this issue is in part addressed in Criterion 2.1 and 2.2.
- Criteria 1.4-1.7 are separate because it is usual that the authorizing agencies are separate entities and may have entirely different legal procedures from each other.

Original Criterion 2.1: Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.

Original Criterion 2.2: Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.

1.8 (new) The Organization shall demonstrate that the documents in the management planning package which require formal approval have been validly approved by the legally competent agency.

Explanatory notes:

- The Organization should have a valid (forest) management plan approved by the relevant agencies, if legally required. A management plan is a requirement of Criterion 7.2 even if not legally required. A management plan as such may not be required to be approved, but some equivalent legal authorization may be necessary.
- Documents in the management plan package may include production restrictions and quotas associated with permitted harvest rights for the Management Unit.
- Documents which may require legal approval by the legally competent agency include any or all of the following: valid annual operating or harvest plans (see Criterion 7.2); assessments of social and environmental impact, and plans for countering negative impacts, (see Criteria 4.4 (social) and 6.2 (environmental)); business / investment plan (see Criterion 5.1).
- If inability to obtain validation is due to failures in legal processes under control of government agencies, or to failures to apply those processes, then Criterion 1.25 applies.

Rationale:

Refers across to Criteria 4.4, 5.1, 6.2 and 7.2, but emphasizes the demonstration of legal approval, not the performance aspects.

1.9 (revised 1.2) The Organization shall demonstrate full and timely compliance with all applicable national and local laws and administrative requirements concerning payment of taxes, import and export duties, royalties, fees and penalties concerning the resource management, use of and trade in the goods and services which The Organization derives from the Management Unit up to the first point of sale. The Organization shall make and document such payments in full and according to the prescribed payment process schedule, if required by law.

Explanatory Notes:

- The detail regarding payments for access to the resources and services from the Management Unit is to enable verification that all legal charges are invoiced and paid.



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Such payments may be intended to defray some or all of the legal owner's costs for administering the Management Unit, or may be a revenue generating exercise unrelated to sustainable management but legally required, or some combination of both purposes; see FSC Principle 5.

2. The Organization should authenticate its payments to government agencies with validated and dated receipts.
3. Payments for resource access which are made to non-government land owners and right holders, and contracts relating to obligatory social development services associated with forest harvesting permits (such as the 'cahiers des charges' imposed by governments in francophone Africa), should be authenticated in the same way.
4. Delayed and partial payments are not acceptable unless permitted by law.
5. Surcharges on late payments are included if legally required.
6. Administratively calculated ("compounded") and court imposed penalties are included in this Criterion.
7. There is no obligation to make advance payments unless these are required by law.
8. The list of charges in the Criterion is not comprehensive or inclusive because nomenclature varies with jurisdictions. For example, "fees" might include charges for making applications for licenses, the costs of due diligence checks, inspections, issue of licenses, stamp duty on the issued licenses. The intention of the Criterion is that all kinds of resource access and relevant business taxes shall be paid according to the law.
9. Payments by The Organization which are due under social or commercial law, such as salaries and other employment benefits, are requirements in Principle 4.

Rationale:

The requirements for authentication of payments conform with best international practice in the Extractive Industries Transparency Initiative (EITI) and the Publish-What-You-Pay campaign.

Original Criterion 1.2: All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid.

1.10 (revised 1.1 and 1.3) The Organization shall demonstrate full and timely compliance with all applicable national and local laws and ratified international conventions and obligatory codes of practice relating to the harvest of forest goods and services. Forest management and business / investment plans and annual operating plans, if required by law, are up to date, contain accurate information and are implemented in full and in time, also if required by law.

Explanatory Notes:

1. Business / investment and annual operating plans are included in the Criterion because in some jurisdictions they are more important for regulation of the activities of The Organizations than the (forest) management plan.
2. In jurisdictions which require that validly approved plans must be implemented, a change in circumstances requires a change in the annual operating plan and re-approval.



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3. In some countries the Codes of Practice are only advisory, or they may be obligatory only for administratively-determined enterprises or Management Units.

1.11 (revised 1.1 and 1.3) The Organization shall demonstrate full and timely compliance with all applicable national and local laws and ratified international conventions and obligatory codes of practice relating to the environmental obligations of the Management Unit.

1.12 (new) The Organization shall comply with obligations and mitigation works approved in the legally required environmental impact assessment and mitigation plan.

1.13 (new) The Organization shall comply with all legally required procedures for surveying, managing and protecting rare, threatened or endangered species and/or habitats in the Management Unit.

1.14 (new) Unless legally permitted and with permission from the resource owner(s), workers and contractors of The Organization shall be prohibited from hunting, fishing, trapping, collecting and trade in wildlife, notwithstanding any rights registered under Principle 3.

1.15 (new) The Organization shall comply with the environmental requirements of the UN Framework Convention on Biological Diversity and the Convention on International Trade in Endangered Species of Wild Fauna and Flora, if these conventions have been ratified nationally.

Explanatory Notes 1.11 to 1.15:

1. See also the criteria under Principle 6.
2. The two international conventions quoted in Criterion 1.15 are not legally binding if they have not been ratified nationally.

1.16 (revised 1.3) The Organization shall demonstrate full and timely compliance with all applicable national and local laws and ratified international conventions and codes of practice relating to health and safety, labor conditions, and the use rights of other parties.

Explanatory Notes:

1. Criteria 1.16-1.21 apply to all contractors while they are working under a contract to The Organization for the Management Unit.
2. There may be legal exemptions for small- and medium-scale forest enterprises and family businesses.

1.17 (new) The Organization and all contractors while working under a contract to The Organization for the Management Unit shall comply with the requirements of the UN



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International Covenant on Economic, Social and Cultural Rights (1976), the social requirements of the UN Framework Convention on Biological Diversity (1992), and the applicable ILO Conventions, if these conventions have been ratified nationally.

Explanatory Notes:

1. See also Criteria 2.1, 3.6 and 4.6.
2. The UN Universal Declaration of Human Rights (1948) and the UN Declaration on the Rights of Indigenous Peoples (2007) are non-justiciable Declarations and so cannot appear directly in Principle 1. The ILO Code of Practice on Safety and Health in Forestry Work is advisory and so cannot appear directly in Principle 1 but is addressed in Criterion 2.3.

1.18 (new) The Organization and all contractors while working under a contract to The Organization for the Management Unit shall comply with all applicable laws, regulations and administrative procedures covering health and safety of employees and their families.

Explanatory Note:

See also Criterion 2.3.

1.19 (new) The Organization and all contractors while working under a contract to The Organization for the Management Unit shall comply with legal requirements for contracts to all workers, in appropriate local languages and with culturally intelligible wording. Such workers shall be paid not less than the legal minimum wage if such a standard exists, and shall be treated in conformity with national and local regulations.

Explanatory Note:

See Criterion 2.4.

1.20 (new) Where customary laws are legally recognized, The Organization shall incorporate customary user rights into management plans and activities (forest operations) through engagement with these rights holders.

Explanatory Note:

Criteria in Principles 3 and 4 deal with situations where customary laws are not so recognized, see especially Criteria 3.2 and 4.2.

1.21 (new) The Organization and all contractors while working under a contract to The Organization for the Management Unit shall provide timely and culturally appropriate notice about major management activities (forest operations), where notification of affected stakeholders is legally required.

Explanatory Note:

See Criterion 4.4.

C1.22 (revised 1.3) The Organization shall demonstrate full and timely compliance with all applicable national and local laws and ratified international conventions and obligatory codes



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of practice relating to the transportation and trade of forest products within and from the Management Unit and up to the point of first sale.

Explanatory notes:

1. Compliance with the applicable provisions and requirements of CITES – the Convention on International Trade in Endangered Species of Wild Fauna and Flora – should be demonstrated where CITES has been ratified nationally.
2. The Organization shall have procedures and practices which provide effective control of forest products from the point of origin (for example, the standing tree) until ownership is transferred. The Organization shall have and use a system to identify products as having verified legal compliance (for example, through documentation or marking and tracking systems) up to the point of first sale.
3. Criterion 1.22 is not a substitute for the FSC chain of custody system for tracking and verifying progress through the market chain to the point of final sale; see Criterion 8.4.
4. Control of illegal timber outside the Management Unit is through implementation of chain-of-custody requirements and verifications, outside the scope of the FSC Principles and Criteria

Rationale Criterion 1.10 to 1.22:

1. Criterion 1.10 to 1.22 address the fulfillment of national and local laws and international conventions as addressed in original Criterion 1.1 and 1.3. However, original Criterion 1.1 and 1.3 were too aggregated.
2. Therefore, compliance with national and local laws and international conventions is now addressed in several different criteria (Criterion 1.10 – management and harvest, Criterion 1.11-1.15 – fulfillment of environmental regulations, Criterion 1.16-1.21 – fulfillment of social regulations, Criterion 1.22 – legality of trading).

Original Criterion 1.1: Forest management shall respect all national and local laws and administrative requirements.

Original Criterion 1.3: In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.

1.23 (revised 1.5) The Organization shall develop and implement measures, and/or shall engage with regulatory agencies, to protect the Management Unit from unauthorized or illegal resource use, settlement and other illegal activities.

Explanatory Notes:

1. Illegal or unauthorized activities that may occur within or through the Management Unit should be identified. Where appropriate or legally required, these identified events should be reported to regulatory agencies.
2. Illegal or unauthorized activities should be controlled through engagement with stakeholders including regulatory agencies in some circumstances (according to the scale, intensity and risk of the activities).
3. FSC expects the protection measures to be effective, but recognizes that this is not



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always possible when The Organization is not the landowner or does not have appropriate legal rights of control. For example, The Organization may not have the right to erect fences, to lock gates, or to expel those carrying out such unauthorized or illegal activities. If and where the land is owned by a third party The Organization should implement a collaborative strategy with the land owner and other stakeholders to prevent by all reasonable means the occurrence of illegal activities.

4. For resolution of problems when an activity is illegal by statutory law but allowed under customary law, see Criteria 3.1 and 4.1.

Rationale:

The proposed wording prescribes a more active approach in relation to illegal or unauthorized activities than in the current P&C (Version 4-0); it requires the identification and implementation of measures for protection from such activities.

Original Criterion 1.5: Forest management areas should be protected from illegal harvesting, settlement and other unauthorized activities.

1.24 (revised 2.3) The Organization shall identify, prevent and resolve disputes over legal issues which can be settled out of court in a timely manner, through engagement with relevant stakeholders.

Explanatory Notes:

1. Stakeholder consultation and mechanisms agreed with stakeholders such as negotiation processes, mediation and other means of resolving legal disputes should be applied as preferred options for preventing and resolving civil disputes. These might be based on existing legal frameworks. Law suits should be invoked only as a last resort. See Criteria 2.6 and 4.7 for details of dispute resolution mechanisms.
2. The intention is to ensure that within the Management Unit there are no disputes of substantial magnitude or involving a significant number of interests that are unresolved over a prolonged period of time, if they can be resolved out of court. Disputes of a substantial magnitude involving a significant number of interests will normally disqualify an Organization's Management Unit(s) from being certified.
3. The Criterion is also intended to avoid trivial but time-consuming challenges in court to the legality of The Organization's authority to operate in the Management Unit.

1.25 (revised 2.3) Where legal issues are caused by defective laws or the failure of government agencies to apply the laws, The Organization shall request a ruling from FSC in order not to impede the process of FSC evaluation of the Management Unit.

Explanatory notes:

1. Legal issues such as infractions of logging rules or non-payments of forest charges or environmental pollution are subject to due legal procedures and are not correctly managed by negotiation processes.
2. Where legal disputes arise because the host country has legislation, regulations or administrative procedures which are
 - unjust, or



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- badly drafted (for example, missing sections or containing contradictory requirements), or
 - incompletely processed (for example, missing subsidiary regulations or administrative procedures, or lacking Presidential assent), or
 - not harmonized or incompatible with other legislation and so conflictive, or
 - technically defective
- and where The Organization has tried unsuccessfully to obtain a valid legal judgment between the conflicting requirements, The Organization should invoke this Criterion.
3. Where The Organization is unable to comply with one or more FSC Criteria because of government failure to implement national or local laws, regulations or administrative procedures, and where The Organization has tried unsuccessfully to obtain a valid legal judgment requiring the relevant government agency to implement the inactive requirement(s), The Organization should invoke this Criterion. An example would be failure to implement nationally required integrated land use planning, and consequently the issuance of valid but overlapping agriculture, mining and forest harvesting concessions in the same geographic area.
 4. Where The Organization is unable to comply with one or more FSC Criteria because of gross default by government agencies, including misleading information from corrupt agencies, The Organization should invoke this Criterion.
 5. Note that a request from The Organization to FSC for a ruling does not imply that FSC is required to judge whether the actions or inactions of government agencies are right or wrong. The role of FSC is only to indicate how The Organization can respond within the limits of the P&C and all relevant FSC procedural standards and guidance documents.
 6. With regards to situations, where there are of conflicts between laws and the Principles and Criteria, which are defined as situations where it is not possible to comply at the same time with the P&C and a law or regulation, please refer to section 'The FSC Principles and Criteria and laws and regulations' of the Preamble.
 7. Management of disputes which are not of a legal nature is covered by Criteria 2.5 and 4.7.

Rationale Criterion 1.24 and 1.25:

1. These Criteria are based on original Criterion 2.3. They have been included in Principle 1 because the existence of legal disputes can prevent granting certification, for example, where there is overlap between concession areas and community land.
2. Stakeholder engagement on potential and actual legal disputes is an important means to prevent conflicts and to contribute to a comprehensive resolution process if such disputes exist.
3. In accordance with Policy Motion 4 (converted to Statutory Motion 7 and approved) of the 2005 General Assembly, which requested the removal of guidelines for the certification process from the Principles and Criteria, the 2nd sentence of original Criterion 2.3 was moved to the explanatory notes of Criterion 1.24. The circumstances under which Management Units disqualify for certification will also be clarified in the applicable standard for forest management evaluations (FSC-STD-20-007 Forest Management Evaluations).

Original Criterion 2.3: Appropriate mechanisms shall be employed to resolve disputes over



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tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.

1.26 (new) Where required by law, The Organization shall demonstrate compliance with anti-corruption legislation by such documentation and other means as the law demands. Where national legislation permits, and having regard to the scale and intensity of management activities and the risk of corruption, The Organization shall develop or participate in formal integrity pacts with other organizations in the public and private sectors, such that each participant agrees in well publicized statements not to engage in corruption by offering or receiving bribes, whether in money or in any other forms. Performance related to such statements shall be independently monitored. The Organization may use other anti-corruption measures if these are at least as effective and transparent as integrity pacts.

Explanatory Notes:

1. 'Integrity pact' means an agreement between the participants not to offer bribes to or demand bribes from the other members of the pact. The pact is enforced by ensuring maximum transparency in all transactions and by careful monitoring of transactions by independent observers such as NGOs. The pact requires the application of severe sanctions when violations occur. Source – "Tools for civil society action to reduce forest corruption: drawing lessons from Transparency International" by Ken Rosenbaum for the Forest Integrity Network, World Bank (2005).
2. The integrity pacts should cover the four kinds of bribes categorized by Transparency International: (1) bribes which are paid to access a scarce benefit or to avoid a common cost; (2) bribes which are paid to receive a benefit that is not itself scarce but which is controlled through exercise of discretion; (3) bribes which are paid for incidental benefits such as speedy service or inside information; (4) bribes which are paid to entice the other side to withhold a benefit or impose a cost on someone else. (**Source:** Transparency International Sourcebook 2000).
3. In addition to The Organization itself, integrity pacts should cover all contractors while working under a contract to The Organization for the Management Unit, and should include the conformity assessment body or bodies contracted to audit The Organization for FSC certification.
4. Bribes are usually in money but may be in other tangible or intangible benefits. Examples include "a contribution to your favourite football team", indirect payments made to family relatives or close friends of the target person, gifts of food or drink or household items, overseas holidays, tickets to sporting events, privileged access to otherwise inaccessible resources.
5. In situations where bribery and corruption are elements of the customary modes of business, and an enterprise cannot operate without making informal payments or gifts, The Organization should implement the TI Business Principles for Countering Bribery (second edition 2009).
6. The public reporting may include the organisational structure and ownership and accounts of The Organization, and reciprocal publication of payments made to



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government agencies and payments received and validly [or authentically] received by those agencies.

7. Transparency International has especially promoted integrity pacts for public procurement and contracting. TI has published “The integrity pact – the concept, the model and the present applications: a status report”, Transparency International Integrity Pact and Public Procurement Programme, December 2002 (http://www.transparency.org/global_priorities/public_contracting/integrity_pacts) with many examples. 14 or more countries had such pacts by 2005.
8. Risk of corruption may be determined at a country level by reference to the corruption perception index published annually by Transparency International (http://www.transparency.org/policy_research/surveys_indices/cpi/2009). Note that most governments have anti-corruption legislation but the critical issue for The Organization is whether the laws are actually applied fully, transparently, objectively and equitably.

Rationale:

There are many examples of high levels of corruption in the forestry sector in many countries. This criterion addresses the issue of corruption while at the same time recognizing that the risk of corruption actually varies depending on the specific situation.

1.27 (revised 1.6) The Organization shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria in all the Management Units which are under the managerial control of The Organization. The Organization shall make freely available on request a statement of this public commitment.

Explanatory note:

1. The Organization is as self-defined and registered in compliance with Criterion 1.5.
2. Managerial control means responsibility of the kind defined for corporate directors in national commercial law (see also glossary).
3. The commitment of adherence to the FSC Principles and Criteria should be contemporaneous with, or previous to, the application for certification.
4. The intention of Criterion 1.27 is for The Organization to demonstrate that it and all subordinate parts of The Organization (including affiliates, subsidiaries and legally associated bodies) comply with the FSC Principles and Criteria, as a prime and explicit measure against “greenwashing”.
5. “greenwashing” is the promotion of deceitful claims made by enterprises which “participate in the FSC system while simultaneously engaging in unacceptable forestry practices in their non-FSC certified forest and plantation areas”; see FSC-POL-20-002 V3-0 D2-2 Policy for the association with FSC (consultation draft, May 2009).
6. Alternatively, The Organization should demonstrate that those subordinate parts which do not fully comply with the FSC Principles and Criteria –
 - are formally registered and operating in a FSC-approved modular approach programme, as defined in FSC-POL-10-003 Modular approaches to forest certification (June 2005), at the time of application for FSC certification; or
 - do comply with FSC-POL-20-002 Partial certification of large ownerships (June 2000) – as interpreted in annex 1 of FSC-POL-20-002 Implementation of FSC Criterion 1.6 by forest management enterprises (June 2005 and March 2006) – and in



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accordance with section 2.13 partial certification of large ownerships (March 2005) – and section 2.14 certification of concessions (March 2005) – in Part 2 Forest Certification of FSC-GUI-20-200 FSC guidelines for certification bodies.

7. The Organization is not required to submit all Management Units for certification at the same time, but all Management Units under its managerial control should be declared to the ASI-accredited Conformity Assessment Body and should be open for inspection by the Conformity Assessment Body; see FSC-GUI-20-200 – FSC guidelines for certification bodies – Part 2 Forest Certification, paragraph 2.3a in section 2.13 – partial certification of large ownerships (March 2005).
8. These FSC guidelines to Conformity Assessment Bodies also explain how to evaluate 'long-term commitment'. At some time, but not yet (February 2010), the guidelines on commitment will be replaced by procedures which make operational the Policy for the association with FSC.
9. Where a previously unassociated Organization wishes to submit just one Management Unit or one group of Management Units for certification as a trial, The Organization should demonstrate that the products from all other Management Units under its managerial control comply with the FSC policy and procedures for controlled wood, as defined in FSC-STD-30-010 V2-0 FSC controlled wood standard for forest management enterprises (October 2006) and using the risk evaluation procedures of FSC-STD-40-005 FSC standard for company evaluation of FSC controlled wood (October 2006).

Rationale:

1. Original Criterion 1.6 was the principal defense against greenwashing. The replacement Policy for the Association with FSC is not yet operable, so this requirement of long-term commitment should be retained.
2. Policy Motion 5 (converted to Statutory Motion 7 and approved) at the FSC General Assembly 2005 required a demonstration of commitment in a public document.

Original Criterion 1.6: Forest managers shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria.

Criteria that were removed from Principle 1

Original Criterion 1.4 was removed from Principle 1

Rationale:

This is in accordance with Policy Motion 4 (converted to Statutory Motion 7) of the 2005 General Assembly, which requested the removal of guidelines for the certification process from the Principles and Criteria. The conflicts addressed in original Criterion 1.4 are addressed in FSC-STD-20-007 Forest Management Evaluations. See also the preamble.

Original Criterion 1.4: Conflicts between laws, regulations and the FSC Principles and Criteria shall be evaluated for the purposes of certification, on a case by case basis, by the certifiers and the involved or affected parties.



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2 Principle #2 (revised): Workers rights and employment conditions

The Organization shall maintain or enhance the social and economic well being of workers.

Explanatory Note:

1. There might be situations, e.g. in highly developed economies – especially those that have ratified the 8 ILO core conventions, where meeting most or all of the criteria under this criterion will be fulfilled through compliance with national and local laws relating to labor conditions and occupational health and safety.
2. The term ‘workers’ refers to all employed persons including public employees. (See also glossary). This includes part-time and seasonal employees, of all ranks and categories, including laborers, administrators, supervisors and executives.
3. Compliance with these national and local laws is required according to Criteria 1.16-1.28.
4. However, there might also be situations where national and local social and labor laws are so weak that compliance with them will not suffice to comply with these criteria. In other situations these laws may not properly be enforced. In these situations the criteria under this principle will prevail and compliance with is required.
5. A number of the criteria under this principle refer and thereby apply also to contractors. Compliance with these criteria does not require The Organization to provide these contractors, their subcontractors or their employees with other benefits that may be provided voluntarily to directly employed workers (such as pension schemes, bonuses, profit sharing schemes) not obligated by labor legislation or other norms such as ILO Conventions.

Rationale:

1. In line with Statutory Motion 8 converted to Statutory Motion 7 approved at the 2005 General Assembly it is proposed to unfold Principle 4 in order to improve clarity of the FSC Principles and Criteria. It is proposed that original Principle 4 ‘Community relations and workers rights’ is divided into 2 separate principles. In the light of the proposed deletion of original Principle 2 it is proposed that ‘Workers Rights’ becomes new Principle 2.
2. This wording of the principle is based on the original wording of Principle 4 but is now focusing on workers rights based on the division of Principle 4.

Original Principle 4: Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities.

2.1 (revised 4.3): The Organization and all contractors while working under a contract to The Organization for the Management Unit shall comply with the principles and rights of workers as defined in the ILO Declaration on Fundamental Principles and Rights at Work (1998) based on the 8 ILO core conventions.

Explanatory Note:

1. The ILO Declaration on Fundamental Principles and Rights at Work (1998) covers the following four fundamental principles and rights at work:
 - a) freedom of association and the effective recognition of the right to collective



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- bargaining;
- b) the elimination of all forms of forced or compulsory labor;
- c) the effective abolition of child labor; and
- d) the elimination of discrimination in respect of employment and occupation,
2. These fundamental principles and rights are based on the 8 ILO core conventions, which are:
- ILO convention 29 (Forced Labour Convention, 1930)
- ILO convention 87 (Freedom of Association and Protection of the Right to Organise Conventions, 1948)
- ILO convention 98 (Right to Organise and Collective Bargaining Convention, 1949)
- ILO convention 100 (Equal Remuneration Convention, 1951)
- ILO convention 105 (Abolition of Forced Labour Convention, 1957)
- ILO convention 111 (Discrimination (Occupation and Employment) Convention, 1958)
- ILO convention 138 (Minimum Age Convention, 1973)
- ILO convention 182 (Worst Forms of Child Labour Convention, 1999)
3. Compliance with this Criterion is required irrespective of whether a country has ratified the Declaration on Fundamental Principles and Rights at work or the 8 ILO core conventions. This criterion only refers to those parts of the ILO core conventions that clearly specify workers rights.
4. Hence, compliance with this criterion means that The Organization and all contractors while working under a contract to The Organization:
- 4.1 Do not use compulsory labor (see ILO Convention 29 and 105).
- 4.1.1 The term 'forced or compulsory' labor means all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily (based on ILO Convention 29, Article 2, Paragraph 1).
- 4.1.2 Debt bondage is one example of forced labor.
- 4.1.3 Contractors have to comply with by this criterion. However, contractors themselves are also protected from forced or compulsory labor. The same applies to self-employed persons.
- 4.2 Do not interfere with or impede the right of workers to establish and join organizations of workers (see ILO Convention 87 and 98)
- 4.2.1 The Term 'organization of workers' means any organization for furthering and defending the interests of workers (based on ILO Convention 87, Article 10).
- 4.2.2 Interfering or impeding the right to establish and join organizations includes anti union discrimination and acts of interference by employers or employers organizations in the establishment, functioning or administration of workers organizations.
- 4.2.3 Anti union discrimination in particular means
- Acts that make the employment of a worker subject to the condition that he shall not join a union or shall relinquish trade union membership.
 - Acts that cause the dismissal of or otherwise prejudice a worker by reason of union membership or because of participation in union activities outside working hours or, with the consent of the employer, within working hours (based on ILO Convention 98, Article 1, paragraph



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- 2).
- 4.2.4 Interference in the establishment, functioning or administration of workers organizations means in particular acts which are designed to promote the establishment of workers' organizations under the domination of employers or employers' organizations, or to support workers' organizations by financial or other means, with the object of placing such organizations under the control of employers or employers' organizations (based on ILO Convention 98, Article 2, paragraph 1).
- 4.3 Promote equality of opportunity and treatment through eliminating any discrimination in respect of access to vocational training, access to employment and to particular occupations and terms and conditions of employment including remuneration (see ILO convention 100 and 111).
- 4.3.1 The term 'discrimination' includes inter alia: any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation (based on ILO convention 111, Article 1, Paragraph 1 (a))
- 4.3.2 **Note:** Any distinction, exclusion or preference in respect of a particular job based on the inherent requirements thereof is not be deemed to be discrimination (based on ILO convention 111, Article 1, Paragraph 2).
- 4.3.3 The term 'remuneration' includes the ordinary, basic or minimum wage or salary and any additional emoluments whatsoever payable directly or indirectly, whether in cash or in kind, by the employer to the worker and arising out of the worker's employment (based on ILO convention 100, Article 1.)
- 4.4 Do not employ persons below the age of completion of compulsory schooling and in any case no person below the age of 15 years and do not employ persons below the age of 18 years for work that is likely to jeopardize their health, safety or morals (see ILO convention 138 and 182).
- 4.4.1 Criteria for determining the types of work which is likely to harm the health, safety or morals of persons are:
- work which exposes children to physical, psychological or sexual abuse;
 - work underground, under water, at dangerous heights or in confined spaces;
 - work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;
 - work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health;
 - work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer. (Based on ILO Convention 182, Article 4, Paragraph 1 and ILO Worst Forms of Child Labour Recommendation, 1999, Paragraph 3).
- 4.4.2 ILO convention 138 provide exceptions to these rules under specific



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circumstances; for example for family and small scale holdings (see for example ILO Convention 182, Article 5, paragraph 3, Article 6 paragraph 1, Article 7 paragraph 1 and 2).

5. Where national law does not equal or exceed the fundamental principles and rights of the ILO Declaration or is not properly enforced, commitment of contractors to adhere to these principles and rights can be shown through:
 - a. A contract to the effect that the contractor agrees to adhere to the principles and rights as referred to in the ILO Declaration and to include equivalent obligations in any other contracts or subcontracts.
 - b. A certification of the contractor that shows adherence to the principles and rights as referred to in the ILO Declaration or equivalent legislation.

However, compliance with this criterion would require corrective actions from The Organization, which may include cancellation of the contract, in cases where proof is delivered to The Organization that contractors or subcontractors are in breach with the principles and rights as referred to in the ILO Declaration.

Rationale:

1. Following up on approved motion 40 of the 1999 General Assembly the FSC Board of Directors in March 2002 approved FSC-POL-30-401 FSC Certification and the ILO Conventions, clarifying that:
 - a. Forest managers are legally obliged to comply with all ILO Conventions which have been ratified in that country.
 - b. Forest managers are expected to comply with the eight ILO Core Conventions in all ILO member countries, by virtue of their country's ILO membership, even if not all the conventions have been ratified. This is an obligation arising from the ILO Declaration on Fundamental Principles and Rights at Work as endorsed by all ILO member countries. The Declaration states that "all Members, even if they have not ratified the Conventions in question, have an obligation, arising from the very fact of membership in The Organization, to respect, promote and to realize, in good faith with the Constitution, the principles concerning the fundamental rights which are the subject of those conventions".
 - c. FSC's policy for voluntary certification expects managers to comply with all the ILO conventions that have an impact on forestry operations and practices, in all countries (including countries which are not ILO-members, and have not ratified the conventions).
2. In line with FSC POL-30-401 proposed Criterion 2.2 is an update of original Criterion 4.3 in order to refer more specifically to the Fundamental Principles and Rights at Work based on the 8 ILO Core Conventions and to also include contractors.
3. An analysis by the Principles and Criteria Review Working Group showed that there are four non-core ILO conventions addressing issues with an impact on forestry operations and practices. These are ILO convention 131 Minimum Wage Fixing Convention (1970), ILO convention 142 Human Resources Development Convention (1975), ILO convention 155 Occupational Safety and Health Convention (1981), ILO convention 169 Indigenous and Tribal Peoples Convention (1989). Compliance with ILO convention 169 is now addressed in Principle 3. The issues relevant for forestry operations and practices in ILO convention 131, 142 and 155 are addressed in proposed Criteria 1.17,



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1.18, 1.19, 2.3, 2.4 and 10.14.

4. This criterion only refers to those parts of the ILO Core Conventions explicitly dealing with workers rights. The ILO Core Conventions also address obligations for states regarding enforcing these worker rights. FSC as a voluntary certification scheme cannot influence if and how states enforce the ILO Core Conventions but can require certified Organizations to comply with the Principles and Rights of Workers as defined in these Core Conventions.

Original Criterion 4.3: The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organisation (ILO).

2.2 (new) The Organization shall promote gender equality in employment practices, training opportunities, awarding of contracts, engagement processes and management activities.

Explanatory Note:

1. Specific actions to promote gender equality cannot be strictly determined at the international level, but should be decided according to local circumstances (e.g. cultural, religious, traditional), national laws and the size of the enterprise (remembering that promoting equality does not simply mean doing something to benefit women)
2. Many of the appropriate measures concern the management of the forest enterprise rather than the forest itself, and are therefore fully within the scope of FSC and certification. The following examples may be appropriate but are not exclusive nor have to be in place simultaneously:
 - Engagement and information in local languages as well as in national languages, especially when there is a possibility that women and some minority groups may be unfamiliar with the national language.
 - Meetings and management committees organized to include women and men, and to ensure the active participation of both.
 - Any payments to local residents or community members go to women and men, avoiding the assumption that payments to men always equally benefit women and children.
 - Specific efforts to provide appropriate employment opportunities for women, and to adapt existing employment opportunities and conditions to make them suitable for women and compatible with women's role in the family and society.
 - Salary scales and employment conditions to promote equality of opportunity, and common pay and grading systems (equal pay for similar work), and equitable participation in job responsibilities, promotions, positions and training opportunities for men and women
 - Maternity and paternity leave, and other provisions for parents.
 - Flexible working policies and practices (variable hours, part-time, home-working, work during school terms, etc.) and vacation policies.
 - Procedures for preventing and eliminating sexual harassment and discrimination based on gender, marital status, parenthood or sexual orientation.
3. FAO has published training materials on gender analysis and mainstreaming in forestry



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(e.g. Gender Analysis and Forestry Training Package: www.fao.org/forestry/foris/pdf/gender/tr-e01/tr-e01.0.pdf) and guidance on considering gender in national forest programs (e.g. www.fao.org/docrep/W6206E/w6206e04.htm). FAO has also published reports on Gender Mainstreaming in Forestry in individual countries (e.g. for Kenya, <ftp://ftp.fao.org/docrep/fao/010/k0744e/k0744e00.pdf>). ILO has published a large number of gender strategy and standards documents: www.ilo.org/public/english/support/lib/resource/subject/gender.htm#standards

Rationale:

1. Statutory Motion 12 approved at the FSC General Assembly 2002 mandated the addition of gender equality to the FSC Principles and Criteria.
2. Gender equality is not covered by the ILO core conventions.
3. Gender equality is enshrined in the UN Universal Declaration of Human Rights and the 1981 UN Convention on the Elimination of Discrimination against Women. It has not had a high profile in the FSC, but has been considered by the FAO Forest Department and by ILO for many years.
4. The legal context of gender equality in the workplace is changing rapidly. Many countries have introduced legislation for gender equity, equality and/or quotas. In the European Union, public authorities have a duty to incorporate gender equality requirements into their employment practices and into the obligations of contractors. This means that the gender equality record of a company bidding for a public authority contract can be taken into account in decisions about awarding contracts. "A contractor's gender equality track record is ... a relevant indicator of their ability to deliver the specified good, works or services effectively, efficiently and to a high standards" (EU Equality and Human Rights Commission, 2007, Gender Equality Duty of Public Authorities – Procurement Guide). It is high time for FSC to take similar steps.

2.3 (revised 4.2) The Organization and all contractors while working under contract to The Organization for the Management Unit shall implement health and safety practices to protect workers from occupational safety and health hazards. These practices shall be proportionate to scale intensity and risk of management activities and meet or exceed the recommendations of the ILO Code of Practice on Safety and Health in Forestry Work.

Explanatory Notes:

1. Compliance with national laws regarding health and safety is required according to Criterion 1.18. Complying with these national laws if their provisions meet or exceed the recommendations of the code will suffice to comply with this criterion.
2. Where no national laws exists or where the national law does not meet the ILO Code the recommendations of the ILO code will have to be implemented depending on scale intensity and risk.
3. This criterion is important to ensure that core elements of health and safety rights for all forest workers are maintained. It requires that organizations ensure that workers, contractor employees, self employed contractors and sub-contractors are enjoying labor rights that are fair and equitable regarding health and safety.
4. For further guidance on traditional family-managed harvesting of timber and NTFPs reference is made to FSC-GUI-60-001 V2-0 (Guidance on the interpretation of FSC



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Principles and Criteria to take account of small scale and low intensity, May 2009, Principle 4, pages 20-24).

Rationale: The proposed wording is based on original Criterion 4.2 but was revised for compliance with FSC-POL-30-401 FSC Certification and ILO Conventions which requires compliance with the ILO Code on Safety and Health in Forestry.

Original Criterion 4.2: Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.

2.4 (new) The Organization and all contractors while working under a contract to The Organization for the Management Unit shall pay wages that meet or exceed industry minimum standards where these are higher than the legal minimum wages.

Explanatory Note:

1. The establishment of minimum wages is addressed in ILO convention 131 (Minimum Wage Fixing Convention, 1970).
2. In line with Article 2 of this ILO convention, Criterion 1.19 requires as a minimum the payment of legal minimum wages.
3. This criterion addresses situations where no legal minimum wages are established or where wages according to industry minimum standards for the forestry sector are higher than the legal minimum.
4. Where no legal minimum wages exist the industry minimum standard applies.
5. Where the industry minimum standard is higher than the legal minimum wages the industry minimum standard applies.
6. Industry minimum standards are those established in collective agreements as negotiated between employers or employers organizations and employee organizations (trade unions).
7. The starting point for determining industry minimum standards is the forestry sector. Where no legal minimum wages and industry minimum standards exist for the forestry sector, wages must be based on minimum legal or minimum industry standards in comparable occupations and industries in the region or country.
8. In 2006, according to the ILO more than 90% of all countries had legislation regarding minimum wage fixing (Source: Minimum wages policy, Conditions of Work and Employment Program, Information Sheet No. W-1). Region is understood as the smallest geographical area possible. For example, where no legal and no industry minimum standard exists for the province/federal state the national legal or industry minimum standard applies. Where none exist on the national level reference should be made to legal or industry minimum standards as established in neighboring countries.
9. This criterion does not apply for persons that are owners or part owners or belong to the group of owners of the Management Unit. Examples could be family members in the case of small scale family owned Management Units or community members whose income in part or in total depends on the profits generated in the Management Unit.

Rationale: This criterion is needed for situations where no legal minimum wage has been established. Also, it is important that all FSC certified companies pay at least the standard



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established in the sector.

2.5 (new) The organization through engagement with workers shall have mechanisms for resolving grievances and for providing fair compensation for loss or damage to property, occupational diseases, or occupational injuries to employees, while working for The Organization.

Explanatory Notes:

1. Resolving grievances does not mean that every party involved is completely satisfied but that an agreement was reached to not pursue further actions related to this specific grievance.
2. In this case loss refers to private property of workers.
3. Damage refers to both private property and the health and life of workers.
4. Fair compensation for loss and damage to property means that compensation has to be provided when caused through a fault of The Organization.
5. Fair compensation for damage to the health and life of workers means that compensation has to be provided for occupational diseases or injuries and deaths incurred while working for The Organization.
6. Where local or national laws for resolving grievances and compensation exist, compliance with these laws is required according to Criterion 1.24. These might suffice to comply with this criterion if agreed through engagement with workers. Otherwise additional mechanisms as developed through engagement with workers are required.
7. Mechanisms may include insurances.
8. Engagement with workers might be through third parties chosen by workers to negotiate on their behalf (e.g. unions, worker councils, lawyers).

Rationale: This proposed criterion addresses a gap in the original FSC Principles and Criteria.

Removal of original Principle 2 and relocation of criteria to other principles

The issues dealt with in the criteria under original Principle 2 were relocated to other Principles. Consequently, Principle 2 was deleted and replaced with the new Principle on workers rights and employment conditions. Original Criterion 2.1 is now covered by proposed Criterion 1.1. Original Criterion 2.2 was revised and moved to Principle 4 (proposed Criterion 4.1) and is also covered under Principle 3 (Criterion 3.2). The first and last sentence of original Criterion 2.3 were revised and moved to Principle 1 (Criterion 1.9). The 2nd sentence of the criterion will be included in the next revision of FSC-STD-20-007 Forest Management Evaluations in line with Policy Motion 4 of the FSC General Assembly 2005, which requested the removal of guidelines for the certification process from the Principles and Criteria.

Rationale:

1. Original Criterion 2.1 deals with the need to provide evidence of use rights to the land, based on for example land title, lease agreements or customary rights. These are a legal issue, which are covered under Principle 1 (see Criterion 1.2).
2. Original 2.2 deals with the rights of local communities which fall generally under,



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Principle 4 and in the case of indigenous peoples under Principle 3 and in relation to legal rights under Principle 1 (see Criterion 1.3, 3.1 to 3.3 and 4.1 to 4.3).

3. The first sentence of original Criterion 2.3 deals with disputes in relation to tenure claims and use rights which are legal issues and should therefore be covered under Principle 1 (see Criterion 1.24).
4. In accordance with Policy Motion 4 (converted to Statutory Motion 7 and approved) of the 2005 General Assembly, which requested the removal of guidelines for the certification process from the Principles and Criteria, the 2nd sentence of original Criterion 2.3 was moved to the explanatory notes of Criterion 1.24. The circumstances under which Management Units disqualify for certification will also be clarified in the applicable standard for forest management evaluations (FSC-STD-20-007 Forest Management Evaluations)

Original Principle 2 and Criteria: Principle #2: Tenure and use rights and responsibilities

Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.

- 2.1 Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.
- 2.2 Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.
- 2.3 Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.

3 Principle #3 (revised): Indigenous peoples' rights

The Organization shall identify and uphold Indigenous Peoples' legal and customary rights of ownership, use and management of land, territories and resources affected by management activities.

Explanatory Note:

1. The legal rights of indigenous peoples are included in Principle 1.
2. Some indigenous peoples may not own the land (legal title or legal ownership) but may continue to have resource access rights (e.g. collective or communal collecting of NTFPs not only for economic but also for cultural reasons).

Rationale: The original wording of the Principle only recognized that rights exist but did not clarify that The Organization must identify and uphold these rights, which is a much stronger directive than just recognizing these rights.

Original Principle: The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.



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3.1 (new) The Organization shall identify the indigenous peoples that exist within the Management Unit or are affected by management activities. The Organization shall then through engagement with these Indigenous Peoples identify their rights of tenure, access to and usage of forest resources, customary rights, legal rights and obligations, that apply within the Management Unit.

Explanatory Note:

1. The criterion requires identification of indigenous people with a fair and legitimate claim to be allowed access to benefits, goods or services from the forest. They include those who have affirmed rights to lands, forests and other resources based on long established usage, and also those who have not yet done so (from a lack of awareness or empowerment). Organizations should take account of all existing claims of rights.
2. This criterion requires that the nature of the rights in question, and the precise groups or sub-groups who affirm these rights, and who can be recognized as holding these rights, is analyzed locally, in dialogue with the indigenous peoples and with local institutions and organizations.
3. In some regions, e.g. South America, South East Asia there is often no written language or records supporting claims made by indigenous people with regards to customary rights. In these cases other culturally acceptable ways for identifying and agreeing on the rights need to be applied.
4. Identification of rights through engagement includes collecting and documenting (records, maps) of information on both documented legal rights and claims which are not supported by records or written documentation. This includes collection and documentation of overlapping claims of Indigenous Peoples and distinctions between rights of ownership and other legal or customary rights.

Rationale: This proposed criterion addresses a gap in the original FSC Principles and Criteria.

3.2 (revised 3.1) The Organization shall recognize and uphold the legal and customary rights of indigenous peoples to maintain control over management activities within or related to the Management Unit to the extent necessary to protect their rights, resources and lands and territories.

Indigenous people may delegate control to third parties with free, prior and informed consent.

Explanatory Note:

1. This criterion does not preclude the right of indigenous people to operate their own Management Unit; (see also FSC-GUI-30-004 FSC Principles 2 and 3: Guidance on Interpretation, section 4.1).
2. A demonstration by indigenous people of effective control over their land and resources would be the implementation of their own forest management plan which had been prepared according to Criterion 7.2; FSC-GUI-30-004 (see also FSC Principles 2 and 3: Guidance on Interpretation, section 5.7.1).



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3. The criterion also covers situations where indigenous people have residual rights of resource access but no longer have formal tenure of the land and territories, e.g. situations where the state owns the land and the state has granted licenses/concessions for forest management directly to The Organization.
4. The first paragraph of the criterion applies in situations where the indigenous peoples themselves have not delegated control to The Organization. In these cases they have a right to control the management activities to the extent necessary to protect their rights, resources and territories.
5. In cases where the community has delegated control to The Organization, Criterion 3.3 applies.
6. Free, prior and informed consent is defined as (see also glossary): A legal condition whereby a person or community can be said to have given consent based upon a clear appreciation and understanding of the facts, implications and future consequences of an action, and the possession of all relevant facts at the time when consent is given. Free, prior and informed consent includes the right to grant, withhold or withdraw approval.

Rationale:

1. The revision clarifies the rights of indigenous peoples as inherently provided in the Principle.
2. The proposed wording is more legally defensible and globally applicable than original Criterion 3.1. It also strengthens the rights of indigenous and traditional peoples by referring explicitly to prior consent.

Original Criterion 3.1: Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.

3.3 (new) In the event of delegation of control, a written or otherwise binding agreement between The Organization and the indigenous peoples shall be concluded through free prior and informed consent. The agreement shall clearly define its duration, provisions for renegotiation, renewal, termination, economic conditions and other terms and conditions. The agreement shall make provision for monitoring of compliance with its terms and conditions by the indigenous peoples.

Explanatory Notes:

1. Any agreements reached should be considered part of a continuous process, based on dialogue and negotiation.
2. The process of FPIC implies the right to refuse or withdraw consent. This application is clear in the case of legally recognized rights, but is less clear in the case of traditional rights that are being negotiated. This element must be covered case by case in dialogue and negotiations.
3. Other terms and conditions include inter alia: Provisions for protecting the rights, resources, lands and territories of the indigenous peoples, ownership, use and confidentiality of indigenous knowledge, intellectual property rights, provisions for dispute resolution, identification and protection of sites of special cultural, ecological, economic, spiritual or religious significance.



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4. The agreement also needs to define the terms for negotiating, changing, giving or withdrawing consent, including voting systems.
5. Economic conditions include for example cost and benefit sharing.
6. Binding agreements might be verbal or based on honor systems.
7. There might be situations where a binding agreement means a need for continued renegotiation and readjustment of its terms and conditions, for example “adat”-like customs in which no subject or decision is ever regarded as finally closed.

Rationale: See Criterion 3.2 above.

3.4 (revised 3.2) The Organization shall recognize and uphold the rights, customs and culture of indigenous peoples as defined in the United Nations Declaration on the Rights of Indigenous Peoples (2007) and ILO convention 169 (1989).

Explanatory Note: The criterion refers to those articles of the UN declaration and ILO convention which cover explicitly the rights, customs and culture and spiritual relationship between the indigenous people and the Management Unit.

The applicable articles of the United Nations Declaration are:

- Article 1:** Indigenous peoples have the right to the full enjoyment, as a collective or as individuals, of all human rights and fundamental freedoms as recognized in the Charter of the United Nations, the Universal Declaration of Human Rights and international human rights law.
- Article 2:** Indigenous peoples and individuals are free and equal to all other peoples and individuals and have the right to be free from any kind of discrimination, in the exercise of their rights, in particular that based on their indigenous origin or identity.
- Article 3:** Indigenous peoples have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.
- Article 4:** Indigenous peoples, in exercising their right to self-determination, have the right to autonomy or self-government in matters relating to their internal and local affairs, as well as ways and means for financing their autonomous functions.
- Article 5:** Indigenous peoples have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their rights to participate fully, if they so choose, in the political, economic, social and cultural life of the State.
- Article 7:** (1) Indigenous individuals have the rights to life, physical and mental integrity, liberty and security of person.
(2) Indigenous peoples have the collective right to live in freedom, peace and security as distinct peoples and shall not be subjected to any act of genocide or any other act of violence, including forcibly removing children of the group to another group.
- Article 8:** (1) Indigenous peoples and individuals have the right not to be subjected to forced assimilation or destruction of their culture.



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- Article 9:** Indigenous peoples and individuals have the right to belong to an indigenous community or nation, in accordance with the traditions and customs of the community or nation concerned. No discrimination of any kind may arise from the exercise of such a right.
- Article 10:** Indigenous peoples shall not be forcibly removed from their lands or territories. No relocation shall take place without the free, prior and informed consent of the indigenous peoples concerned and after agreement on just and fair compensation and, where possible, with the option of return.
- Article 11:** (1) Indigenous peoples have the right to practice and revitalize their cultural traditions and customs. This includes the right to maintain, protect and develop the past, present and future manifestations of their cultures, such as archaeological and historical sites, artefacts, designs, ceremonies, technologies and visual and performing arts and literature.
- Article 12:** (1) Indigenous peoples have the right to manifest, practice, develop and teach their spiritual and religious traditions, customs and ceremonies; the right to maintain, protect, and have access in privacy to their religious and cultural sites; the right to the use and control of their ceremonial objects; and the right to the repatriation of their human remains.
- Article 17** (1) Indigenous individuals and peoples have the right to enjoy fully all rights established under applicable international and domestic labour law.
(3) Indigenous individuals have the right not to be subjected to any discriminatory conditions of labour and, inter alia, employment or salary.
- Article 18:** Indigenous peoples have the right to participate in decision-making in matters which would affect their rights, through representatives chosen by themselves in accordance with their own procedures, as well as to maintain and develop their own indigenous decision-making institutions.
- Article 20:** (1) Indigenous peoples have the right to maintain and develop their political, economic and social systems or institutions, to be secure in the enjoyment of their own means of subsistence and development, and to engage freely in all their traditional and other economic activities.
(2) Indigenous peoples deprived of their means of subsistence and development are entitled to just and fair redress.
- Article 21:** (1) Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including, inter alia, in the areas of education, employment, vocational training and retraining, housing, sanitation, health and social security.
- Article 23:** Indigenous peoples have the right to determine and develop priorities and strategies for exercising their right to development. In particular, indigenous peoples have the right to be actively involved in developing and determining health, housing and other economic and social programmes affecting them and, as far as possible, to administer such programmes through their own institutions.
- Article 24:** (1): Indigenous peoples have the right to their traditional medicines and to maintain their health practices, including the conservation of their vital medicinal plants, animals and minerals. Indigenous individuals also have the right to access, without any discrimination, to all social and health services.



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- Article 25:** Indigenous peoples have the right to maintain and strengthen their distinctive spiritual relationship with their traditionally owned or otherwise occupied and used lands, territories, waters and coastal seas and other resources and to uphold their responsibilities to future generations in this regard.
- Article 26:** (1): Indigenous peoples have the right to the lands, territories and resources which they have traditionally owned, occupied or otherwise used or acquired. (2): Indigenous peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or other traditional occupation or use, as well as those which they have otherwise acquired.
- Article 28:** (1) Indigenous peoples have the right to redress, by means that can include restitution or, when this is not possible, of a just, fair and equitable compensation, for the lands, territories and resources which they have traditionally owned or otherwise occupied or used, and which have been confiscated, taken, occupied, used or damaged without their free, prior and informed consent. (2): Unless otherwise freely agreed upon by the peoples concerned, compensation shall take the form of lands, territories and resources equal in quality, size and legal status or of monetary compensation or other appropriate redress.
- Article 29:** (1) Indigenous peoples have the right to the conservation and protection of the environment and the productive capacity of their lands or territories and resources.
- Article 31:** (1) Indigenous peoples have the right to maintain, control, protect and develop their cultural heritage, traditional knowledge and traditional cultural expressions, as well as the manifestations of their sciences, technologies and cultures, including human and genetic resources, seeds, medicines, knowledge of the properties of fauna and flora, oral traditions, literatures, designs, sports and traditional games and visual and performing arts. They also have the right to maintain, control, protect and develop their intellectual property over such cultural heritage, traditional knowledge, and traditional cultural expressions.
- Article 32:** (1) Indigenous peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources.
- Article 34:** Indigenous peoples have the right to promote, develop and maintain their institutional structures and their distinctive customs, spirituality, traditions, procedures, practices and, in the cases where they exist, juridical systems or customs, in accordance with international human rights standards.
- Article 40:** Indigenous peoples have the right to have access to and prompt decision through just and fair procedures for the resolution of conflicts and disputes with States or other parties, as well as to effective remedies for all infringements of their individual and collective rights. Such a decision shall give due consideration to the customs, traditions, rules and legal systems of the indigenous peoples concerned and international human rights.



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The relevant articles of the ILO convention are:

- Article 1:** (1) This Convention applies to:
- (a) tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations;
 - (b) peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.
- (2) Self-identification as indigenous or tribal shall be regarded as a fundamental criterion for determining the groups to which the provisions of this Convention apply.
- Article 3:** (1) Indigenous and tribal peoples shall enjoy the full measure of human rights and fundamental freedoms without hindrance or discrimination. The provisions of the Convention shall be applied without discrimination to male and female members of these peoples.
- (2) No form of force or coercion shall be used in violation of the human rights and fundamental freedoms of the peoples concerned, including the rights contained in this Convention.
- Article 4:** (1) Special measures shall be adopted as appropriate for safeguarding the persons, institutions, property, labour, cultures and environment of the peoples concerned.
- (2) Such special measures shall not be contrary to the freely-expressed wishes of the peoples concerned.
- Article 5:** In applying the provisions of this Convention:
- (a) the social, cultural, religious and spiritual values and practices of these peoples shall be recognised and protected, and due account shall be taken of the nature of the problems which face them both as groups and as individuals;
 - (b) the integrity of the values, practices and institutions of these peoples shall be respected;
 - (c) policies aimed at mitigating the difficulties experienced by these peoples in facing new conditions of life and work shall be adopted, with the participation and co-operation of the peoples affected.
- Article 7:** (1) The peoples concerned shall have the right to decide their own priorities for the process of development as it affects their lives, beliefs, institutions and spiritual well-being and the lands they occupy or otherwise use, and to exercise control, to the extent possible, over their own economic, social and cultural development. In addition, they shall participate in the formulation, implementation and evaluation of plans and programs for national and regional development which may affect them directly.
- Article 14:** (1) The rights of ownership and possession of the peoples concerned over the lands which they traditionally occupy shall be recognized. In addition,



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measures shall be taken in appropriate cases to safeguard the right of the peoples concerned to use lands not exclusively occupied by them, but to which they have traditionally had access for their subsistence and traditional activities. Particular attention shall be paid to the situation of nomadic peoples and shifting cultivators in this respect.

- Article 15:** (1) The rights of the peoples concerned to the natural resources pertaining to their lands shall be specially safeguarded. These rights include the right of these peoples to participate in the use, management and conservation of these resources.
- Article 16:** (1) Subject to the following paragraphs of this Article, the peoples concerned shall not be removed from the lands which they occupy.
(2) Where the relocation of these peoples is considered necessary as an exceptional measure, such relocation shall take place only with their free and informed consent. Where their consent cannot be obtained, such relocation shall take place only following appropriate procedures established by national laws and regulations, including public inquiries where appropriate, which provide the opportunity for effective representation of the peoples concerned.
(3) Whenever possible, these peoples shall have the right to return to their traditional lands, as soon as the grounds for relocation cease to exist.
(4) When such return is not possible, as determined by agreement or, in the absence of such agreement, through appropriate procedures, these peoples shall be provided in all possible cases with lands of quality and legal status at least equal to that of the lands previously occupied by them, suitable to provide for their present needs and future development. Where the peoples concerned express a preference for compensation in money or in kind, they shall be so compensated under appropriate guarantees.
(5) Persons thus relocated shall be fully compensated for any resulting loss or injury.
- Article 17:** (1) Procedures established by the peoples concerned for the transmission of land rights among members of these peoples shall be respected.
(2) The peoples concerned shall be consulted whenever consideration is being given to their capacity to alienate their lands or otherwise transmit their rights outside their own community.
(3) Persons not belonging to these peoples shall be prevented from taking advantage of their customs or of lack of understanding of the laws on the part of their members to secure the ownership, possession or use of land belonging to them.
- Article 20:** (2) (*'Governments'*) shall do everything possible to prevent any discrimination between workers belonging to the peoples concerned and other workers, in particular as regards:
- (a) admission to employment, including skilled employment, as well as measures for promotion and advancement;
 - (b) equal remuneration for work of equal value;
 - (c) medical and social assistance, occupational safety and health, all social security benefits and any other occupationally related benefits, and housing;



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(d) the right of association and freedom for all lawful trade union activities, and the right to conclude collective agreements with employers or employers' organizations.

(3) The measures taken shall include measures to ensure:

(a) that workers belonging to the peoples concerned, including seasonal, casual and migrant workers in agricultural and other employment, as well as those employed by labor contractors, enjoy the protection afforded by national law and practice to other such workers in the same sectors, and that they are fully informed of their rights under labor legislation and of the means of redress available to them;

(b) that workers belonging to these peoples are not subjected to working conditions hazardous to their health, in particular through exposure to pesticides or other toxic substances;

(c) that workers belonging to these peoples are not subjected to coercive recruitment systems, including bonded labor and other forms of debt servitude;

(d) that workers belonging to these peoples enjoy equal opportunities and equal treatment in employment for men and women, and protection from sexual harassment.

Article 21: Members of the peoples concerned shall enjoy opportunities at least equal to those of other citizens in respect of vocational training measures.

Article 23: **(1)** Handicrafts, rural and community-based industries, and subsistence economy and traditional activities of the peoples concerned, such as hunting, fishing, trapping and gathering, shall be recognized as important factors in the maintenance of their cultures and in their economic self-reliance and development.

Rationale:

1. See proposed Criterion 3.2 above.
2. The proposed criterion is strengthened by the link to the UN Declaration on the Rights of Indigenous Peoples of September 13, 2007 and ILO convention 169 (1989).

Original Criterion 3.2: Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.

3.5 (revised 3.3) Sites within the Management Unit, which are of special cultural, ecological, economic, religious or spiritual significance to indigenous peoples shall be clearly identified by The Organization through engagement with such peoples. These sites shall be recognized and protected by The Organization, all contractors and all other persons or organizations permitted by The Organization to operate in the Management Unit.

Explanatory note:

1. There might be situations where indigenous peoples do not wish to precisely identify such sites on maps. These situations are addressed in FSC-GUI-30-004 FSC Principles 2 and 3: Guidance on Interpretation.
2. Such sites might be but are not necessarily high conservation values (HCV 6) – see



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principle 9.

Rationale: The criterion addresses concerns expressed repeatedly by indigenous and traditional peoples about damage caused by careless or uninformed field crews.

Original Criterion 3.3: Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers.

3.6 (revised 3.4): The Organization, all contractors while working under a contract to The Organization for the Management Unit and all other persons or organizations permitted by The Organization to operate in the Management Unit shall conform with of the UN Framework Convention on Biological Diversity (1992) with regard to the protection and utilization of intellectual property of Indigenous peoples. The conditions for protection and utilization shall be formally agreed upon with the indigenous peoples through free, prior and informed consent before utilization takes place.

Explanatory Note:

1. The issue of intellectual property is addressed in Article 8(j) and 10 (c) of the Convention.
2. Conformance in this context would mean:
 - Respect, preservation and maintenance of knowledge, innovations and practices of indigenous peoples and promotion of their wider application with the approval and involvement of the holders of such knowledge, innovations and practices and the equitable sharing of the benefits arising from the utilization of such knowledge, innovations and practices; (based on Article 8 (j))
 - Protection and encouragement of customary use of biological resources in accordance with traditional cultural practices (based on Article 10 (c));
3. Examples of such knowledge include inter alia identification of trees and uses of their products.
4. Criterion 3.3 lays down the requirements to be fulfilled by the formal agreement as required in the last sentence of the criterion.

Rationale: The issue of intellectual property rights has been thoroughly discussed and agreed upon with indigenous people in the development of the Convention. The new wording takes into account that original Criterion 3.4 does not require prior informed consent to actually use the knowledge of indigenous peoples as long as compensation is being paid.

Original Criterion 3.4: Indigenous peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.

4 Principle #4 (revised): Community relations

The Organization shall contribute to maintaining or enhancing the social and economic well-being of local communities.



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Explanatory Note:

1. For indigenous peoples Principle 4 and the criteria of Principle 4, which deal with issues not covered under Principle 3, apply **in addition** to Principle 3 and the criteria of Principle 3. These are Criteria 4.3, 4.4, 4.5 and 4.7.
2. Traditional peoples whose rights are not acknowledged in national law as equivalent to those of indigenous people in the context of the Management Unit shall be treated as local communities for the purpose of the P&C. Traditional peoples whose rights are acknowledged in national law to be the equivalent of those of indigenous people in the context of the Management Unit shall be treated as equal to indigenous peoples for the purpose of the P&C (see also introduction to the P&C).
3. Traditional peoples are social groups or peoples who do not self-identify as indigenous and who affirm rights to their lands, forests and other resources based on long established custom or traditional occupation and use.

4.1 (new) The Organization shall identify the local communities that exist within the Management Unit or are affected by management activities. The Organization shall then through engagement with these local communities identify their rights of tenure, access to and usage of forest resources, customary rights, legal rights and obligations, that apply within the Management Unit.

Explanatory Notes:

1. The criterion requires identification of communities with a fair and legitimate claim to be allowed access to benefits, goods or services from the Management Unit. They include those who have affirmed rights to lands, forests and other resources based on long established usage, and also those who have not yet done so (from a lack of awareness or empowerment). Organizations should take account of all existing claims of rights.
2. This criterion requires that the nature of the rights in question, and the precise groups or sub-groups who affirm these rights, and who can be recognized as holding these rights, is analyzed locally, in dialogue with the communities and with local institutions and organizations.
3. In some regions, e.g. South America, South East Asia there is often no written language or records supporting claims made with regards to customary rights. In these cases other culturally acceptable ways for identifying and agreeing on the rights need to be applied.
4. Identification of rights through engagement includes collecting and documenting (records, maps) of information on both documented legal rights and claims which are not supported by records or written documentation. This includes collection and documentation of overlapping claims of communities and distinctions between rights of ownership and other legal or customary rights.

Rationale: This criterion addresses a gap in the P&C. In order to be able to recognize and uphold the legal and customary rights of local communities according to Criterion 4.2 The Organization must at first identify the local communities that hold such rights.

4.2 (revised 2.2) The Organization shall recognize and uphold the legal and customary rights of local communities to maintain control over management activities within or related



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to the Management Unit to the extent necessary to protect their rights, resources, lands and territories.

Local communities may delegate control to third parties with free, prior and informed consent.

Explanatory Note:

1. The terminology 'within or related to' clarifies that the criterion covers the protection of the rights, resources, lands and territories inside and outside the Management Unit as affected by management activities related to the Management Unit.
2. This Criterion does not preclude the customary right of communities to operate their own Management Unit; see FSC-GUI-30-004 (FSC Principles 2 and 3: Guidance on Interpretation, section 4.1).
3. A demonstration by communities of effective control over their land and resources would be the implementation of their own forest management plan which had been prepared according to proposed Criterion 7.2; see FSC-GUI-30-004 (FSC Principles 2 and 3: Guidance on Interpretation, section 5.7.1).
4. The first paragraph of the criterion applies in situations where the communities themselves have not delegated control to The Organization. In these cases they have a right to control the management activities to the extent necessary to protect their rights, resources and territories.
5. Free, prior and informed consent is defined as (see also glossary): A legal condition whereby a person or community can be said to have given consent based upon a clear appreciation and understanding of the facts, implications and future consequences of an action, and the possession of all relevant facts at the time when consent is given. Free, prior and informed consent includes the right to grant, withhold or withdraw approval.

Rationale:

1. This criterion is based on original Criterion 2.2 which deals with local communities and was therefore moved to Principle 4.
2. Redundancies were removed, the wording was clarified and rights of local communities regarding delegation were strengthened as compared to original Criterion 2.2 by requiring prior consent.

Original Criterion 2.2: Local communities with legal or customary tenure or use rights shall maintain control to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.

4.3 (revised 4.1) The Organization shall provide opportunities for employment, training and other services to local communities, contractors and suppliers proportionate to scale and intensity of its management activities.

Explanatory Notes:

1. Criterion 4.3 and 4.5 address positive impacts of management and other activities implemented by The Organization. Criterion 4.4 addresses negative impacts.
2. The employment, training, and other services referred to in Criterion 4.3 are provided by



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The Organization to the local communities, local contractors and local suppliers and are directly or indirectly linked to its management activities. According to Criterion 4.5 additional activities, which are not linked directly or indirectly to management activities, need to be implemented.

3. This is also different from Criterion 5.4, which deals with services and goods provided by local providers to the organization.
4. An example of training in the context of Criterion 4.3 would be training provided by The Organization to local contractors and local suppliers to enable these to provide the services and local value adding to The Organization referred to in Criterion 5.4.
5. Another example might be training provided to potential local workers to enable these to work for The Organization in the Management Unit.
6. Examples of services provided to local communities may be but are not limited to:
 - Transportation provided by The Organization to its workers is made available to the local community;
 - Access is provided to the local community to health care facilities and services provided by the organization;
 - Access roads built by The Organization can be used by the local communities.

Rationale: Expanding the scope to contractors and suppliers clarifies the aim of improving local benefits from forest management, and integrating it into the local economy.

Original Criterion 4.1: The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services.

4.4 (revised 4.4) The Organization through engagement with the local communities shall take action to identify, avoid and/or mitigate any significant negative social and economic impacts of its management activities on affected communities. The action taken shall be proportionate to the scale, intensity and risk of those activities and negative impacts.

Explanatory Note:

1. Criterion 4.3 deals with the positive impacts while Criterion 4.4 deals with avoiding negative impacts.
2. This criterion prescribes an order of priorities: The 1st priority is identification and avoidance of potential negative impacts, followed by mitigation measures when avoidance was not possible.
3. Compensation for cases where avoidance or mitigation have failed is addressed in Criterion 4.7.
4. Examples of negative social and economic impacts could be but are not limited to:
 - Marginalization of other players in the local economy, e.g. peasant farmers or local businesses;
 - Increased local unemployment;
 - Migration;
 - Road and industrial accidents;
 - Loss or damage affecting legal or customary rights, property, resources, or livelihoods of communities.
5. This criterion does not prohibit The Organization from providing services to local



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communities and thereby compete with services provided by local businesses, e.g. transport services or company stores that are open not only to employees but also contractors and local people. This also does not require The Organization to provide compensation to other businesses directly when through fair competition it has put these out of business. However, the company has a responsibility to contribute to mitigating the resulting negative effects on affected communities.

6. Examples of mitigation measures could be:
 - Hiring of laid off workers, peasant farmers.
 - Contributing to local economic development initiatives by other players, e.g. local governments, aimed at mitigating the negative effects of social and economic changes.
 - Increased use of local services and value adding (see Criterion 5.4).
7. Other examples are situations where the forest activities could result in the establishment of remote local villages. In these cases The Organization would be required to take measures to avoid or mitigate the negative effects of its future withdrawal from the affected area.

4.5 (revised 4.4) The Organization shall implement activities proportionate to scale and intensity of its management activities and the socio economic conditions that contribute to social and economic development of local communities.

Explanatory Note:

1. Criterion 4.3 and 4.5 address positive impacts resulting from management and other activities implemented by The Organization. Criterion 4.5 addresses negative impacts.
2. Criterion 4.3 is directly or indirectly linked to the management activities. According to criterion 4.5 additional activities, which are not linked directly or indirectly to management activities, need to be implemented.
3. Examples of such additional activities may be but are not limited to:
 - Support provided to local communities or individuals in managing their own forests and marketing of their products.
 - Participation in economic and social initiatives of other local players, e.g. local governments.
 - Contributions to social and economic development activities as required by law.
 - Investments in community infrastructure, such as roads, health care facilities and services etc.
4. This criterion recognizes that the activities depend on the socio economic conditions. For example it is likely that there is less need or no need to implement activities in highly developed economies compared to developing countries.

Rationale Criterion 4.4 and 4.5:

Criterion 4.4 and 4.5 are based on original Criterion 4.4. The new criteria more clearly differentiate between positive impacts (Criterion 4.3 and 4.5) and negative impacts (Criterion 4.4). The planning and consultation components of original Criterion 4.4 are now addressed in Principle 7.

Original Criterion 4.4: Management planning and operations shall incorporate the results of



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evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations.

4.6 (new) The Organization, all contractors while working under a contract to The Organization for the Management Unit and all other persons or organizations permitted by The Organization to operate in the Management Unit shall conform with the UN Framework Convention on Biological Diversity (1992) with regard to the protection and utilization of intellectual property of local communities. The conditions for protection and utilization shall be formally agreed upon with the local communities through free, prior and informed consent before utilization takes place.

Explanatory Note:

1. The issue of intellectual property is addressed in Article 8(j) and 10 (c) of the Convention.
2. Conformance in this context would mean:
 - Respect, preservation and maintenance of knowledge, innovations and practices of local communities and promotion of their wider application with the approval and involvement of the holders of such knowledge, innovations and practices and the equitable sharing of the benefits arising from the utilization of such knowledge, innovations and practices; (based on Article 8 (j))
 - Protection and encouragement of customary use of biological resources in accordance with traditional cultural practices (based on Article 10 (c));
3. Examples of such knowledge include inter alia identification of trees and uses of their products.

Rationale: This criterion addresses a gap in the P&C with regards to the intellectual property rights of communities. The UN Framework Convention on Biological Diversity in 8j specifically addresses local communities.

4.7 (revised 4.5) The Organization through engagement with local communities shall have mechanisms for resolving grievances and providing fair compensation to local communities and individuals for negative social and environmental impacts caused by the organization.

Explanatory Notes:

1. Avoidance and mitigation of negative social and environmental impacts is required in Criterion 4.4. The requirement to compensate for negative social and environmental impacts applies when avoidance and mitigation have failed.
2. Negative social and environmental impacts include for example loss or damage which affect the legal or customary rights, property, resources or livelihoods of local communities.
3. Resolving grievances does not mean that every party involved is completely satisfied but that an agreement was reached to not pursue further actions related to this specific grievance.
4. Where local or national laws for resolving grievances and compensation exist these might suffice to comply with this criterion if agreed through engagement with the local communities. Otherwise additional mechanisms as developed through engagement with



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local communities are required.

5. Mechanisms also include third party mediation.

Rationale:

1. Clarification of the responsibilities of The Organization.
2. The former requirement of Criterion 4.5 to avoid loss or damage is covered by Criterion 4.4 (see Explanatory Note 4), which requires measure for avoiding negative social or environmental impacts.

Original Criterion 4.5: Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.

4.8 (new) Sites within the Management Unit, which are of special cultural, ecological, economic, religious or spiritual significance to local communities shall be clearly identified by The Organization through engagement with such groups. These sites shall be recognized and protected by The Organization, all contractors and all other persons or organizations permitted by The Organization to operate in the Management Unit.

Explanatory Note:

1. There might be situations where communities consisting of traditional peoples do not wish to precisely identify such sites. These situations are addressed in FSC-GUI-30-004 FSC Principles 2 and 3: Guidance on Interpretation.
2. There might be certain situations where protection does not prevent the modification of such sites provided that the affected local communities agree.
3. Such sites might be but are not necessarily high conservation values (HCV 6) – see principle 9.

Rationale: The criterion addresses concerns expressed repeatedly by communities about damage caused by careless or uninformed field crews.

Criteria that were relocated to other Principles

Original Criteria 4.2 (occupational health and safety) and 4.3 (the right to organize and negotiate voluntarily) were revised and relocated to Principle 2 (Criteria 2.1 and 2.3).

Rationale: Principle 2 now deals exclusively with worker rights.

5 Principle #5 (revised): Benefits from the forest

The Organization shall efficiently manage the range of multiple products and services of the management to maintain or enhance long term economic viability and the range of environmental and social benefits.



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Explanatory note:

1. Economic viability is understood as: The capability of developing and surviving as a relatively independent social, economic or political unit.
2. Economic viability may require but is not synonymous to profitability. There might be other ways for an Organization to ensure economic viability of the Management Unit, e.g. from donations, or by establishing a fund solely dedicated to providing the financial means required to ensure the economic viability of the Management Unit.
3. Long term economic viability in this context is used to acknowledge the need for 'for profit' business enterprises to accommodate to short term market fluctuations. However, in order to be considered economically viable 'for profit' Organizations need to make a reasonable return on investment in the longer term.
4. Efficient management aims at enhancing both long term economic viability and the range of environmental and social benefits that can be provided by the Management Unit.
5. Efficient management aiming at enhancing social benefits may include providing opportunities to local entrepreneurs in order to comply with Criterion 5.3 and 5.4.
6. This Principle does not exclude organizations whose management objectives aim at producing a very limited range of products and services.
7. The management objectives may exclusively aim at providing environmental or social benefits, e.g. conservation, biodiversity protection.
8. Benefit sharing agreements are based on contracts or otherwise binding agreements and rights as required and defined under Principle 1 to Principle 4, for example Criterion 1.19 and 3.3.

Rationale: Improved auditability by removing the term encourage from the original Principle. Emphasizes the difference between long term viability and short term efficiency. Clarification and removal of ambiguity.

Original wording of the Principle: Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.

5.1 (revised 5.1) The Organization shall document in management or business planning, the investments being made to demonstrate commitment to long-term economic viability and ecosystem productivity proportionate to scale, intensity and risk of its management activities.

Explanatory Note:

1. Criterion 5.1 deals with internalities while criterion 5.2 deals with externalities. The expenditures related to prevention, mitigation, restoration and compensation of externalities are dealt with in criterion 5.2.
2. Investments to maintain ecosystem productivity means investments to ensure compliance with the ecologically relevant FSC Principles and Criteria (Principle 6, 9 and 10).
3. The demonstration of commitment means using best practice with current knowledge, recognizing that in reality long term economic viability and ecosystem productivity



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- cannot be guaranteed no matter how well an organization manages and plans.
4. Investments in economic viability include for example safeguards against “mining” of the resources or ‘creaming (excessive selective harvesting or high grading)’ of the Management Unit’s most valuable species.
 5. This criterion aims at avoiding dependence on a single forest product and creaming (excessive selective harvesting or high grading) of the Management Unit’s most valuable species.

5.2 (revised 5.1) The Organization shall demonstrate that estimates of the environmental and social costs and benefits of operation are included in the management planning proportionate to the scale, intensity and risks of its management activities.

Explanatory Notes:

1. Criterion 5.2 deals with the externalities while criterion 5.1 deals with the internalities.
2. These costs also include cost related to prevention, mitigation, restoration and compensation of negative impacts on social and/or environmental values (externalities) as required in these Principles and Criteria.
3. The following are examples of potential social and environmental costs. These vary depending on the local situation (e.g. socio economic, climatic, existing ecosystem).

Potential social costs could be but are not restricted to:

- a. Tree plantations may substantially decrease the water that is available to neighboring communities and farmers for domestic and agricultural uses, especially where rainfall is low.
- b. Disturbance of local populations during harvest, if trucks transport logs out of the Management Unit during day and night.
- c. Damage to rural roads.
- d. Fencing of Management Units may prevent local people from exercising their ‘customary rights’ to cross the unit or collect Non Timber Forest Products (NTFP’s).
- e. The hiring of specialized non-local contractors rather than local contractors where these exist, may have a negative effect on local employment.
- f. The export of logs and other products, instead of selling them to local processors (small sawmills, carpentries) may depress industries and employment.

Potential social benefits could be but are not limited to:

- a. Provision of clean water through nitrogen amelioration.
- b. Providing access to the Management Unit for recreational purposes or collection of NTFP’s.
- c. Allowing local populations to use hauling roads.
- d. Use of local processing, local services and value adding (see Criterion 5.4)
- e. Allowing local entrepreneurs to develop, process and market products and services as provided by the Management Unit (see Criterion 5.3)

Potential environmental costs (expressed as cost of cleaning up or restoration or in terms of the value of lost opportunities) could be but are not limited to:



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- a. Contamination of water courses resulting in reduced fishing opportunities, change in diversity of aquatic fauna and flora.
 - b. Degradation of land areas; for example through erosion, extraction of road building materials, which may result in decreased opportunities of the use of those lands for forestry or other land uses
 - c. Loss of species.
 - d. Release of stored carbon
4. Potential environmental benefits could be:
- a. Provision of biodiversity refugia.
 - b. Carbon sequestration
 - c. Protection of HCVs
 - d. Erosion stabilization.
 - e. Water protection.

Rationale Criterion 5.1 and 5.2: The original Criterion 5.1 was too aspirational and was divided into two separate criteria (Criterion 5.1 and 5.2) in order to avoid compound criteria.

Original Criterion 5.1: Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.

5.3 (revised 5.2 and 5.4) The Organization shall produce diversified benefits and products, based on the range of resources and environmental services existing in the Management Unit in order to strengthen and diversify the local economy proportionate to the scale and intensity of its management activities.

Explanatory note:

1. The more diverse the resources of the Management Unit, the more likely that there will be short term deviations from even-flow rates of production across the range of products and services.
2. This criterion recognizes that the extent of possible diversification depends on the specific situation (existing range of resources, environmental services and opportunity costs) of the Management Unit. This also recognizes that continual diversification (ad infinitum) is not required. Not all potentially marketable products from a Management Unit are always saleable, nor do they always command a consistent price. Numbers of saleable products may be proportionately less in the more biologically diverse Management Units.
3. This requirement does not expect that all products and services are always harvested, developed or marketed by The Organization itself. However, it is expected that The Organization, as long as this does not prevent achieving its own management objectives, provides opportunities to local entrepreneurs willing to do so, to develop, process and market products and services derived from the Management Unit.
4. Criterion 5.3 is different from Criterion 5.4 in that according to 5.3 the local entrepreneurs are not commissioned to provide services or products to The Organization. Examples may be: Allowing local people and enterprises to harvest Non



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Timber Forest Products, to provide recreational activities within the Management Unit (e.g. hiking or mountain bike tours), to collect dead wood for local processing or to graze stock. Criterion 5.4 deals with situations where local entrepreneurs are contracted by The Organization to provide certain services or products to The Organization.

Rationale:

1. In order to avoid compound criteria, original Criterion 5.2 was divided into 2 separate criteria (5.3 and 5.4). Proposed Criterion 5.3 requires the utilization of the diversity of resources and services in the Management Unit. It thereby also covers part of original Criterion 5.4 which requires avoiding dependence on a single forest product.
2. In addition, in line with the decision to move away from the timber focus the scope of proposed Criterion 5.3 is wider (existing resources and services) than that of original 5.2 and 5.4 which both focus on products.

Original Criterion 5.2: Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.

Original Criterion 5.4: Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.

5.4 (revised 5.2) The Organization shall use local processing, local services and local value adding where economically viable.

Explanatory Notes:

1. Regarding the meaning of economic viability see Explanatory Notes for Principle 5.
2. This criterion is different from Criterion 4.3, which deals with opportunities and services provided by The Organization to the local communities. Criterion 5.4 deals with products and services that are provided by local actors to The Organization.
3. The reference to economic viability in this criterion includes that if The Organization chooses not use local processing, local services and local value adding it must be able to demonstrate that it is not economically viable. Economic viability is not focused on financial viability. In this context it includes an expectation that the local enterprises in comparison with non-local competitors will provide safe, cost effective and reliable services and products that meet the quality standards of The Organization. However, the services and opportunities provided by The Organization according to Criterion 4.3 (e.g. training) might be required as a first step to enable local enterprises to do so.
4. This criterion applies within the limits of applicable laws on regulating competition. That is, it does not require infringing for example the EU Competition Directive, which generally prevents explicit favoring of local entities over more distant entities.
5. The organization is not required to outsource those services that can be provided by an existing branch or affiliate of The Organization.

Rationale:

1. Proposed Criterion 5.4 covers the local processing component of original Criterion 5.2. Additionally, the use of the term 'economic viability' clarifies that there might be exceptions to the rule.



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2. This criterion is now legally more compatible with international and national competition regulations.

Original Criterion 5.2: Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.

5.5 (revised 5.5) Management activities shall maintain and/or enhance the value of environmental services and resources from the Management Unit.

Explanatory Notes:

1. These environmental services may include inter alia watersheds, water supply, fisheries, climate regulation and carbon storage.
2. The word 'Or' recognizes that it is not in all situations possible to enhance the value. The ability to enhance the value depends on the status of the ecosystem (and stakeholder perceptions). In some situations, e.g. pristine ecosystems, it may not be possible to enhance but only to maintain the value of environmental services and resources.
3. There is some overlap between this criterion and the requirements under Principle 6 and Principle 10.

Rationale: The examples provided in original Criterion 5.5 (watersheds and fisheries) were moved to Explanatory Notes, because as examples they better fit there. Additional examples were added to provide a more complete list of possible environmental services.

Original Criterion 5.5: Forest management operations shall recognize, maintain, and, where appropriate, enhance the value of forest services and resources such as watersheds and fisheries.

5.6 (revised 5.6) The harvesting rates and yields of products and other services from the Management Unit shall not impair the ecosystem functions and adaptive capacity of the unit, including the biological survival of the component species.

Explanatory Notes:

1. FSC acknowledges that Management Units offer a mixture of tangible products and environmental services which vary over time. FSC also acknowledges that human harvests change over time in response to changing local and domestic needs and markets. While outputs may vary in species composition, dimensions and qualities, this criterion requires that the capacity of the Management Unit to regenerate its full potential range of products and services is maintained and/or enhanced.
2. Biological survival means the ability to maintain long-term viable populations, successful reproduction and development to maturity.
3. This criterion requires that harvest cycles for specific products (for timber these may be legally required to be shorter than biological or maximum-volume-increment rotations) are in accordance with
 - size or volume limitations (e.g. felling diameter limits in the case of timber) which sustain the flows specified in the forest management plan,



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- and with the consistent application of reduced impact harvesting techniques. This is a defense against incautious “re-entry” into already-logged forest in search of newly-profitable timbers during the regeneration period after first logging. The danger of “re-entry” is that it causes such heavy and frequent damage that many species are prevented from developing to maturity.
4. This criterion does not require Sustained Yields in the sense of fixed annual or periodic yields of the same quantities, qualities, sizes or species. It does require that the production systems and harvesting practices are compatible with the stated long-term objectives of management, and do not prejudice the productive capacity of the site or impair species survival. Management and silvicultural practices should not prejudice the ability of the Management Unit to maintain a continuity of production of the same forest products in quantities that match the management objectives, and that allow for changes in objectives over time.
 5. There might be unforeseen events (windblow, fire damage and trees killed by epidemic insect pests) that cause short-term increases in production, which significantly exceed levels of responsible management. In these cases compliance with this criterion would require The Organization to adjust the outputs from the Management Unit in order to return to the levels of responsible forest stewardship. This applies similarly to surges in production or shifts in preference for one product or service as a result of changing market opportunities. These changes in production will also have to be rationalized in the management plan (see Criterion 7.2).

Rationale: FSC recognizes that the previous focus on timber did not reflect the variety of goods and services available from most Management Units. The implication of even-flow yields did not match the reality of the accumulated and practically unrepeatable stored volume of product in pristine forest, especially temperate and tropical rainforests, over the sustainable level in managed Management Units. The proposed version responds to stakeholder concerns and uncertainties about FSC’s position on Sustainable Forest Management and sustained yields, and the difficulty of assessing compliance with the original criterion, which have been expressed by applicants, CABs, NIs and ASI.

Original Criterion 5.6: The rate of harvest of forest products shall not exceed levels which can be permanently sustained.

Criteria that were relocated to other Principles

Criterion 5.3 was removed from Principle 5.

Rationale:

Principle 5 deals with benefits from the forest. Avoidance of damage to other forest resources is now addressed in Criteria 10.4, 10.5, 10.6.

Original Criterion 5.3: Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.



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6 Principle #6 (revised): Environmental values

The Organization shall maintain and/or enhance ecosystem functions, biological diversity, water resources, soils and landscape values of the Management Unit.

Explanatory Notes:

1. Criteria under this Principle are sequenced in a chronological order, beginning with an assessment of the resources to be managed (Criterion 6.1), continuing with a risk assessment to be carried out in advance of site impacting activities (Criterion 6.2), followed by the identification of actions for addressing negative impacts (Criterion 6.3) and progressing to the details of conservation measures for species (Criterion 6.4), ecosystems (Criterion 6.5), biodiversity and other environmental values (Criterion 6.6), habitats (Criterion 6.7), and landscape features (Criterion 6.8).
2. This is not a rigid chronological order. Assessments of environmental values may have to be iterative, repeated whenever necessary to keep pace with changes in management practices and increased understanding of the environmental risks of those practices, as well with the natural and induced changes in the Management Unit. Some assessments may need to be repeated in more detail if risk assessments show greater risks.

Rationale:

1. The original wording of Principle 6 uses undefined terms “ecological functions and integrity of the forest” which are not used by international conservation organizations.
2. Removes the association with forest as the primary focus, because the FSC Principles and Criteria cover all tree-related space in the Management Unit (see FSC-POL-10-004 (June 2005) Scope of Application of the FSC Principles and Criteria for Forest Stewardship) and supporting FSC-DIS-01-001 The scope of application of the FSC Principles and Criteria for forest stewardship (January/May 2005)).
3. Moves focus from a spatially undefined area to the Management Unit.
4. Expands coverage to all types of ecosystems and landscapes, not only the unique and fragile ones.

Original Principle 6: Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.

6.1 (new) The Organization shall assess environmental values in the Management Unit to a level of detail and geographic scales and with a frequency of re-survey proportionate to the scale, intensity and risk of management activities.

Explanatory Notes:

1. The objective of this Criterion is to ensure an adequate and appropriate assessment, description and/or spatial mapping of the following environmental values in the Management Unit:
 - a. ecosystem functions
 - b. biological diversity



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- c. water resources
- d. soils, and
- e. landscape values.

The assessment must be sufficient to provide a basis for deciding on necessary conservation measures and for detecting and monitoring future changes (caused by factors internal and external to the Management Unit, proportionate to the scale, intensity and risks of the planned management activities).

2. Ecosystem function means “an intrinsic ecosystem characteristic related to the set of conditions and processes whereby an ecosystem maintains its integrity (such as primary productivity, food chain, biogeochemical cycles). Ecosystem functions include such processes as decomposition, production, nutrient cycling, and fluxes of nutrients and energy” (definition of the Millennium Ecosystem Assessment (2005))
3. The ecosystem functions can be summarized as four inter-related cycles:
 - a. Nutrients – as determined by underlying geology and soil properties;
 - b. Water – as determined by quantities and qualities of water resources;
 - c. Biomass – as determined from inventories of vegetation;
 - d. Biological – as determined from assessments of habitats and species.
4. This also includes seasonal variation during the year, especially for annual and migratory species.
5. Assessments may include the recording of previously unwritten traditional knowledge if agreed by the people holding that knowledge, in line with Criteria 3.6 and 4.6.
6. Resurveys of biomass and biodiversity are likely to be needed more frequently than for the more slowly changing soils, but water resources may need the most frequent surveys to comply with legislation on pollution and to sustain the human health of the populations in and adjacent to the Management Unit.
7. This Criterion supports the information requirements of Criterion 7.2 and the monitoring requirements under Principle 8.

Rationale: There was no Criterion under original Principle 6 which required assessment before deciding on conservation measures and precautions against negative environmental impacts.

6.2 (revised 6.1) Prior to the start of site-disturbing activities The Organization shall identify and assess potential impacts of management activities on environmental values.

Explanatory Notes:

1. The impact assessment should be carried out before introducing, starting, or changing the nature of, site-disturbing activities that create a risk of new negative environmental impacts, or when new information results in evidence of increased risks and impacts.
2. The criterion does not apply retroactively, but even if site-disturbing activities are not immediately anticipated, identification and assessment of potential site disturbing activities should be carried out before a certification audit is undertaken.

6.3 (revised 6.1) The Organization shall identify actions to prevent, mitigate, and remedy negative impacts of management activities proportionate to the scale, intensity and risk of these management activities and their negative impacts.



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Explanatory notes:

1. Prevention and mitigation measures need to be included in the management plan as required in Criterion 7.2.
2. The actions taken to prevent, mitigate and remedy potential and actual negative impacts need to comply with Criteria 6.4 to 6.8.
3. Proportionate to scale, intensity and risk means that higher levels of potential and actual impacts of management activities require larger efforts in relation to prevention, mitigation and remedial measures.
4. This criterion refers to the impacts that occur in and outside of the Management Unit as a result of management activities.

Rationale for criterion 6.2 and 6.3:

1. The revised criteria address the recommendation of the Policy Working Group of the Plantations Review that 'the management of an FSC certified plantations shall take an active approach to prevent mitigate and if needed remedy/restore for any environmental effects of its management on ecosystem integrity. Consequently, a higher level of impact shall correspond with higher conservation efforts to maintain ecosystem integrity.
2. The reference to on-site processing facilities was deleted because there is no reason to treat these as different from other facilities and sites within the boundary of the Management Unit; refer also to the section 'Scope' in the Preamble.

Original Criterion 6.1: Assessment of environmental impacts shall be completed -- appropriate to the scale, intensity of forest management and the uniqueness of the affected resources -- and adequately integrated into management systems. Assessments shall include landscape level considerations as well as the impacts of on-site processing facilities. Environmental impacts shall be assessed prior to commencement of site-disturbing operations.

6.4 (revised 6.2) The Organization shall protect rare, threatened and endangered species through conservation of their habitats in the Management Unit and demonstrate that measures are in place to manage hunting, fishing, trapping and collecting. Conservation areas shall be proportionate to the scale, intensity and risk of management activities and the uniqueness of the affected resources. The Organization shall take into account the geographic range and ecological requirements of species that may extend beyond the boundary of the Management Unit when determining the measures to be taken inside the Management Unit.

Explanatory Notes:

1. Criterion 6.4 deals with species protection while Criterion 6.5 deals with conservation of ecosystems not especially linked to RTE (rare threatened and endangered) species.
2. Habitats for RTE species particularly include areas for feeding, procreation and shelter.
3. Conservation areas may include areas that provide security against human interference with natural processes and/or areas that provide long-term spatial protection but may require deliberate management to maintain or improve the attributes of the area for the

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benefit of RTE species.

4. Proportionate to scale, intensity and risk means that higher levels of potential and actual impacts of management activities require larger efforts in relation to species protection.
5. The requirement to demonstrate that measures for the management of hunting, fishing, trapping and collecting are in place recognizes that The Organization itself may not have the mandate to manage hunting, fishing trapping and collecting. Instead, these measures might be enforced and implemented by state agencies or other authorized parties. Where this is not the responsibility of a state agency or other authorized party The Organization is required to have measures for managing hunting, fishing trapping and collecting.

Rationale:

1. The revised wording addresses landscape level considerations regarding ecological needs of rare, threatened and endangered species.
2. 'Demonstrating that measures are in place' replaces 'controlled' in the original criterion in recognition that The Organization may not have the mandate to control these activities.

Original Criterion 6.2: Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources. Inappropriate hunting, fishing, trapping and collecting shall be controlled.

6.5 (revised 6.4) The Organization shall identify, conserve and/or restore representative samples of ecosystems within the Management Unit, proportionate to the uniqueness and conservation status of these ecosystems and the scale, intensity, risk of management activities in the Management Unit.

Explanatory Notes:

1. Criterion 6.5 deals with conservation of ecosystems not especially linked to RTE species while Criterion 6.4 deals with species protection, including through habitat protection.
2. The purpose of the samples is to provide long-term protection of the ecosystems and at the same time to provide baseline data for assessments of the effects of management.
3. Every certified management unit must include samples of conserved and/or restored ecosystems. The scale of conservation and/or restoration is determined by the conservation status and uniqueness of the ecosystems in question as well as the scale, intensity and risk of management activities.
4. In Management Units with only degraded examples of natural ecosystems, The Organization should improve or restore samples of these ecosystems.
5. The concept of uniqueness takes account of the extent and range of these ecosystems inside and outside the Management Unit. An example is The Organization's management of a large proportion of a natural ecosystem with limited distribution (uniqueness is high). In this case the obligation to conserve or restore is higher than where the ecosystem is widespread and The Organization manages only a small



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- proportion (uniqueness is low).
6. Identification may involve engagement with national and local authorities, independent scientific experts and/or other knowledgeable stakeholders mandated for or specialized in the conservation and restoration of ecosystems.
 7. The Criterion does not require legal 'protection status' of the ecosystems in question.
 8. In order to maintain habitat and species diversity and increase resilience, connectivity between the samples should be enhanced. This could be combined with wildlife corridors as required by Criterion 6.7.
 9. If possible, the samples should also be integrated into national or regional habitat protection plans in order to contribute to landscape level conservation. Integration does not mean transfer of ownership. Every country has some kind of national plan for conservation of species and habitat diversity; consult IUCN or UNEP World Conservation Monitoring Centre if encountering local difficulties.
 10. The Organization has a greater implicit responsibility to conserve habitats within the Management Unit in cases where there is good reason to believe that natural ecosystems are inadequately protected in the region, according to available stakeholder and expert opinion.

Rationale:

This criterion covers a controversy between those who feel that FSC should recognize that ecosystem protection may be adequate outside the Management Unit (where national conservation systems are well developed and well implemented), and those who insist that every Management Unit must provide ecosystem protection regardless of what and where is conserved outside the Management Unit in the surrounding landscape. The proposed wording accommodates these opposing views by making the effort required by The Organization proportionate to the uniqueness and conservation status of the ecosystems existing in the wider landscape context within which the Management Unit is located.

Original Criterion 6.4: Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.

6.6 (revised 6.3) The Organization shall implement management activities to avoid losses of genetic and species diversity and damage to other environmental values.

Explanatory Notes:

1. This Criterion perpetuates the continued existence of all naturally-occurring species in the Management Unit, and avoids local extinction of any of them (inside or outside the MU).
2. Avoiding damage to environmental values includes those values which are based on people's perceptions. Environmental values related to soils, water and drainage are also affected by management activities, but The Organization should keep damage to an acceptable minimum.
3. However, FSC recognizes that not all environmental values can be maintained intact and unaltered in all management situations. Responsible management may lead to substantial changes in the population densities of some species, but The Organization



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is required to aim at a balance, demonstrating that no activities have unacceptable impacts. Further, it is not possible for managers to identify the status of all species, while losses are sometimes caused by factors beyond the control of The Organization (including regional population declines, and climate change).

Rationale:

1. The Criterion has been revised for two main reasons: First, to improve the terminology and clarify what is expected in ways that can be audited and measured and, second, to make sure that the requirements are applicable in the full range and variety of management situations and intensities and not only in “natural forests”.
2. Criterion 6.3 was drafted and approved in 1994 as a component of the Forest Stewardship Standard for Natural Forests, and it remained unchanged when Principle 10 for Plantations was added in 1996. The P&C were then applied to all communities dominated by trees, but it has not been clear how Criterion 6.3 could be properly applied in plantations and other areas subject to more intense management. The Policy Working Group of the Plantations Review recommended work “to develop procedures and criteria for managers to assess the environmental impact of a given management practice and the corresponding prevention, mitigation and remediation measures at the management unit levels” and Expert Team B was convened for this purpose. Expert Team B of the Technical Phase of the Plantations Review made specific recommendations that were applicable to Criterion 6.3.
3. The proposed wording acknowledges that it is not possible to maintain environmental values intact and unaltered in all management situations.

Original Criterion 6.3: Ecological functions and values shall be maintained intact, enhanced, or restored, including:

- a) Forest regeneration and succession.
- b) Genetic, species, and ecosystem diversity.
- c) Natural cycles that affect the productivity of the forest ecosystem.

6.7 (revised 6.5 and 10.2) The Organization shall conserve or restore of natural water courses and water bodies, riparian zones and wildlife corridors.

Explanatory Notes:

1. Water bodies include wetlands, ponds or lakes, swamps.
2. Water protection is also addressed in Criterion 10.4 and 10.5. Criterion 6.7 deals with the conservation of natural water courses and bodies. Criterion 10.4 deals with avoiding the potential impacts on water quality and quantity as a result of soil disturbances. 10.5 deals with avoiding reductions in water quality and quantity resulting from management activities.

Rationale: In line with the decision to incorporate Principle 10 on plantations this Criterion now combines some of the requirements of original Criteria 6.5 and 10.2.

Original Criterion 6.5: Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other



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mechanical disturbances; and protect water resources.

Original Criterion 10.2: The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.

6.8 (revised 10.2) Where the landscape forms a dynamically varying mosaic of stands of different sizes, species, structures, regeneration cycles and land uses, The Organization shall sustain that variety and spatial scales through its management activities.

Explanatory Notes:

1. This Organization is not required to maintain landscapes remain unchanged or fossilized in their current states.
2. Compliance also requires that managers take full account of local opinions and needs in planning and executing its management activities according to Criterion 7.6.

Rationale: This criterion addresses the landscape elements of original criterion 10.2 in line with the decision to incorporate Principle 10 on Plantations into Principle 1 to 9.

Original Criterion 10.2: The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.

Conversion Criteria – Two alternatives

There is a wide range of opinions and controversies within the FSC membership and wider group of FSC stakeholders on what types of conversion should be certifiable within the FSC system.

Within the Principles and Criteria Review Working Group two options for making progress on this difficult issue were discussed. These two options are here presented for stakeholder feedback.

Alternative A below is mainly based on existing FSC rules and policies in relation to conversion but extends the prohibition of conversions to some types of non-forest ecosystems and allows for conservation benefits to be realized adjacent to the Management Unit in question. It also provides FSC with an option to continue its discussion and develop new policies and standards for post-November 1994 conversion of natural forest in the future.



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Alternative B below aims at removing arbitrariness in existing rules and policies. Also this proposal extends the prohibition of conversion to some types of non-forest ecosystems. New criteria for accepting post-November 1994 conversion of natural forests are proposed. In this case the decision on certifiable conversion does not require new policies and standards but can be guided by international generic indicators and indicators in regional, sub-regional and national Forest Stewardship Standards.

For the P&C Review WG it is now important to learn from you if any and which of the two alternatives would find your support or if and which changes you would like to see.

Criterion 6.9 Alternative A (revised 6.10) The Organization shall not clear natural forest, or sites considered necessary to maintain or enhance HCVs, for conversion to plantations or any other land use, except when the conversion

- a) affects 'a very limited portion', no more than 0.5%, of the area of the Management Unit in any one year, and no more than 5% in total and
- b) will enable clear, substantial, additional, secure long term conservation benefits in or adjacent to the Management Unit.

Explanatory Notes:

1. Natural forests are those that contain the principal characteristics and key elements of native forests typical of that site, as defined in the FSC Glossary.
2. The criterion prohibits the conversion of sites, ecosystems or habitats needed for protection of HCVs, including any endangered ecosystems.
3. This criterion applies to current and future conversion. Past conversion is covered by Criterion 6.10.
4. The restriction of 'very limited portion' to 0.5% in any one year and not more than 5% in total is based on current FSC rules (see FSC-STD-30-010 V2-0 Controlled Wood standard for forest management enterprises, FSC-STD-40-005 V1-0 Company evaluation of Controlled Wood, FSC-STD-01-002 V1-0 FSC Glossary of Terms).
5. The requirement for "conservation benefits" is open to different interpretations, to be judged by CABs. Examples of conversion-plantations inside the management unit justified by conservation benefits outside the unit may include:
 - Shelter belts or windbreaks to protect sensitive sites outside the MU;
 - Fuelwood plantations for a community that would otherwise collect fuel in a HCV ecosystem adjacent to the MU.

Rationale:

1. This confirms the prohibition included in current Criterion 6.10, while extending the prohibition to sites, ecosystems or habitats needed for protecting HCVs including any endangered ecosystems. This addresses the recommendation of the Policy Working Group of the Plantations Review that FSC should clarify how other HCV ecosystems should be dealt with in relation to conversion.
2. The criterion is in line with current FSC standards and policies in relation to conversion.
3. Allowing conservation benefits to be realized adjacent to the management unit is a



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new approach. This complements several other criteria, which require the Organization to avoid negative impacts inside as well as outside the management unit.

4. If this proposal receives sufficient stakeholder support, the next draft of the Principles and Criteria will include more details about habitats that are, and are not, covered by the 1994 rule.

Criterion 6.10 Alternative A (revised 10.9) Plantations that have been established on areas converted from natural forest after November 1994 shall qualify for certification where

- a) Clear and sufficient evidence is provided that The Organization was not directly or indirectly responsible for the conversion,
or
- b) The conversion affected no more than 0.5% of the MU in any one year or 5% in total, and did not include areas deemed necessary to maintain or enhance a HCV, and has enabled clear, substantial, additional, secure long term conservation benefits in or adjacent to the MU
or
- c) The Organization complies with approved FSC policies and standards regulating the certification of sites that do not fulfill the exemptions 6.10a or 6.10b.

Explanatory Notes:

1. This criterion covers the certification of conversion carried out after 1994, but before application for certification. Conversion to plantations carried out after application, or planned for the future is covered by Criterion 6.9.
2. This criterion applies only to “plantations” established by conversion after 1994, because the 1994 rule refers to plantations, not to “other land uses”. Areas that were converted to non-forest uses do not require a new criterion: they can already be excluded from the Management Unit by application of FSC-POL-20-003 (2004) The Excision of areas from the scope of certification, or be covered by elements of the management planning documents (Criterion 7.2).
3. For the purpose of this Criterion, “directly or indirectly responsible” means that The Organization in its currently registered or incorporated legal state (Criterion 1.5) was directly responsible for the conversion of the natural forest to plantations after November 1994; or was indirectly responsible through its supervision of contractors; or had transferred the conversion areas to another entity or entities, by sale or by management contract or similar arrangement, but had retained control over the policies and practices for the management of the conversion areas. This Criterion also applies to The Organization through any changes in name or other institutional arrangements which have allowed continuity of the management intentions for the plantation from the time of the conversion from natural forest.

Rationale:

1. Retains November 1994 as the date before which FSC Principles and Criteria had not been published and therefore, by natural justice, conversion of natural forest to plantation could not be penalized by FSC subsequently.



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2. The phrase “directly or indirectly” is in the existing C.10.9.
3. Proposed Criterion 6.10c conforms to the recommendations of the Plantations Policy Working Group to review the 1994 rule, and the recommendations of Expert Team D of the Plantations Review, for the development of detailed procedures and policies for the Forest Management Certification of sites affected by Post-1994 Conversion Plantations.
4. Criterion 6.10c is proposed as a place-holder, allowing FSC to develop and agree to new policies and standards by due FSC processes. The policies and standards referred to in Criterion 6.10c may build on the approach proposed in the Final Report of Expert Team D of the plantations review, http://www.fsc.org/fileadmin/web-data/public/document_center/Current_consultations/FSC-DIS-30-005_V1-0_Conversion_Policy_Final_Report.pdf. These policies may also include new and innovative elements. A new international policy framework may allow indicators to be set in national, regional or generic standards. However, this new policy will have to be developed and regulated according to due FSC process.

Conversion Criteria – Alternative B

Criterion 6.9 – Alternative B (revised 6.10) The Organization shall not convert to plantations any areas containing HCVs, or areas which are needed to maintain or enhance HCVs. Other areas (or vegetation) may be converted to plantations only if The Organization demonstrates that such conversion enables clear, substantial, additional and secure long-term benefits in the converted area. These benefits must include demonstrable increases in each of the following six categories: structural complexity of vegetation, species biodiversity, habitat diversity, ecosystem functionality, economic productivity and social significance, in relation to the pre-conversion state.

Explanatory note:

1. This Criterion is immediately applicable from the effectiveness date of the revised Principles and Criteria. It addresses the intentions of The Organization, as described in the management planning documents (Criterion 7.2) for conversion.
2. Increase in structural complexity of the vegetation means: Increase in the variety of dimensions and the range of sizes in growth habits of plants; more layers in vegetation; greater variety in ground layers of vegetation, with persistent seedlings, saplings and poles; presence of mosses and liverworts and lichens; dynamic layering of humus.
3. Increase in Species biodiversity means: Increase in the number of animal species which are pollinators or seed dispersers of preferred trees; increase in the number of plant species associated with older woodlands; increase in the species characteristic of locally-defined HCVs.
4. Increase in habitat diversity means: Increase in the number of distinct types of floristic associations in the vegetation; recovery of riverine fringes and wetlands; decrease in the areas of ephemeral vegetation and replacement by more stable associations
5. Increase in ecosystem functionality means: Increase in the number and species of animals high in the food chain (trophic structure) such as woodpeckers, raptor birds



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or carnivorous mammals; increase in the number of species of beetles, especially those associated with old decaying wood; increase in the number of springs and perennial water courses with clean water.

6. Increase in economic productivity means: A greater variety and volume of year-round products from the converted vegetation with stable or increasing markets and stable or increasing unit values, harvested on sustainable schedules.
7. Increase in social significance means: Greater local importance of the converted vegetation for livelihoods of local people, as a source of employment, tangible products or cultural significance including physical recreation and spiritual renewal or social cohesion.
8. The key word is 'demonstrable'. An intention in the management planning documents to undertake enhancements is necessary but not sufficient. The Organization must show that the conversion area is producing enhancements in all six categories. Enhancements in other parts of the Management Unit, or adjacent to the Management Unit, may be complementary but are not a substitute for enhancement within the converted area; this is a necessary precaution against "window dressing". FSC international generic indicators, or regional, sub-regional or national Forest Stewardships Standards (will) set how much enhancement must be demonstrable, in scale and/or in intensity, before the plantation is eligible for certification.

Rationale:

1. The revision avoids the controversy associated with the phrase 'natural forest', whose FSC definition does not indicate where "the principal characteristics and key elements of native ecosystems such as complexity, structure and diversity" have become so degraded as to make the area uneconomic to manage in accordance the FSC Principles and Criteria as a whole.
2. The revision provides a clear test of what is acceptable conversion.
3. The criterion removes the unexplained limit on area for conversion in current Criterion 6.10 (a) – "a very limited portion of the forest management unit"
4. Enhances the ban on areas with HCVs in current Criterion 6.10 (b) – "does not occur on high conservation value forest areas".
5. This wording strengthens the requirement in current Criterion 6.10 (c) – "enable clear, substantial, additional, secure long term conservation benefits across the forest management unit".

Criterion 6.10 – Alternative B (revised 10.9) Plantations that have been established on areas converted from natural forest after November 1994 shall qualify for certification where

- a) Clear and sufficient evidence is provided that The Organization was not directly or indirectly responsible for the conversion, or
- b) The planning and practice of management of these plantations is demonstrably providing clear, substantial, additional and secure long-term benefits in the converted area. These benefits must include demonstrable increases in each of the following six categories: structural complexity of vegetation, species biodiversity, habitat diversity, ecosystem functionality, economic productivity and social significance, in relation to the state of the area after conversion".



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Explanatory notes:

1. Covers the certification of conversion carried out after November 1994, but before application for certification. Conversion plantations carried out after application for certification, or planned for the future, are covered by Criterion 6.9.
2. Applies only to “plantations” established by conversion from natural forest after 1994, because the 1994 rule refers to plantations, not to “other land uses”. Areas that were converted to non-forest uses do not require a new criterion: they can already be excluded from the Management Unit by application of FSC-POL-20-003 (2004) The Excision of areas from the scope of certification, or be covered by elements of the management planning documents (Criterion 7.2).
3. For the purpose of this Criterion, “directly or indirectly responsible” means that The Organization in its currently registered or incorporated legal state (Criterion 1.5) was directly responsible for the conversion of the natural forest to plantations after November 1994; or was indirectly responsible through its supervision of contractors; or had transferred the conversion areas to another entity or entities, by sale or by management contract or similar arrangement, but had retained control over the policies and practices for the management of the conversion areas. This Criterion also applies to The Organization through any changes in name or other institutional arrangements which have allowed continuity of the management intentions for the plantation from the time of the conversion from natural forest.
4. Increase in structural complexity of the vegetation means: Increase in the variety of dimensions and the range of sizes in growth habits of plants; more layers in vegetation; greater variety in ground layers of vegetation, with persistent seedlings, saplings and poles; presence of mosses and liverworts and lichens; dynamic layering of humus.
5. Increase in Species biodiversity means: Increase in the number of animal species which are pollinators or seed dispersers of preferred trees; increase in the number of plant species associated with older woodlands; increase in the species characteristic of locally-defined HCVs.
6. Increase in habitat diversity means: Increase in the number of distinct types of floristic associations in the vegetation; recovery of riverine fringes and wetlands; decrease in the areas of ephemeral vegetation and replacement by more stable associations
7. Increase in ecosystem functionality means: Increase in the number and species of animals high in the food chain (trophic structure) such as woodpeckers, raptor birds or carnivorous mammals; increase in the number of species of beetles, especially those associated with old decaying wood; increase in the number of springs and perennial water courses with clean water.
8. Increase in economic productivity means: A greater variety and volume of year-round products from the converted vegetation with stable or increasing markets and stable or increasing unit values, harvested on sustainable schedules.
9. Increase in social significance means: Greater local importance of the converted vegetation for livelihoods of local people, as a source of employment, tangible products or cultural significance including physical recreation and spiritual renewal or social cohesion.



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10. The key word is 'demonstrable'. An intention in the management planning documents to undertake enhancements is necessary but not sufficient. The Organization must show that the plantation is producing enhancements in all six categories relative to the state of the area after conversion. Enhancements in other parts of the Management Unit, or adjacent to the Management Unit, may be complementary but are not a substitute for enhancement within the plantation area; this is a necessary precaution against "window dressing".
11. FSC international generic indicators, or regional, sub-regional or national Forest Stewardships Standards (will) set how much enhancement must be demonstrable, in scale and/or in intensity, before the plantation is eligible for certification.

Rationale:

1. Retains November 1994 as the date before which FSC Principles and Criteria had not been published and therefore, by natural justice, conversion of natural forest to plantation could not be penalized by FSC subsequently.
2. The phrase "directly or indirectly" is in the current Criterion 10.9.
3. Provides for the certification of plantations whose management is demonstrably improving the status of characteristics desired in the FSC Principles and Criteria, but does not specify tasks which may be ecologically impossible for recreation of the pre-conversion natural forest or for recovery of previous HCVs, or may anyway be undesirable because of the degraded state of that pre-conversion natural forest.
4. Strengthens the requirement in current Criterion 6.10 (c) – 'enable clear, substantial, additional, secure long term conservation benefits across the forest management unit.'

Original Criterion 6.10: Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:

- a) entails a very limited portion of the forest Management Unit; and
- b) does not occur on high conservation value forest areas; and
- c) will enable clear, substantial, additional, secure, long term conservation benefits across the forest Management Unit.

Original Criterion 10.9: Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly of such conversion.

Criteria that were relocated to other Principles

Criteria dealing with operational issues (waste management, pesticides, biological control agents, exotic species) have been moved to proposed Principle 10 on Management Activities. Hence, original Criterion 6.6 is now covered by Criterion 10.9. Original Criterion 6.7 is covered by Criterion 10.12, original Criterion 6.8 is covered by Criterion 10.10, original



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Criterion 6.9 is now covered by Criterion 10.2.

Rationale:

1. Stakeholders and CABs have requested a clearer separation of field activities, silvicultural systems and other stand management works. The relocated criteria address more field-level issues (road construction, waste management, pesticides, biological control agents) and therefore, have been moved to proposed Principle 10.
2. Principle 6 now concentrates on the ecological bases for responsible forest stewardship.

7 Principle #7 (revised): Management planning

The Organization shall have a management plan consistent with its policies and objectives and proportionate to scale, intensity and risks of its management activities. The management plan shall be implemented and kept up to date based on monitoring information in order to promote adaptive management. The associated planning and procedural documentation shall be sufficient to inform staff and stakeholders and to justify management decisions.

Explanatory Notes:

1. The principle and criteria under principle 7 assume that the management plan exists prior to the start of new management activities.
2. Principle 7 covers the whole process of management planning. That is the setting of policies (visions and values) and corresponding objectives (Criterion 7.1), development and implementation of corresponding management plans (Criterion 7.2), evaluation of success in achieving defined objectives (Criterion 7.3), revision of management plans (Criterion 7.4) and stakeholder engagement (Criterion 7.5 and 7.6).
3. The design of the management planning depends on the scale, intensity, risks of management activities, policies (visions and values) and objectives of The Organization. This ensures that every type of Management Unit has planning and a management system but provides flexibility to adapt these to the type and situation of a Management Unit and the goals of The Organization.
4. The documentation of the management planning is needed to guide staff in the implementation of the management plan and to justify management decisions towards interested stakeholders) and as input for internal and external (certification) audits.

Rationale:

1. The title of the principle was changed in order to reflect that the principle covers the entire process of management planning.
2. The principle focuses on objectives irrespective of what these are, recognizing that management objectives often extend beyond timber production.

Original Principle #7: Management plan

A management plan -- appropriate to the scale and intensity of the operations -- shall be written, implemented, and kept up to date. The long term objectives of management, and the means of achieving them, shall be clearly stated.

7.1 (new) The Organization shall set policies and objectives for management which are



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environmentally sound, socially beneficial and economically viable and proportionate to scale, intensity and risk of its management activities. Summaries of these policies and objectives shall be incorporated into the management plan, and publicized.

Explanatory Notes:

1. A policy expresses the long term vision and values of The Organization with regards to complying with the FSC Principles and Criteria, as a minimum.
2. Policies and objectives regarding environmentally sound management (environmental policies and objectives) express the long term vision and values and objectives of The Organization with regard to achieving compliance with the environmental requirements in the P&C as a minimum (See Principle 6, Principle 9 and Principle 10). Policies and objectives dealing with the social benefits of management express the long term vision and values and objectives of The Organization with regards to fulfilling the social requirements of the P&C (See Principle 2, Principle 3, Principle 4 and Principle 5) as a minimum. Policies and objectives dealing with economic viability would express the long term vision and values and objectives of The Organization to comply with the relevant requirements in the P&C (see Principle 5), as a minimum.
3. The establishment of policies and objectives is necessary as the basis for developing corresponding management plans.
4. In this context publicizing means that the policies and objectives are adequately communicated to everyone in The Organization including contractors and suppliers, e.g. through posting them in prominent locations throughout the work place.
5. If the monitoring shows (see Principle 8) that the original objectives are not fully appropriate or achievable the adaptive management approach requires that they are changed. However, changed management objectives must still ensure compliance with the P&C.

Rationale: This Criterion addresses a gap in the P&C. Policies and objectives are the basis for developing management plans.

7.2 (revised 7.1) The Organization shall have and implement a management plan for the Management Unit which is fully consistent with the policies and objectives as established according to Criterion 7.1. The management plan shall describe the natural resources that exist in the Management Unit and explain how the plan will meet the FSC requirements. The management plan shall cover forest management planning and social management planning proportionate to the scale, intensity and risk of the planned management activities.

Explanatory Note:

1. The level of detail provided in management plans depends on the scale, intensity and risk of the management activities. Some management plans may be short, simple documents, perhaps only two pages, for very small, simple, minimum-impact, uncontroversial situations. Other management plans may consist of a collection of documents, plans, maps, records, reports and/or field guides and may be long, detailed and complex. The key point is that the package of forest management planning documents is sufficiently comprehensive and detailed, but no more than necessary.
2. The level of detail provided in the management plan must be sufficient to



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- a. Provide managers and decision-makers with information about the key elements of the Management Unit and the management system to enable them to implement the system, to ensure continuity of management in the event of staff changes, and to inform FSC and other stakeholders;
 - b. Explain and justify the management decisions and the activities planned; and
 - c. Enable CABs to easily determine whether The Organization is comprehensively addressing the Principles and Criteria, how effectively The Organization has assessed the environmental, social and economic aspects of the Management Unit and the context in which it is situated and whether The Organization's monitoring programs and environmental and social safeguards are sufficient to prevent, avoid, remediate or mitigate any negative impacts that may result from its management activities.
3. In order to fulfill these functions the management plan must include the following elements of management planning in a level of detail proportionate to the scale, intensity and risk of the planned management activities.

Elements of Forest Management Planning

- a. A description of the natural resources, environmental and ecological elements.
- b. A description of the existing and planned management practices and systems;
- c. A description of how the management plan and activities have evolved and changed over time.
- d. The rationale and justification for the selection of the resources and services to be utilized.
- e. The rationale and justification for any planned harvesting of natural resources, including volumes and rates;
- f. Plans for monitoring growth and estimating and allocating yields of natural resources;
- g. Environmental and biological monitoring systems planned or in place;
- h. A description of the monitoring information that is provided according to Criterion 8.5 and how and when this information can be accessed.
- i. Safeguards and measures to identify, assess, prevent or mitigate potential and actual negative impacts on environmental values.
- j. Safeguards and measures for the identification and protection of rare, threatened and endangered species and habitats
- k. Measure for the identification and strategies for the maintenance or enhancement of HCV.
- l. Safeguards and measures to identify, conserve and/or restore representative samples of ecosystems.
- m. Safeguards and measures to avoid losses of genetic and species diversity and damage to other environmental values.
- n. Safeguards and measures to conserve or restore natural water courses and water bodies, riparian zones, wildlife corridors and the variety and scales of landscapes.
- o. Maps and plans for land-use zoning, conservation, harvesting, planting, infrastructure and other elements of planning;
- p. Technical descriptions of any high-impact activities, such as mechanical harvesting, processing or plantations;



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- q. Sufficient data to show the overall economic viability of the Management Unit in the short medium and long term.
- r. Measures to diversify production and to diversify and retain viable markets.
- s. Investments in maintaining economic viability and ecosystem productivity and measures to prevent excessive harvesting.
- t. Bibliography of relevant publications, including applicable laws, regulations and conventions.
- u. Linkages between the main planned activities and the stated management objectives.

Elements of Social Management Planning

- a. An overview of the local socio economic situation.
 - b. An overview and brief description of major stakeholder groups.
 - c. An overview of local government and development institutions and programs
 - d. An analysis of the major social and environmental issues and conflicts in the area
 - e. An analysis of the positive and negative social impacts of the management activities.
 - f. Safeguards and measures to indentify, assess, prevent, avoid, mitigate and remediate potential and actual negative social impacts.
 - g. Programs and activities, regarding worker rights, occupational health and safety, gender equality, indigenous peoples, community relations, local economic and social development, land acquisition, stakeholder engagement and resolution of grievances in line with its policies and objectives for socially beneficial management.
 - h. Social monitoring systems planned or in place.
 - i. Bibliography of relevant publications, including applicable laws, regulations and conventions.
4. While its time focus is in the medium and long term, the management planning may often be supplemented by annual or operational plans which describe in detail the planned management activities which are needed to attain the prescribed objectives.
5. Whenever separate planning documents are needed to give adequate treatment to any of the elements of management planning, such documents are required to comply with any existing FSC guidance.

Rationale:

1. This criterion is designed to ensure an appropriate management planning that explicitly and visibly correlates the planned management activities with the available natural resources and with the social, environmental and economic situation prevailing in and around the Management Unit.
2. Moving the management planning elements, including those of original criterion 7.1, into the explanatory notes recognizes the need to provide flexibility depending on scale intensity and risk. This is in line with ISO and other standards which expect tailor-made planning rather than predefined management plans.
3. The inclusion of social management planning as one component of the management plan is based on the recommendations of the Policy and Technical Phase of the



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Plantations Review. One of the recommendations of The Policy Working Group of the Plantations Review was that Forest Managers shall adopt a systematic approach to social issues through implementing Social Management System appropriate to the scale and intensity of the operation. Expert Team A of the technical phase of the plantations review concluded that this could be best achieved through a Social Management Plan.

4. The wording is outcome orientated because the required documentation does not follow fixed prescriptions but depends on scale, intensity and risk.
5. The new wording improves auditability by clarifying that adjustments can be made proportionate to scale, intensity and risk of the management activities.

Original Criterion 7.1: The management plan and supporting documents shall provide:

- a) Management objectives.
- b) Description of the forest resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands.
- c) Description of silvicultural and/or other management system, based on the ecology of the forest in question and information gathered through resource inventories.
- d) Rationale for rate of annual harvest and species selection.
- e) Provisions for monitoring of forest growth and dynamics.
- f) Environmental safeguards based on environmental assessments.
- g) Plans for the identification and protection of rare, threatened and endangered species.
- h) Maps describing the forest resource base including protected areas, planned management activities and land ownership.
- i) Description and justification of harvesting techniques and equipment to be used.

7.3 (new) The management plan shall include objectively verifiable measures of success, by which progress towards each of the prescribed management objectives can be assessed.

Explanatory note:

1. Success in this context means achieving the objectives as defined according to criterion 7.1.
2. This criterion requires the establishment of verifiable measures of success that allow for measuring if the implementation of the management plan is successful in achieving the objectives as set according to criterion 7.1. These measures are the basis for Criterion 8.1, which requires that achievement of the management objectives is monitored.
3. Verifiable measures of success should be expressed quantitatively if possible, to facilitate graphical representation of rates of progress.
4. In order to enable The Organization to assess progress towards the management objectives the measures of success must be selected with regards to their suitability to provide the most direct indication of deviations from predictions and plans.
5. Ideally the measures of success are reviewed collectively with representatives of stakeholders, perhaps annually, as stakeholders evolve their understanding of the character of The Organization, the impacts of the management activities and the effects of changing circumstances. If the measures of success are amended, the reasoning should be carefully recorded in the amended management plan.



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Rationale:

1. Several National Initiatives and CABs, have reported the need for requiring forest managers to define their goals and means for measuring progress towards these goals.
2. The inclusion of the new criterion is in line with the ISO approach which requires reporting on performance in relation to defined goals.

7.4 (revised 7.2 and 8.4) The Organization shall update and revise periodically the management planning and procedural documentation to incorporate the results of monitoring, stakeholder engagement or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.

Explanatory Note:

1. Changing environmental circumstances includes climate change.
2. The updating should include feedback in order close the loop for adaptive management.
3. Examples of changing circumstances are:
 - Unforeseen events that cause short-term increases in production which significantly exceed levels of responsible forest stewardship, e.g. windblow, fire damage and trees killed by epidemic insect pests.
 - Unforeseen surges in production or shifts in preferences for timber species as a result of changing market opportunities.

Rationale:

1. As compared to original Criterion 7.2 this revision clarifies that the management plan revision and updating needs to take into account the results of stakeholder engagement.
2. By combining original criterion 7.2 and 8.4 this criterion also removes duplication from the P&C.

Original Criterion 7.2: The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.

Original Criterion 8.4: The results of monitoring shall be incorporated into the implementation and revision of the management plan.

7.5 (revised 7.4) The Organization shall make publicly available a summary of the management plan free of charge. Excluding confidential information the management plan shall be made available on request and at cost of reproduction and handling.

Explanatory note:

1. The elements of the management plan are identified in the explanatory note to Criterion 7.2. Which elements are to be included in the summary depends on the management plan, which in turn must be proportionate to the scale, intensity and risk of the planned management activities (see 7.2).
2. This Criterion assumes that the summary of the management plan by its nature



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- excludes confidential information.
3. Examples of potentially confidential information may include information which
 - is related to investment decisions,
 - concerns intellectual property rights
 - is client confidential
 - is by law confidential
 - could put at risk the protection of wildlife species and habitats.
 - concerns sites, which are of special cultural, ecological, economic, religious or spiritual significance to indigenous peoples or local communities (see criterion 3.5 and 4.8) as requested by these groups.
 4. The extent to which the management plan itself needs to be made available depends upon the specific request. Requests may only refer to specific parts of the management plan. Then it is sufficient to provide these specific parts. However, if it is requested that the entire management plan is provided then the entire management plan must be made available. The right to exclude confidential information applies in every case.
 5. For some types of Management Units with very short and simple management plans, e.g. SLIMF's, it might be easier, more effective and efficient to simply make publicly available the entire management plan. If the entire management plan is made publicly available a summary is not required anymore.

Rationale: Clarification and simplification of the wording.

Original Criterion 7.4: While respecting the confidentiality of information, organizations shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.

7.6 (new): The Organization shall proactively engage affected and interested stakeholders in the planning and monitoring processes and document the engagement.

Explanatory Notes:

1. Engaging or engagement is the process by which The Organization communicates and consults and/or ensures the participation of interested and/or affected stakeholders, so that their interests, wishes, expectations, needs, rights and opportunities are considered during the development and implementation of the management plan (see also glossary).
2. Proactively in this context means that The Organization has reached out to the affected and interested parties, rather than waiting for them to approach the organization.
3. 'Considered' in the context of engagement means that The Organization based on a review of the input and requests put forward by stakeholders determines the degree to which their concerns, desires, expectations, needs, rights and opportunities must be addressed in the management plan. The Organization is not required to respond positively to all requests being made.
4. There will likely to be three forms of response to requests and input:
 - Modification of the management plan based on full incorporation of requests or inputs.
 - Modification of the management plan based on partial incorporation



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- No modification of the management plan based on rejection of requests or input.
5. Definition of affected stakeholder (see also glossary): Any person, group of persons or entity that is or may be subject to the effects of the activities of a management unit. Examples include, but are not restricted to (e.g. in the case of downstream landowners), persons, groups of persons or entities located in the neighborhood of the Management Unit.
 6. Definition of interested stakeholder (see also glossary): Any person, group of persons, or entity that has shown an interest, or is known to have an interest, in the activities of a management unit.
 7. The following are examples of affected stakeholders (for further examples see also FSC-STD-20-012 V1-1 Evaluation of FSC Controlled Wood in Forest Management Enterprises):
 - local communities,
 - indigenous peoples (in the case of indigenous peoples this criterion applies in addition to their rights as laid down in Principle 3 and not instead of these rights – see for example explanatory note 14 below)
 - employees,
 - forest dwellers
 - neighbors
 - downstream landowners
 - local processors
 - local businesses
 - tenure and use rights holders.
 - organizations authorized or known to act on behalf of affected stakeholders (e.g. social and environmental NGOs, labor unions).
 8. The following are examples of interested stakeholders:
 - conservation organizations (e.g. environmental NGOs)
 - labor (rights) organizations (e.g. unions)
 - human rights organizations (e.g. social NGOs)
 - local development projects
 - local governments,
 - national government departments functioning in the region
 - FSC National Initiatives
 - experts on particular issues, e.g. HCV.
 9. The definition of interested stakeholder makes clear that the effort required to identify these (they have already indicated an interest or are known to have an interest) is lower than the effort required to identify affected parties, which may not be known or have not made their interest known.
 10. It is not always possible to clearly differentiate between affected and interested stakeholders. The same stakeholder may be an interested stakeholder in one situation and an affected stakeholder in another.
 11. There are a number criteria in the P&C that lay down specific requirements for addressing interests of affected stakeholders, for example Criterion 3.1, 4.1 and 4.4. There are no such specific requirements for interested parties.
 12. When engaging stakeholders for input in the management plan, it is important to



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document all of the input received as well as the decisions made as a result of that input. Ideally, this could be in a separate schedule to the management plan to be able to demonstrate at a later date how input received was incorporated, or not, in the final plan.

13. The key is the documentation of the input to demonstrate transparency.
14. In some cases free and prior informed consent is required (see for example Principle 3). In these cases this will be basis for decision making and engagement alone will not suffice.

Rationale: This new criterion goes back to the recommendations of the Policy and Technical Phase of the Plantations Review, which clearly identified that the onus for active stakeholder engagement should lie with the forest manager. It was also recommended to differentiate between 'interested stakeholders' and affected stakeholders, to indicate a different level or required engagement.

Criteria that were relocated to other Principles

Original Criterion 7.3 dealing with training of workers was moved to Principle 10 (Criterion 10.14).

Rationale: Original criterion 7.3 addresses a field-level issue, which are now dealt with under P10.

8 Principle #8 (revised): Monitoring and assessment

The Organization shall conduct monitoring proportionate to the scale, intensity and risk of the management activities in order to evaluate the results of these activities against the management objectives and to implement adaptive management.

Explanatory Note:

1. Criterion 8.1 deals with monitoring achievement of the objectives of management through verifiable measures of success as established according Criterion 7.1 and 7.3. Proposed Criterion 8.2 deals with monitoring of the management activities.
2. One of the aims of monitoring is to enable The Organization to estimate what proportion of observable data values can be attributed to –
 - a. the management activities, and hence to the cost-efficiency and technical effectiveness of management plans and their implementation for attaining The Organization's objectives;
 - b. directional natural processes (such as seasonal changes within each year, or climate changes); and
 - c. residual and perhaps random events, market changes, economic cycles etc.
3. Plans refer to technical forestry, environmental, social management and any other short, medium and long term forest management plans.
4. This principle requires that monitoring is carried out. However, monitoring does not have to be implemented by The Organization itself if the information required for monitoring is already being collected by other parties and is transferable to the Management Unit.
5. As required by Criterion 7.4 monitoring is linked explicitly to periodic revision of



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management plans. The objective is to ensure lesson-learning and continuous improvement in the quality of management, consistent with the adaptive management approach described in Principle 7.

Rationale: Risk was added to ensure the appropriate level of monitoring and to minimize the hazards of negative impacts which might be caused by management activities.

Original Principle 8: Monitoring shall be conducted -- appropriate to the scale and intensity of forest management -- to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.

8.1 (revised 8.1) The Organization shall monitor achievement of its management objectives through objectively verifiable measures of success.

Explanatory Notes:

1. Management objectives have to be established according to Criterion 7.1. Verifiable measure of success must be established and integrated into the management plan according to Criterion 7.3. One example would be that The Organization establishes (according to Criterion 7.1 and 7.3) the objective and measures of success (appropriate harvesting rates and yields) for not impairing the ecosystem functions and adaptive capacity of the unit as required according to Criterion 5.6. Monitoring then assesses whether these measures of success are met.
2. Some examples of verifiable measure of success are:
 - Site productivity, yield of all products harvested;
 - Growth rates, regeneration and condition of the vegetation;
 - Composition and observed changes in the flora and fauna;
 - Water quality and quantity;
 - Soil erosion, compaction and fertility;
 - Wildlife populations, biodiversity and status of HCV's;
 - Stakeholder satisfaction with engagement;
 - Number of occupational accidents;
 - Overall economic viability of the Management Unit.

Rationale: This criterion links monitoring to the management objectives through verifiable measures of success as one step in the process of adaptive management.

8.2 (revised 8.1) The Organization shall monitor the implementation and impacts of the management activities.

Explanatory Notes:

1. Criterion 8.1 and 8.2 are interrelated. In some cases the management objectives will determine the planned management activities. The actual implementation of these plans on the ground and impacts of management activities will influence whether the predetermined management objectives can be achieved or if corrections are required.
2. Some examples of activities and impacts to be measured and monitored are:
 - Harvesting;



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- Road construction and maintenance;
- Contractor activities;
- Impacts of management activities on the verifiable measures of success as established according to criterion 7.3.

Rationale: Monitoring of management activities and their impacts is another step in the process of adaptive management.

8.3 (revised 8.1) Monitoring shall enable The Organization to detect, prevent or correct negative deviations from its management objectives through adaptive management. Monitoring shall be proportionate to the scale and intensity of the management activities and risks of negative impacts.

Explanatory Notes:

1. While Criterion 8.1 and 8.2 define the elements that are subject to monitoring, Criterion 8.3 determines the objectives of monitoring.
2. Criterion 8.3 provides flexibility with regards to the intensity, frequency, scheme, schedules and procedures for monitoring chosen by the manager as long as they enable The Organization to prevent or correct negative deviations from its management objectives.
3. If the monitoring shows that the original objectives are not fully appropriate or achievable the adaptive management approach requires that they are changed. However, the changed management objectives must still ensure compliance with the P&C.
4. In order to fulfill this function monitoring procedures need to be fit for purpose, consistent and replicable over time, suitable for quantifying changes over time, and for identifying risks and unacceptable impacts.
5. In order to quantify changes that take place over time monitoring procedures need to allow for comparison of results between assessment periods, and for estimation of rates and directions of change. This implies that baseline data exists. For example Criterion 6.1 requires the assessment of environmental values in the Management Unit.
6. The Organization can draw upon monitoring undertaken by third parties if the data are relevant, comparable and transferrable.
7. The need for monitoring depends on the degree of risk. Monitoring is directed at those measures of success, which are efficient in measuring the impact of the management activities when there is a high level of risk and/or knowledge is weak.
8. In small operations, normally the risk is as such that the level of monitoring required will be minimal, because the risk assessment should come at the beginning of the planning for monitoring.

Original Criterion 8.1: The frequency and intensity of monitoring should be determined by the scale and intensity of forest management operations as well as the relative complexity and fragility of the affected environment. Monitoring procedures should be consistent and replicable over time to allow comparison of results and assessment of change.

Original Criterion 8.2: Forest management should include the research and data collection



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needed to monitor, at a minimum, the following indicators:

- a) Yield of all forest products harvested.
- b) Growth rates, regeneration and condition of the forest.
- c) Composition and observed changes in the flora and fauna.
- d) Environmental and social impacts of harvesting and other operations.
- e) Costs, productivity, and efficiency of forest management.

Rationale:

1. Risk was added to ensure that monitoring is focused on the important indicators.
2. Clarification of scope in line with Principles and Criteria Review Working Group decision to move away from timber focus.
3. The new criteria allow adaptation of monitoring to scale, intensity and risk by removing “as a minimum”.

8.4 (revised 8.3) The Organization shall have a tracking and tracing system proportionate to scale, intensity and risk of its management activities for demonstrating and verifying the source of all products from the Management Unit that are marketed as FSC certified.

Explanatory Notes:

1. Forest products must be covered by a valid chain of custody certificate or by a joint forest management/chain of custody certificate, in order to carry the FSC Logo and to enter into further chains of custody (see FSC-STD-20-007 V3-0 Forest Management Evaluations). The tracking and tracing system referred to in this criterion is the basis for assessing whether a chain of custody or joint forest/chain of custody certificate can be issued to The Organization. Hence, this criterion only applies to situations where the intent is that products from the Management Unit are marketed as FSC certified.
2. Criterion 1.22 stipulates compliance with legal requirements in relation to transport and trade from stump or other location within the Management Unit to forest gate. Criterion 1.22 applies whether or not FSC Chain of Custody certification is sought.
3. The tracking and tracing system should contain precautions against unauthorized and illegal trade in identification marks and transit documents.

Rationale:

1. The revision clarifies that chain of custody certification is voluntary and allows flexibility depending on scale, intensity and risk.
2. This is a consolidation with FSC-STD-20-007 V3-0 which lays down that Chain of Custody certification is only required when products from the Management Unit intended to be marketed as FSC certified.

Original Criterion 8.3: Documentation shall be provided by The Organization to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the “chain of custody.”

8.5 (revised 8.5) The Organization shall make publicly available a summary of the results of monitoring free of charge, excluding confidential information.



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Explanatory Notes:

1. For some types of Management Units with very short and simple management plans, e.g. SLIMFs, it might be easier, more effective and efficient to simply make publicly available the entire monitoring information. If the entire monitoring information is made publicly available a summary is not required anymore.
2. Some potential examples of confidential information include information related intellectual property rights, traditional ecological knowledge.

Rationale: Clarification of the right to exclude confidential information and simplification of wording.

Original Criterion 8.5: While respecting the confidentiality of information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2.

Criteria that were relocated to other Principles

The incorporation of the results of monitoring into the management plan as per original Criterion 8.4 was incorporated into proposed Criterion 7.4. The implementation of the management plan is addressed in proposed Criterion 7.2.

Rationale: Incorporation of the results of monitoring in the implementation and revision of the management plan is better dealt with under Principle 7, which now deals with the entire planning process including revision of the plan.

9 Principle #9 (revised): Maintenance of high conservation values

The Organization shall maintain and/or enhance high conservation values through applying the precautionary approach.

Explanatory Notes:

1. The precautionary approach is a means for implementing the precautionary principle. In the context of the P&C the precautionary approach requires that: 'When the available information indicates that management activities pose a threat of severe or irreversible damage to the environment or a threat to human welfare, The Organization will take explicit and effective measures to prevent the damage and avoid the risks to welfare, even when the scientific information is incomplete or inconclusive, and when the vulnerability and sensitivity of environmental values are uncertain. (FSC based on Principle 15 of Rio Declaration on Environment and Development and Wingspread Statement on the Precautionary Principle of the Wingspread Conference, 23-25 January 1998).
2. FSC Principle 6 deals with routine protection of environmental values, e.g. species and habitats. In contrast, FSC Principle 9 deals with concentrations or exceptionally important values, which require extra precautions, amongst others the precautionary approach, by The Organization to maintain and/or enhance those values.
3. The FSC Principles and Criteria cover all types of vegetation and space within the



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boundary of the Management Unit. The concept of high conservation values is thus not restricted to forest types; see Criterion 9.1

4. Where HCVs exist, activities related to their protection and maintenance need to be addressed in the management planning as required according to Criterion 7.2 (see Criterion 7.2, Explanatory Notes).
5. Where they exist monitoring for changing status of HCVs would be required according to Criterion 8.1.

Rationale: The revision of the title and the Principle is in line with the decision that all vegetation types are covered by the FSC Principles and Criteria. The condensing of the principle reduces ambiguity.

Original Principle #9: Maintenance of high conservation value forests

Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach.

9.1 (revised 9.1) The Organization through stakeholder engagement and other means and sources shall assess and record the presence and status of the following high conservation values in the Management Unit, matching the likelihood of their occurrence and proportionate to the scale, intensity and risk of impacts of management activities:

- HCV 1 - Concentrations of biodiversity values, that are significant at global, regional or national levels (e.g., endemism, endangered species, refugia).
- HCV 2 - Large ecosystems, that form major elements of the landscape that are significant at global, regional or national level, containing viable populations of most of the naturally occurring species in natural patterns of distribution and abundance.
- HCV 3 - Rare, threatened, or endangered ecosystems.
- HCV 4 - Basic environmental services in critical situations (e.g. protection of critical water catchments, control of erosion).
- HCV 5 - Areas fundamental for satisfying basic necessities of local communities (e.g. for subsistence, health).
- HCV 6 - Areas critical for the traditional cultural identity of local communities (areas of cultural, ecological, economic or religious importance identified in cooperation with these local communities).

Explanatory Note:

1. This criterion requires the assessment of the entire space of the Management Unit for the presence and status of all six kinds of high conservation values.
2. Other means and sources include for example:
 - The FSC Global Risk Register (which should be used as a first step):
 - <http://globalforestrisk.nepcon.net>
 - HCV maps, records, inventories as provided for example by local or national authorities
 - literature
 - range maps,
 - field evaluations etc.



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3. Compliance with this criterion would require that records of the results of the assessment are provided in formats which are accessible and meaningful to stakeholders, for example maps of appropriate scales. This is an important component for ensuring appropriate stakeholder engagement.
4. For examples of stakeholders refer to the explanatory note of Criterion 7.6.
5. Where a national or a local authority implements strategies for maintaining and/or enhancing HCV in the Management Unit based on national or local laws that equal or exceed the criteria under Principle 9 then The Organization is not required to duplicate the efforts of the authority.

Rationale:

1. The revision is in line with the decision that all vegetation types are covered by the FSC Principles and Criteria.
2. The proposed wording clarifies the criterion because it identifies the relevant HCVs.
3. This criterion replaces the definition of the four attributes of HCVF shown in the glossary of the current FSC P&C (FSC-STD-01-001 V4-0), and in FSC-STD-20-012 V1-1 Standard for evaluation of FSC controlled wood in forest management enterprises, September 2007. The wording has been revised to focus on any ecosystems, not only forests, and to raise the profile of the Values up to the level of a Criterion. The other glossaries will have to be revised once the revised P&C have been adopted.

Original Criterion 9.1: Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to scale and intensity of forest management.

9.2 (revised 9.2) The Organization through engagement with stakeholders shall develop strategies for the maintenance and/or enhancement of identified high conservation values.

Explanatory Note:

1. For likely groups of stakeholders to be engaged, see annex 2 in FSC-STD-20-012 V1-1 (Standard for evaluation of FSC Controlled Wood in forest management enterprises, September 2007). See also Criterion 7.6 which addresses management planning engagement.
2. Strategies may or may not require active interventions. Depending on the specific situation the best strategy for maintaining HCVs may be to avoid any intervention.
3. The criterion requires maintenance and/or enhancement of all identified HCV's in the Management Unit irrespective of whether they are already protected somewhere else by someone else, e.g. outside the Management Unit or in other Management Units of The Organization.
4. According to Criterion 7.2 the measures for the identification of HCV must be included in the management plan.

Rationale: Implements and clarifies the requirement in line with FSC-ADV-30-901 (Interpretation of Criterion 9-2, April 2003) and Statutory Motion 4 as incorporated in approved Statutory Motion 7 of the FSC General Assembly 2005 to remove the directive to CABs about the consultative portion of certification process from the Criterion, and to place



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the requirement on The Organization.

Original Criterion 9.2: The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.

9.3 (revised 9.3) The Organization shall implement the strategies for the maintenance and/or enhancement of the identified high conservation values. These strategies shall implement the precautionary approach and be proportionate to the scale, intensity and risk of management activities.

Explanatory Notes: According to Criterion 7.2 where HCVs exist the strategies must be included in the management plan and published according to Criterion 7.5.

Rationale: The revision removes ambiguous words.

Original Criterion 9.3: The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.

9.4 (revised 9.4) The Organization shall conduct periodic monitoring to assess changes in the status of high conservation values. The monitoring shall be proportionate to the scale, intensity and risk of management activities.

Explanatory Note:

1. This criterion recognizes that the frequency of monitoring depends on the specific situation, for example
 - nature of the HCV (e.g. its ecology and particular attributes)
 - options for the management of HCV,
 - scale intensity and risk of impacts.This could require regular monitoring as well as sporadic monitoring. It could range from daily monitoring during management activities to monthly, annually or longer.
2. The results of the assessment according to criterion 9.1 provide the baseline for determining whether changes are taking place.
3. Intensity and frequency of monitoring are also addressed in Principle 8.
4. The criterion does not assume that changes in status are always a result of the management activities. Monitoring also includes changes which are not caused by human activities.

Rationale:

1. The revision recognizes that changes are not always caused by human activities.
2. The deletion of 'annual' allows the monitoring frequency to vary according to the nature of the high conservation values.

Original Criterion 9.4: Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.



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10 Principle #10 (new): Implementation of management activities

All management activities conducted by or for the organization for the management unit shall be selected and implemented consistent with The Organization's economic, environmental and social policies and objectives and compliance with the FSC Principles and Criteria and all applicable FSC forest management standards.

Explanatory Notes:

1. This Principle covers the operational aspects of the policies, objectives and procedures developed and described through the planning processes covered by Principle 7. The Principle lays down the requirements to be fulfilled by management activities in order to allow the organization to comply with the ecological requirements of Principle 6 and 9 and the economic elements of Principle 5.
2. Management activities typically include road building, harvesting, and silvicultural practices.
3. This Principle is not specific to Plantations. It is applicable to all vegetation types and management systems. However, at national and regional levels additional Criteria for locally important and/or special types of vegetation and categories of products and environmental services from management units (FSC-STD-60-002 Structure and Content of National Forest Stewardship Standards, section 3.2) may be provided.

Rationale:

1. Original Principle 10 was confined to plantations and added to the FSC Principles and Criteria in February 1996. The final report of the Policy Working Group of the Plantations Review (October 2006) recommended dissolution of Principle 10 into Principles 1-9.
2. This recognizes that it is not useful for FSC to have a policy that all kinds of vegetation are covered by the FSC Principles and Criteria (FSC-POL-10-004 and supporting FSC-DIS-01-001) but then to make separate provision for just one category of vegetation.
3. In line with the recommendations of the Policy Working Group of the Plantations Review, the P&C Review Working Group has chosen to no longer segregate plantation style forest management from natural forest management. As such, with this suggested new version of the Principles and Criteria, the elements that were specific to Plantations as described in the current Principle 10 of Version 4-0 of the Principles and Criteria are now being integrated into Principles 1-9. With this decision, that leaves 2 main issues to (1) How should the main elements of current P10 be integrated into the other criteria and (2) is Principle 10 still needed? If so, what role should it fill?
4. To address the first question, Principle 1 still covers the legal requirements and Principles 2, 3 and 4 address worker rights, indigenous peoples rights and community rights respectively. There basically is no difference in requirements for Plantations and Natural forests in any of the 1st 4 Principles so incorporation was relatively straight forward. Principle 7 on management planning and 8 for monitoring were also relatively easy to incorporate the original Principle 10 for the same reasons as above.
5. The remaining Principles 5, 6 and 9 required careful consideration to ensure the main elements of ecological integrity and the unique nature of plantations are properly accommodated throughout. Principle 5 refers to economics and some difficulties were



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encountered with finding a balance between requiring managers to make use of the multiple products and services of a management unit while at the same time recognizing the limitations of certain types of plantations to meet this requirement. Also in Principles 6 and 9 a level of care needs to be taken to ensure ecological considerations and high conservation values are properly managed – recognizing there are unique situations between plantations and natural forests. Throughout these three principles, where there are unique situations for the criteria, explanatory notes are provided to give clarity around the expectations.

6. As for the second question, the Working Group believes there is a good reason to refine the role of Principle 10 to reflect more of an implementation role to support the first 9 Principles. For example, Principle 6 around environmental values speaks to larger issues that are often measured at a forest or landscape level. Principle 10 describes more specific items designed to support Principle 6 and provide clarity for CAB's as well as Organizations pursuing FSC certification. While the title of the new revised Principle 10 focuses on implementation, the intent is not to be prescriptive on how to achieve the desired end results, but to provide desired end goals. This preserves the FSC certification as a performance based standard and does not limit creativity and innovation among Organizations that could lead to improved management practices.

10.1 (revised 10.4) Natural and artificial regeneration practices shall use species that are ecologically well adapted to the site and to the management objectives.

Explanatory Notes:

1. In order to comply with criterion 6.6 the regeneration practices must be selected with a view to avoiding losses of genetic and species diversity and damage to other environmental values.
2. Regeneration practices must be selected so that they do not violate Criterion 6.9 and 6.10.
3. The potential and actual negative impacts of the chosen regeneration practices need to be addressed in compliance with Criterion 6.2 and 6.3.

10.2 (revised 6.9, 10.4 and 10.8) Native species and local genotypes shall be used, unless there is a clear and convincing justification for using others. Alien species may be used only after local trials and/or experience have shown that they are not invasive or that invasive tendencies are minor and easily controlled or mitigated.

Explanatory Notes:

1. Recognizing that this might not always be the case and that each situation must be considered on its merits, FSC prefers the use of local species and genotypes because the communities they form are (1) usually more favorable for local species of plants and animals than communities dominated by alien species, and (2) expected to be more resilient to the effects of climate change.
2. This approach is also supported by the fact that legal requirements increasingly include recognition of the need for genetic diversity to accommodate unpredictable effects of climate change.
3. The preference for native species extends to all species in the management unit, not



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only the crop trees; for example, soil cover crops and understory shrubs for feeding wildlife and domesticated animals.

4. Justifications for the use of alien species and non-local genotypes, compatible with FSC rules may arise with a wide variety of situations and objectives, and should be stated in the management planning documents. National or generic Indicators may describe some of these situations (see examples below).
5. The term Alien Species is used in accordance with the definition of Convention on Biological Diversity (see also glossary): A species, subspecies or lower taxon, introduced outside its natural past or present distribution; includes any part, gametes, seeds, eggs, or propagules of such species that might survive and subsequently reproduce.
6. Any species may become invasive in some situations, but this criterion is designed to prevent invasiveness in and around the certified Management Unit. The ability to manage a community by natural regeneration may be a major advantage, and requires some small degree of invasiveness in the regenerated species.
7. According to Criterion 1.11 The Organization must comply with national and/or local laws for monitoring and control of alien species. Note that this legal compliance may involve management activities which are contrary to Criterion 10.2. According to section 8.20 of FSC-STD-20-007 Version 3-0 Forest Management Evaluations conflicts between laws/regulations and the P&C shall be evaluated by the certification body on a case by case basis, in arrangement with the involved or affected parties.
8. The use of alien species may be justified by a combination, but not necessarily all, of the following mechanisms:
 - i. That the supply of wood or environmental services from the Management Unit has demonstrably reduced the degradation of natural forest in the region or country of the Management Unit. This can be demonstrated where there is significant natural forest formally protected and managed by a legally recognised conservation agency for conservation purposes, and where wood supply is primarily from plantations, and/or:
 - ii. There is a system of natural reserve areas within the Management Unit, and/or
 - iii. There are corridors primarily comprising natural forest vegetation linking reserves established for biodiversity protection and enhancement within the Management Unit to legally protected natural forest areas adjacent to the Management Unit, and/or
 - iv. The Organisation contributes to biodiversity protection/management outside, but within the general landscape of the Management Unit.
 - v. The management unit provides an array of environmental services that contribute to biological diversity within the landscape. This can include providing a habitat for rare, threatened or endangered species; providing alternate recreation opportunities: providing clean water that enables water-bodies such as streams to contain natural biodiversity; and regulating water yield to reduce the impact of storm events etc.

Biodiversity can be achieved by either meeting i or ii below:

- i. There is a mix of production species with either:



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- a. No greater than xx% of any one species, or
- b. A minimum of 2 species managed in a mixed canopy selection system.
- ii. Natural biodiversity is promoted and managed within the Management Unit through a combination, but not necessary all, of the following mechanisms:
 - a. A mosaic of age classes exists that can be demonstrated to provide habitat and succession of natural biodiversity within the plantation, and/or
 - b. The average rotation length, species choice and silvicultural system choice is sufficient to promote biodiversity, and/or
 - c. There is demonstrable evidence of a diversity of natural species within the plantation, and/or
 - d. There is evidence that rare, threatened or endangered species are using the plantation as habitat to an extent that the plantation is extending the range and survival of the species and there is a plan to manage these species.

Rationale Criterion 10.1 and 10.2:

1. These criteria now combine the requirements of original Criterion 6.9, 10.4 and 10.8.
2. Negative impacts resulting from regeneration practices are now addressed in Principle 6.
3. Alien species is the term used by the UN Framework Convention on Biological Diversity and so replaces the previously used term “exotic species”.

Original Criterion 6.9: The use of exotic species shall be carefully controlled and actively monitored to avoid adverse ecological impacts.

Original Criterion 10.4: The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.

Original Criterion 10.8: Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts, (e.g. natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.

10.3 (new) After harvest, The Organization shall restore forest cover by natural or artificial regeneration within a limited period of time in order to restore environmental values.



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Explanatory Note:

1. Environmental values include: ecosystem functions, biological diversity, water resources, soils, and landscape values (see explanatory notes to Criterion 6.1).
2. The period is typically shorter for areas to be planted (artificial regeneration) than areas left for natural regeneration. However, this criterion does not give preference to planting as a way to shorten the period for regeneration.

Rationale: This is a new criterion which specifies the outcomes of successful regeneration.

10.4 (revised 6.5 and 10.6) The Organization shall implement soil conservation measures to maintain ecosystem functions and prevent, mitigate and remedy negative impacts on the quality and quantity of water resources inside and outside the management unit.

Explanatory Notes:

1. This criterion recognizes that soil conservation measures are needed for two reasons, the maintenance of ecosystem functions and avoidance of negative impacts on water quality and quantity.
2. This criterion aims to ensure positive measures to conserve soils, in order to avoid damage to soils, e.g. erosion, compaction, reduction of fertility, that may be caused by any management activities. Management activities typically include road building, harvesting, and silviculture. Each of these has the potential to cause damage to soils that could affect reforestation, prevent recovery of desirable plant species, bring in invasive weeds, degrade water quality and reduce water quantity.
3. This criterion recognizes the importance of water for aquatic life, agriculture and human use.
4. Soil conservation measures in relation to remediating negative impacts on water resources would include repairing damage as caused by management activities.
5. Water protection is also addressed in Criterion 6.7 and 10.5. Criterion 6.7 deals with the conservation of natural water courses and bodies. Criterion 10.5 deals with avoiding reductions in water quality and quantity resulting from management activities.
6. Criterion 10.4 deals with avoiding the potential impacts on water quality and quantity as a result of soil disturbances.
7. The best choice for ensuring soil conservation may be reduced impact logging strategies especially for steep slopes or soils which are liable to erosion or compaction.
8. Compliance with this criterion requires that construction and maintenance of roads, railways, routes and trails (e.g. for skidding and forwarding), while providing for safe operation, will not result in unnecessary clearance of vegetation or disturbance of soil.
9. The criterion also applies to long-haul access roads, trails and rails outside the management unit but only if under the managerial control of The Organization.
10. Examples of negative impacts on water quality and quantity include erosion and sedimentation, run-off of fertilizers, insecticides, fungicides, herbicides, hormones etc. as well as spilt fuel and lubricants.
11. For soils which can be damaged by harvesting in wet weather this criterion would require that harvesting only takes place in dry weather or when the soil is frozen.
12. Changes in soil conditions (soil erosion, compaction, and fertility) are one example of



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verifiable measures of success that have to be established and monitored in line with Criterion 7.3 and 8.1 based on the management objectives as established according to Criterion 7.1. Monitoring would normally include negative changes (such as loss of organic matter or podzolization or impedance of drainage) which might result from ecologically unsuitable species or incorrect silvicultural practices (such as under- or over-thinning or unsuitable ground cover crops) or the accidental introduction of invasive weeds.

10.5 (revised 6.5 and 10.6) The Organization shall implement measures to protect existing water resources from management activities that could negatively affect aquatic life, water quality, quantity and human health.

Explanatory Note

1. Water protection is also addressed in Criterion 10.4 and 6.7. Criterion 6.7 deals with the conservation of natural water courses and bodies. Criterion 10.4 deals with avoiding the potential impacts on water quality and quantity as a result of soil disturbances. Criterion 10.5 deals with avoiding reductions in water quality and quantity resulting from management activities.
2. Measures include the protection of riparian reserves and stripes, catchment headwaters and steep slopes against logging, clearing and road construction, selection of the appropriate season of operation (for example providing spawning windows), drainage structure, design and installation.
3. Measures also include precautions against damage to, and diversion of, natural patterns of water courses and drainage during management activities, including blocked streams through poor bridging and culverting.
4. The criterion also requires the appropriate location of field camps and accommodation blocks, and their associated provisions for drinking and washing water and for sewage disposal, and similarly any installations and facilities for processing of products within the boundary of the management unit.

Rationale Criterion 10.4 and 10.5: Incorporates original Criteria 6.5 and 10.6 – damage to soil and water.

Original Criterion 6.5: Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.

Original Criterion 10.6: Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.

10.6 (new) The Organization shall demonstrate that silvicultural practices are ecologically appropriate for the vegetation, species, sites and management objectives.



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Explanatory Notes:

1. This criterion deals specifically with silvicultural practices as one subset of all management activities.
2. With regards to the species selected for regeneration Criterion 10.1, 10.2 and 6.6 apply.
3. Natural regeneration may be the ecologically appropriate way for achieving the management objectives
4. In polyspecific natural and semi-natural forest, including seral stages, management objectives are likely to favor the utilization of a sub-set of all the vegetation species which are present. According to Criterion 7.2 the management plan has to justify and rationalize that selection and provide associated prescriptions for stand management.
5. The criterion requires that the design, spatial layout and scheduling of harvesting logging, regeneration and afforestation activities are suited for compliance with the requirements under Principle 6 in relation to species and habitat diversity, structural complexity and ecosystem functions.
6. This criterion also requires that the method of harvest chosen should be appropriate for the ecological conditions of each stand in order to facilitate effective reforestation.
7. According to Criterion 8.1 to 8.3 the organization is required to monitor stand development in order to check achievement of its management objectives and implement adaptive management when required.
8. With respect to the harvesting of trees the ecologically most appropriate approach for conserving vegetation in natural or semi-natural ecosystems is the use of reduced impact logging techniques. This does not imply single-tree or group selection silviculture if the autecology of the subject species requires large canopy openings or fire for successful regeneration and growth, within the limits of Criterion 6.8.

Rationale:

1. Covers part of original Criterion 6.5 – damage during harvesting and all other mechanical disturbances.
2. Guidance Note 3 responds to oral requests from ASI and CABs for FSC Principles and Criteria instruction on mid-rotation silviculture.

Original Criterion 6.5: Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.

10.7 (new) The Organization shall assess risks and develop and implement strategies to reduce potential negative impacts from natural hazards and from human activities.

Explanatory Notes:

1. This Criterion deals with negative impacts from natural hazards and human activities that are not related to management activities. Criterion 6.2 and 6.3 deal with the negative impacts of management activities.
2. Examples of natural hazards are droughts, floods, fires, landslides, storms, plant diseases, pest insects, invasive weeds.
3. Examples of hazards from human activities that are not caused by management activities are pesticides (e.g. as a result of spray drift), heavy metals (e.g. from mining)



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- air pollution (e.g. acidification or nitrogen deposition).
4. Some examples of strategies to reduce potential negative impacts are:
 - a. Fire damage: Fire detection systems and control measures, fire management plans, including preparation and training of fire crews, provision and regular maintenance of suitable equipment, creation and maintenance of fire breaks and reservoir ponds, etc.
 - b. Storm damage and windthrow: These can be reduced by wind mapping and silvicultural regimes to avoid unstable stand boundaries.
 - c. Pests, plant diseases, pathogens, invasive weeds:
 - These can be minimized by clearance of fallen wood, standing dead wood / coarse woody debris in line with best scientific and local knowledge on balancing the amount of such material required to remain with the objective of avoiding habitat for epidemic pests and pathogens. The dead timber and debris are needed for healthy decomposer cycles and for populations of predators and parasites to exert natural control over pests.
 - These can also be minimized by decreasing stress on species through species-site matching in accordance with Criterion 10.1 and monitoring (Principle 8), together with integrated pest management (see Criterion 10.9.), controlled burning, species diversification, silvicultural practices which prevent weed growth (e.g. maintaining some mature shade or seed trees), planting trees at appropriate growth stage, cover crops, reduced harvest intensity, silvicultural practices that maintain growth of crop species at optimum levels and avoid crop stagnation through weeding, thinning or re-spacing.
 - d. Flood damage: This may be reduced by preserving natural patterns of drainage and wetlands (see also Criterion 6.7) and by installing effective drainage structures.
 5. Negative impacts also refer to impacts on local communities. Therefore, where relevant detection systems must be associated with warning systems to alert local communities, e.g. fire detection systems.
 6. According to Criterion 1.11 The Organization is required to co-operate with the appropriate authorities to control alien species.

Rationale:

1. A pro-active criterion to reduce the possible negative impacts of from natural hazards and human activities that are not management activities.
2. Explanatory Note 5 responds to Policy Motion 12 on public warning of fire danger incorporated into Statutory Motion 7 at the FSC General Assembly 2005.

10.8 (revised 10.7) When fertilizers are used The Organization shall prevent, mitigate and remediate damage to environmental values.

Explanatory Notes: Possible negative impacts of fertilizers include eutrophication, water.

10.9 (revised 6.6 and 10.7) The Organization shall use integrated pest management and silvicultural systems, which reduce or eliminate the use of chemical pesticides to avoid damage to environmental values and human health. The Organization shall not use any



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chemical pesticides prohibited by FSC policy.

Explanatory Note:

1. The Integrated Pest Management approach aims at reducing or eliminating the use of chemical pesticides but recognizes that it is not always and under all circumstances possible to completely eliminate their use.
2. In integrated pest management systems, biological control measures and other non-chemical approaches are the preferred option for dealing with pest, weed and disease problems and for reducing and eliminating chemical pesticides. Biological control measures must be applied in compliance with Criterion 10.10.
3. Examples of other non-chemical measures include use of cultivation, mulches or hand weeding for vegetation control, the use of sanitation felling to prevent the spread of new introduced pests.
4. An example of best international practice in relation to integrated pest management and measures to reduce the use of chemical pesticides is provided in the [FSC-Guide to Integrated pest, disease and weed management in FSC certified forests and plantations – FSC Technical Series No. 2009 - 001](#)). FSC will further assist managers by establishing and keeping up to date a web-based guide to best practice.
5. This criterion refers to FSCs policy for prohibiting chemical pesticides. FSC has in place a policy, procedures and criteria for the identification and prohibition of highly hazardous pesticides. This system also includes options for allowing the temporary use of highly hazardous pesticides (derogations). The process and criteria for prohibiting, listing and issuance of derogations for the use of highly hazardous pesticides are laid down in FSC-POL-30-001 FSC Pesticides Policy (2005) and FSC-GUI-30-001 V2-0 (FSC Pesticides Policy Guidance, 2007)
6. This Criterion requires that an effective program is in place, and operating successfully, for using pesticides and fertilizers in a way that proactively avoids damage to the environment and risks to workers or neighbors.
7. These rules also apply to nurseries located inside the management unit.
8. For nurseries located outside the Management Unit:
 - When The Organization shows that it operates an effective and secure integrated pest management system, chemicals that are on the FSC list of prohibited chemicals, but are not listed as highly hazardous by WHO and are not prohibited by national laws, may be used in tree nurseries that are outside the limits of the management unit, provided that strict security measures are documented, implemented and verified by the certification body in each case. A justification is the tighter control of chemical use in the horticultural environment of a nursery compared with the more hazardous conditions in the open management unit; for example, when applying chemicals by aerial spraying.
 - Normally, nurseries bordering the managed spatial area and meeting the other specifications of the FSC definition of Management Unit would be required to comply with the Principles and Criteria in relation to the use of chemicals. However, the exception formulated in the previous bullet point also applies to nurseries that are bordering the managed spatial area. The exception also applies to nurseries outside and not bordering spatial area and meeting the other specifications of the FSC definition of Management Unit. The exception **does not** apply to nurseries that are



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embedded by the managed spatial area and meet the other specifications of the FSC definition of Management Unit.

- The Exception does not apply to any other requirements of the Principles and Criteria. Any nursery falling under the scope of the definition of Management Unit will have to meet all other applicable requirements of the Principles and Criteria, for example regarding occupational health and safety or waste disposal etc.
- Management Unit is defined as (see also glossary): A clearly defined spatial area or areas with defined boundaries managed to a set of explicit management objectives which are expressed in a self-contained multi-year management plan including all facilities and area(s)
 - within, embedded by or bordering this spatial area or areas a) under legal title or management control or b) operated by The Organization or on behalf of The Organization for the purpose of contributing to the management objectives and
 - outside and not bordering this spatial area or areas operated by The Organization or on behalf of The Organization solely for the purpose of contributing to the management objectives.

Rationale Criterion 10.8 and 10.9:

1. Criterion 10.8 and 10.9 address the use of fertilizers, pesticides and integrated pest management which are currently addressed in criterion 6.6 and 10.7.
2. The issue of fertilizers has been separated from that of pesticides use because it is not normally addressed in Integrated Pest Management.
3. The prescriptive detail on defining highly hazardous chemicals as per original 6.6 was removed as the definition has changed and is better described in the pesticides policy and related documents.
4. Inconsistency between original Criterion 6.6 and FSC policy has been eliminated, for example the chemical class 'chlorinated hydrocarbon' is no longer an indicator for a 'highly hazardous' pesticide, and metabolites ('derivatives') have been omitted.
5. Health and safety of workers is addressed in Criterion 1.18 and Criterion 2.3.

Original Criterion 6.6: Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides; pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use; as well as any pesticides banned by international agreement, shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimize health and environmental risks.

Original Criterion 10.7: Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria



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6.6 and 6.7.

10.10 (revised 6.8) The Organization shall document, minimize, monitor and strictly control the use of biological control agents in accordance with national laws and internationally accepted scientific protocols to effectively address management unit health issues.

Explanatory Notes:

1. Biological control agents together with other non-chemical approaches form an essential part of an integrated pest management strategy aiming at the reduction or elimination of chemical pesticides. The requirement to minimize, monitor and strictly control the use of biological control agents recognizes the potential dangers of these agents. It is important to find a balance between these dangers and the objective of reducing or eliminating chemical pesticides.
2. In the case of massive pest outbreaks or the threat of their occurrence, it may be the best practice or required by law to increase temporarily the use of either chemical control or biological control agents on a case by case basis.

Rationale: The subject matter of the criterion has not been changed. The prohibition of genetically modified organisms is now addressed in criterion 10.11.

Original Criterion 6.8: Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.

10.11 (revised 6.8) The Organization shall not use genetically modified organisms in the management unit.

Explanatory Note: Further interpretation of this criterion is provided in FSC-POL-30-602 (FSC GMO Policy, 2000).

Rationale: The subject matter of the criterion has not been changed. The explanatory note explains where further interpretation of the criterion can be found. This issue was separated from the issue of biological control as it is an independent issue.

Original Criterion 6.8: Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.

10.12 (revised 6.7): The Organization shall dispose of waste materials in an environmentally appropriate manner.

Explanatory Notes:

1. Waste materials include inter alia chemicals, containers, fuel and oil, human waste and sewage, rubbish and litter, and abandoned buildings, machinery and equipment.
2. While often it is environmentally most appropriate to dispose of waste at off-site



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locations, there might be cases where the most appropriate manner may be to do it on-site, e.g. with regards to the treatment of human sewage. Environmentally appropriate means that damage to the environment, e.g. contamination, or health of workers and other people is prevented. It is not environmentally appropriate to simply bury waste or create landfills.

3. Compliance with legislation on the issue of waste disposal is required according to Criterion 1.11.

Rationale: This revision acknowledges that the environmentally most appropriate manner could be disposal on-site and off-site.

Original Criterion 6.7: Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.

10.13 (new) The Organization shall take measures against the release of avoidable amounts of atmospheric pollutants, including greenhouse gases, proportionate to scale, intensity and risk of its management activities.

Explanatory Notes:

1. This criterion does not deal with carbon sequestration but focuses on avoiding unnecessary pollution caused by management activities.
2. The criterion does not require preventing natural disturbances, e.g. natural fires, or nature-conservation fires where these are required for maintaining biodiversity or protection of threatened species in compliance with the P&C. However, see also criterion 10.7 in relation to negative impacts from natural hazards, e.g. of fires on local communities.
3. This criterion does also not prevent the removal of plantations for the purpose of restoring semi-natural forests where this is the management objective of The Organization.
4. According to 1.11 The Organization is required to comply with national and/or local laws which license and/or limit exhaust emissions from static or mobile machinery, as well as from biomass burners such as those for co-generation of electric power from mill waste or simple disposal of mill waste.
5. Compliance with this criterion could be achieved through applying best practice guidelines issued by national climate change and carbon emission regulatory offices.
6. Measures include for example use of fuel-efficient and correctly maintained machinery. Signs of avoidable green house gas emissions caused by fuel inefficiency and mal-maintenance include excessive black smoke from equipment, excessive smoke from prescribed burns during too wet conditions.
7. The planned burning of waste wood or slash needs to consider the environmental costs and benefits.
8. Other examples of measures against avoidable greenhouse emissions include:
 - Reduced impact logging techniques can reduce the release of CO² from disturbed soils during harvest of tropical rain forest.
 - Rapid restoration of ground cover after harvests, including thinning / re-spacing, and



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reforestation of bare ground diminishes emission of soil CO².

- Planning and selection of haul routes.

Rationale:

1. This criterion focuses on avoiding atmospheric pollution caused by management activities. It thereby addresses one component of climate change as caused by carbon emissions.
2. The criterion does not address management which is geared towards carbon sequestration and related carbon certification. These are not within the scope of the Working Group. Which role FSC and FSC certification can and will play in this respect is subject to a separate process which is lead by the FSC Forest Carbon Working Group: <http://www.fsc.org/climatechange.html>

10.14 (revised 7.3) The Organization shall demonstrate that workers have job-specific training and supervision to implement the management plan and all management activities.

Explanatory Notes:

1. This includes all kinds of workers, that is those employed directly by The Organization those that are self employed contractors and those that are employed by sub-contractors.
2. In some cases, e.g. self employed workers, these might be responsible themselves to obtain the necessary training. However, The Organization must be able to demonstrate that all workers have received the training necessary to implement the management plan and all management activities.
3. The key is the ability to implement the management plan and all management activities. This implies appropriate re-training, e.g. after changes to the management plan have occurred.

Rationale:

1. This Criterion is more relevant under this implementation Principle as opposed to a planning principle (Principle 7).
2. It is important to keep this requirement to ensure those that are charged with carrying out the activities have the proper skill set to do so and oversight by The Organization to ensure it is done properly.

Original Criterion 7.3: Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.



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Original Principle 10 - Rationales for deletion

Original Principle 10 and all criteria under original Principle 10 are proposed for replacement by incorporation into other criteria under proposed Principles 1 to 10.

This section provides an overview of how the Criteria of original Principle 10 have been incorporated into proposed Principles 1 to 10.

Principle #10: Plantations

Original principle 10 is proposed for deletion.

Rationale: With the incorporation of Principle 10 into Principle 1 to 9 this Principle is not needed anymore. See rationale as provided under new Principle 10.

Original Principle 10: Plantations shall be planned and managed in accordance with Principles and Criteria 1 to 9, and Principle 10 and its Criteria. While plantations can provide an array of social and economic benefits, and can contribute to satisfying the world's needs for forest products, they should complement the management of, reduce pressures on, and promote the restoration and conservation of natural forests.

10.1 Original Criterion 10.1 is proposed for replacement.

Rationale: Proposed Criterion 7.1 requires the establishment of policies and objectives that are environmentally sound, socially beneficial and economically viable. Proposed Criterion 7.2 requires the establishment and implementation of a corresponding management plan. The Explanatory Notes to proposed Criterion 7.2 explain the elements to be included in the management plan, including conservation and restoration.

Original Criterion 10.1: The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan.

10.2 Original Criterion 10.2 is proposed for replacement.

Rationale: The issues addressed in original Criterion 10.2 are covered by proposed Criteria 6.4 (species conservation), 6.5 (protection, conservation and restoration of ecosystems), 6.7 (conservation and restoration of natural water courses, riparian zones, and wildlife corridors), 6.8 (mosaic of stands).

Original Criterion 10.2: The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.



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10.3 Original Criterion 10.3 is proposed for deletion.

Rationale: The objectives of economic, ecological and social stability are now covered by the criteria under Principle 5. Size and spatial distribution, number and genetic composition of species, and structure (including age classes) are addressed in Criteria 6.6, 6.8, 10.1 and 10.2.

Original Criterion 10.3: Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.

10.4 Original Criterion 10.4 is proposed for deletion.

Rationale: Species selection, the use of native species and the requirements for the management of exotic (alien) species are covered by Criterion 10.1 and 10.2.

Original Criterion 10.4: The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.

10.5 Original Criterion 10.5 proposed for deletion.

Rationale: Restoration requirements are now addressed in Criterion 6.5 and 6.7.

Original Criterion 10.5: A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover.

10.6 Original Criterion 10.6 is proposed for deletion.

Rationale: Soil and water are environmental values and are so covered by Criterion 6.3 and 6.4. Water courses are covered by Criterion 6.7, water quality and quantity are addressed in criterion 10.4 and 10.5. Criterion 10.4 also addresses soil conservation.

Original Criterion 10.6: Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.

10.7 Original Criterion 10.7 is proposed for deletion.



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Rationale: Pest management is covered in Criteria 10.9 and 10.10.

Original Criterion 10.7: Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.

10.8 Original Criterion 10.8 is proposed for replacement.

Rationale: Positive and negative social and economic impacts, and local resource rights, are addressed in Principle 3 and 4. Ecological impacts are addressed in Principle 6.

The requirements in relation to using locally well adapted species are and non-invasiveness are covered by Criterion 10.1 and 10.2.

Original Criterion 10.8: Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts, (e.g. natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.

10.9 Original Criterion 10.9 is proposed for replacement.

Rationale: See Criterion 6.9 and 6.10.

Original Criterion 10.9: Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly of such conversion.



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Annex 1

FSC Principles and Criteria for Forest Stewardship
FSC-STD-01-001 Version 5-0 Draft 3-0

Glossary of Terms

Proposal: The Principles and Criteria Review Working Group is proposing that the Glossary of Terms is removed from the Principles and Criteria and that the applicable definitions are included in FSC-STD-01-002 FSC Glossary of Terms. For this reason the following definitions are provided as an Annex to Version 5-0 Draft 3-0 of the Principles and Criteria.

Rationale: Many of the proposed definitions are derived from international sources. FSC should remain flexible with regards to adjusting the definitions used in response to new developments and international agreements and new scientific knowledge.

Question: Do you agree to remove the glossary from the Principles and Criteria?

This glossary includes internationally accepted definitions from a limited number of sources whenever possible. These sources are:

- **Convention on Biological Diversity (1992), Article 2:**
<http://www.cbd.int/convention/articles.shtml?a=cbd-02>
- **Convention on Biological Diversity Invasive species programme - Glossary of terms:** <http://www.cbd.int/invasive/terms.shtml>
- **Millenium Ecosystem Assessment 2005:**
<http://www.millenniumassessment.org/documents/document.776.aspx.pdf>
- **IUCN**
 - Definitions as provided on IUCN website:
http://cmsdata.iucn.org/downloads/en_iucn_glossary_definitions.pdf
 - Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests
http://cmsdata.iucn.org/downloads/itto_biodiversity_guidelines_june2006.pdf
- **ILO Thesaurus:** <http://www.ilo.org/public/libdoc/ILO-Thesaurus/english/index.htm>

When other sources have been used they are quoted together with the definition and a hyperlink to the specific source is provided.

Definitions developed in the course of the Principles and Criteria Review are referenced as FSC 2010. Definitions derived from the current Principles and Criteria (Version 4-0) as originally published in November 1994 are referenced as FSC 1994.

‘Based on’ means that a definition was adapted from an existing definition as provided for example in the current Principles and Criteria or other international source.



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Adaptive management: A systematic process of continually improving management policies and practices by learning from the outcomes of existing programs (**Source:** IUCN)

Alien species (new): A species, subspecies or lower taxon, introduced outside its natural past or present distribution; includes any part, gametes, seeds, eggs, or propagules of such species that might survive and subsequently reproduce. (**Source:** Convention on Biological Diversity, Invasive Alien Species Programme Glossary of Terms)

Affected stakeholder (new): Any person, group of persons or entity that is or may be subject to the effects of the activities of a management unit. Examples include, but are not restricted to (e.g. in the case of downstream landowners), persons, groups of persons or entities located in the neighborhood of the Management Unit. (**Source:** FSC 2010)

Applicable law (new): Laws, regulations and administrative procedures derived directly from law, which are relevant to a particular Principle or Criterion. (**Source:** FSC 2010)

Biological diversity (original definition): The variability among living organisms from all sources including, *inter alia*, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; this includes diversity within species, between species and of ecosystems. (**Source:** Convention on Biological Diversity (1992), Article 2)

Biological control agents (revised): Organisms used to eliminate or regulate the population of other organisms. (**Source:** Based on FSC 1994 and IUCN)

Biological control agents (original definition): Living organisms, used to eliminate or regulate the population of other living organisms.

Common law (new): For the purpose of FSC is consolidation at national level of previously disparate local or regional laws and legal customs. (**Source:** FSC 2010)

Connectivity (new): Connectivity is a measure of how connected or spatially continuous a corridor, network, or matrix is. The fewer gaps, the higher the connectivity. Related to the structural connectivity concept; functional or behavioral connectivity refers to how connected an area is for a process, such as an animal moving through different types of landscape elements. (**Source:** Forman, R. T. T. (1995): Land mosaics. The ecology of landscapes and regions. - 632 p.; Cambridge.)

Criterion (pl. Criteria) (original definition): A means of judging whether or not a Principle (of forest stewardship) has been fulfilled (**Source:** FSC 1994)

Culturally intelligible wording (new): Wording in communications with stakeholders which is specifically intended to make sense to those stakeholders by having due regard to their world view and local situation. Some anthropologists would say “cosmogony” rather than “world view” (**Source:** FSC 2010).



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Customary law (new): Is a system of rules of conduct which is felt as obligatory upon them by members of a definable group of people . . . accepting that the boundaries of the group may be partially obscure. (**Source:** Blackman, J. (1971) Australian Federal Law Report 17 FLR 44.

In Australia (New South Wales) this is further interpreted as ‘a body of rules, values and traditions which are accepted as establishing standards or procedures to be followed and upheld’. That body of rules, values and traditions can also be thought of as a collection of responsibilities, rights and penalties. Customary law may be accepted constitutionally as part of the legal system ‘to the extent that the customs are not inconsistent with constitutional law or statute’ (Papua New Guinea).

In some countries, customary law ‘is the governing body of principle for land matters’ (Tokelau) or substitutes for statute law for ‘land, succession and adoption’ (Tuvalu). So customary law may have equivalent legal status to statutory law in its own area of competence, defined thematically or geographically. Customary law does not have to be recorded in writing. Customary law, as defined for this Glossary, is not the same as Customary international law (qv Wikipedia), nor is it the same as common law in civil jurisprudence.

Customary rights (revised): In the P&C, ‘customary rights’ are those rights derived from customary law and which are claimed by particular ethnic groups in particular geographic areas.

Customary rights (original definition): Rights which result from a long series of habitual or customary actions, constantly repeated, which have, by such repetition and by uninterrupted acquiescence, acquired the force of a law within a geographical or sociological unit.

Delineated (new): The boundaries of the Management Unit have been surveyed, or a detailed and legal boundary description is available which would allow the entire boundary to be traced and verified on the ground, or physical demarcation has been completed. (**Source:** FSC 2010)

Economic viability (new): The capability of developing and surviving as a relatively independent social, economic or political unit. (**Source:** WEBSTEA, from the website of the European Environment Agency) <http://www.eionet.europa.eu/gemet/concept?ns=1&cp=2512>

Ecosystem (revised): A dynamic complex of plant, animal and micro-organism communities and their non-living environment interacting as a functional unit. (**Source:** Convention on Biological Diversity (1992), Article 2)

Original definition Ecosystem: A community of all plants and animals and their physical environment, functioning together as an interdependent unit.



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Ecosystem function (new): An intrinsic ecosystem characteristic related to the set of conditions and processes whereby an ecosystem maintains its integrity (such as primary productivity, food chain, biogeochemical cycles). Ecosystem functions include such processes as decomposition, production, nutrient cycling, and fluxes of nutrients and energy. (**Source:** Millennium Ecosystem Assessment – Global Assessment Report – Appendix D: Glossary -2005)

Endangered species (original definition): Any species which is in danger of extinction throughout all or a significant portion of its range. (**Source:** IUCN)

Engagement (new): The process by which The Organization communicates and consults and/or ensures the participation of interested and/or affected stakeholders, so that their interests, wishes, expectations, needs, rights and opportunities are considered during the development and implementation of the management plan. (**Source:** FSC 2010)

Environmental impact assessment (new): The process of identifying, predicting, evaluating and mitigating the biophysical, and other relevant effects of development proposals prior to major decisions being taken and commitments made. (**Source:** Principle of environmental impact assessment best practices - International Association for Impact Assessment (1999)

http://www.iaia.org/publicdocuments/special-publications/Principles%20of%20IA_web.pdf)

Environmental services (new): These services describe qualitative (even spatial) functions provided by the natural resources. Three types of environmental services usually exist: a) deposit services, which reflect the functions of the natural household environment as an absorbent dump of the waste originated by household productive activities and industrial activities in general; b) productive, with respect to water, land and air resources, which reflect the economic and ecological functions for human consumption, energy, and agricultural purposes, etc.); c) recreational and socialization services, covering the basic functions of the environment to meet the recreation and socialization needs as well as the cosmology of certain societies. (**Source:** IUCN)

Environmental values: The following set of elements of the biophysical and human environment

- f. ecosystem functions
- g. biological diversity
- h. water resources
- i. soils and
- j. landscape values.

The actual worth attributed to these elements depends on human and societal perceptions. (**Source:** FSC 2010)



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Formal approval or valid approval (new): process by which documents legally required to be submitted by The Organization are checked against legal requirements and certified as correct by the legally competent agency, or documentation and signatures are obtained by The Organization from the agencies appointed by national or local laws to provide and approve such documents. (**Source:** FSC 2010)

Free, prior, and informed consent (new): A legal condition whereby a person or community can be said to have given consent based upon a clear appreciation and understanding of the facts, implications and future consequences of an action, and the possession of all relevant facts at the time when consent is given. Free, prior and informed consent includes the right to grant, withhold or withdraw approval. (**Source:** Based on the Preliminary working paper on the principle of free, prior and informed consent of indigenous peoples (...) (E/CN.4/Sub.2/AC.4/2004/4 8 July 2004) of the 22nd session of the United Nations Commission on Human Rights, Sub-Commission on the Promotion and Protection of Human Rights, Working Group on Indigenous Populations, 19-23 July 2004)

Gender equality (new): Gender equality means that women and men have equal conditions for realizing their full human rights and for contributing to, and benefiting from, economic, social, cultural and political development (**Source:** Adapted from FAO, IFAD and ILO workshop on “Gaps, trends and current research in gender dimensions of agricultural and rural employment: differentiated pathways out of poverty”, Rome, 31 March to 2 April 2009.)

Genetically modified organisms (revised): An organism in which the genetic material has been altered in a way that does not occur naturally by mating and/or natural recombination. (**Source:** Based on FSC-POL-30-602 FSC GMO Policy 2000).

Original definition Genetically modified organisms: Biological organisms which have been induced by various means to consist of genetic structural changes.

Genotype (new): The genetic constitution of an organism. (**Source:** FSC 2010)

Green washing (new): A term used to describe the publicity practices of organizations that portray some environmentally friendly activities (for example, FSC-certification of some forests or products) to imply the environmental friendliness of the whole organization. (**Source:** FSC policy for the association with FSC, FSC-POL-20-003 V3-0, D2-2 (2009))

Habitat (new): The place or type of site where an organism or population occurs. (**Source:** Based on Convention on Biological Diversity (1992), Article 2)

High Conservation Value (HCV) (new): Any of the following values:

HCV 1 - Concentrations of biodiversity values, that are significant at global, regional or national levels (e.g., endemism, endangered species, refugia).

HCV 2 - Large ecosystems, that form major elements of the landscape that are significant at



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global, regional or national level, containing viable populations of most of the naturally occurring species in natural patterns of distribution and abundance.

HCV 3 - Rare, threatened, or endangered ecosystems.

HCV 4 - Basic environmental services in critical situations (e.g. protection of critical water catchments, control of erosion).

HCV 5 - Areas fundamental for satisfying basic necessities of local communities (e.g. for subsistence, health).

HCV 6 - Areas critical for the traditional cultural identity of local communities (areas of cultural, ecological, economic or religious importance identified in cooperation with these local communities).

Indigenous lands and territories (revised): Lands or territories that the Indigenous Peoples traditionally owned, or customarily used or occupied, and where access to natural resources is vital to the sustainability of their cultures and livelihoods. (**Source:** World Bank safeguard OP 4.10 Indigenous Peoples, section 16 (a) (July 2005))

Indigenous lands and territories (original definition): The total environment of the lands, air, water, sea, sea-ice, flora and fauna, and other resources which indigenous peoples have traditionally owned or otherwise occupied or used. (Draft Declaration of the Rights of Indigenous Peoples: Part VI)

Indigenous peoples (revised): People and groups of people that can be identified or characterized as follows:

- The key characteristic or criterion is self identification as indigenous peoples at the individual level and acceptance by the community as their member
- Historical continuity with pre-colonial and/or pre-settler societies
- Strong link to territories and surrounding natural resources
- Distinct social, economic or political systems
- Distinct language, culture and beliefs
- Form non-dominant groups of society
- Resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities.

(**Source:** Adapted from United Nations Permanent Forum on Indigenous, Factsheet 'Who are indigenous peoples' October 2007 (according to filename); United Nations Development Group, 'Guidelines on Indigenous Peoples' Issues' United Nations 2009, United Nations Declaration on the Rights of Indigenous Peoples, 13 September 2007)

Original definition Indigenous peoples: The existing descendants of the peoples who inhabited the present territory of a country wholly or partially at the time when persons of a different culture or ethnic origin arrived there from other parts of the world, overcame them and, by conquest, settlement, or other means reduced them to a non-dominant or colonial situation; who today live more in conformity with their particular social, economic and cultural customs and traditions than with the institutions of the country of which they now form a part, under State structure which incorporates mainly the national, social and cultural characteristics of other segments of the population which are predominant." (Working



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definition adopted by the UN Working Group on Indigenous Peoples)

Integrity pact (new): an agreement between the participants not to offer bribes to or demand bribes from the other members of the pact. The pact is enforced by ensuring maximum transparency in all transactions and by careful monitoring of transactions by independent observers such as NGOs. The pact requires the application of severe sanctions when violations occur. (**Source:** “Tools for civil society action to reduce forest corruption: drawing lessons from Transparency International” by Ken Rosenbaum for the Forest Integrity Network, World Bank (2005))

Intellectual property (new): Practices as well as knowledge, innovations and other creations of the mind. (**Source:** FSC 2010, based on Article 8j of the Convention on Biological Diversity and World Intellectual Property Organization accessed on 02 March 2010: <http://www.wipo.int/about-ip/en/>)

Intensity (new): A measure of the force or strength of an activity as a management intervention and affecting the nature of the activity’s impacts. (**Source:** FSC 2010)

Interested stakeholder (new): Any person, group of persons, or entity that has shown an interest, or is known to have an interest, in the activities of a management unit. (**Source:** FSC 2010)

Internationally accepted scientific protocol: Is for the purpose of the Principles and Criteria a predefined science-based procedure which is either published by an international scientific network or union, or referenced frequently in the international scientific literature (**Source:** FSC 2010)

Invasive (new): In the context of the P&C this term refers to species that are invasive, defined as species that are rapidly expanding outside of their native range. Invasive species can alter ecological relationships among native species and can affect ecosystem function and human health (**Source:** Based on IUCN).

Jurisprudence (new): Theory and philosophy of law (**Source:** Online Compact Oxford English Dictionary).

Landscape (original definition): A geographical mosaic composed of interacting ecosystems resulting from the influence of geological, topographical, soil, climatic, biotic and human interactions in a given area. (**Source:** IUCN)

Landscape values: Landscape values can be visualized as layers of human perceptions overlaid on top of the physical landscape. Some landscape values, like economic, recreation, or subsistence value are closely related to physical landscape attributes. Other landscape values such as intrinsic or spiritual value are more symbolic in character with value location influenced more by individual perception or social construction than physical landscape attributes. (**Source:** Landscape value Institute)



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<http://www.landscapemap2.org/animatev1.html>)

Legal (new): In accordance with local laws or national laws as defined below. 'Legal' also includes rule-based decisions made by legally competent agencies where such decisions flow directly and logically from the laws and regulations. Decisions made by legally competent agencies may not be legal if they do not flow directly and logically from the laws and regulations and if they are not rule-based but use administrative discretion (**Source:** FSC 2010)

Legal registration (new): Is the national or local legal license or set of permissions to operate as an enterprise, with rights to buy and sell products and/or services commercially. (**Source:** FSC 2010).

Local communities (new): Communities of any size that are in or adjacent to the Management Unit, and also those that are close enough to have a significant impact on the economy or the environmental values of the Management Unit or to have their economies, rights or environments significantly affected by the management activities or the biophysical aspects of the Management Unit. (**Source:** FSC 2010)

Local laws (revised): The whole suite of primary and secondary laws (acts, ordinances, statutes, decrees) which is limited in application to a particular geographic district within a national territory, as well as secondary regulations, and tertiary administrative procedures (rules / requirements) that derive their authority directly and explicitly from these primary and secondary laws. Laws derive authority ultimately from the Westphalian concept of sovereignty of the Nation State. (**Source:** FSC 2010)

Long term (original definition): The time-scale of the forest owner or manager as manifested by the objectives of the management plan, the rate of harvesting, and the commitment to maintain permanent forest cover. The length of time involved will vary according to the context and ecological conditions, and will be a function of how long it takes a given ecosystem to recover its natural structure and composition following harvesting or disturbance, or to produce mature or primary conditions. (**Source:** FSC 1994 – See also FSC-GUI-20-200 FSC guidelines for certification bodies – Part 2, Section 2.13, paragraph 2.3a (March 2005)

Management plan (new): The collection of documents, reports, records and maps that describe, justify and regulate the activities carried out by any manager, staff or organization within or in relation to the Management Unit, including statements of objectives and policies. (**Source:** FSC 2010)

Management Unit (new): A clearly defined spatial area or areas with defined boundaries managed to a set of explicit management objectives which are expressed in a self-contained multi-year management plan including all facilities and area(s)

- within, embedded by or bordering this spatial area or areas a) under legal title or management control or b) operated by The Organization or on behalf of The Organization for the purpose of contributing to the management objectives and



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- outside and not bordering this spatial area or areas operated by The Organization or on behalf of The Organization solely for the purpose of contributing to the management objectives.

(Source: FSC 2010)

Managerial control (new): Responsibility of the kind defined for corporate directors of commercial enterprises in national commercial law, and treated by FSC as applicable also to public sector organizations. (Source: FSC 2010)

National laws (new): The whole suite of primary and secondary laws (acts, ordinances, statutes, decrees), which is applicable to a national territory, as well as secondary regulations, and tertiary administrative procedures (rules / requirements) that derive their authority directly and explicitly from these primary and secondary laws. (Source: FSC 2010)

Native species (revised): Species, subspecies, or lower taxon, occurring within its natural range (past or present) and dispersal potential (that is, within the range it occupies naturally or could occupy without direct or indirect introduction or care by humans.) (Source: IUCN)

Original Definition Native Species: A species that occurs naturally in the region; endemic to the area.

Natural Forest (original definition - under review): Forest areas where many of the principal characteristics and key elements of native ecosystems such as complexity, structure and diversity are present, as defined by FSC approved national and regional standards of forest management. (Source FSC 1994)

Non-timber forest products (NTFP) (revised): All products other than timber derived from the Management Unit (Source: FSC 2010).

Non-timber forest products (original definition): All forest products except timber, including other materials obtained from trees such as resins and leaves, as well as any other plant and animal products.

Objective: A projected state of affairs that The Organization plans to achieve (Source: Based on Wikipedia).

Occupational accident (new): An occurrence arising out of, or in the course of, work which results in fatal or non-fatal injury (Source: ILO Thesaurus).

Occupational disease (new): Any disease contracted as a result of an exposure to risk factors arising from work activity. (Source: ILO Thesaurus)

Occupational injuries (new): Any personal injury, disease or death resulting from an occupational accident. (Source: ILO Thesaurus)



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Organism (new): Any biological entity capable of replication or of transferring genetic material. (**Source:** Council Directive 90/220/EEC)

The Organization (new): The enterprise, or the group of people, or the individual with the responsibility for policies, decisions, and activities affecting the Management Unit. Legally, the certificate holder or applicant for certification is ultimately responsible for compliance with the Principles and Criteria. The Organization may be a land owner (private or public), manager, concession holder, certificate holder or applicant for certification itself, association and members or officials of a community, cooperative or group certification scheme, and their staff. (**Source:** FSC 2010)

Pesticide (new): Any substance or preparation prepared or used in protecting plants or wood or other plant products from pests; in controlling pests; or in rendering such pests harmless. (This definition includes insecticides, rodenticides, acaricides, molluscicides, larvacides, fungicides and herbicides). (**Source:** FSC-POL-30-001 (2005) FSC Pesticides Policy)

Plantation (original definition - under review): Forest areas lacking most of the principal characteristics and key elements of native ecosystems as defined by FSC-approved national and regional standards of forest stewardship, which result from the human activities of either planting, sowing or intensive silvicultural treatments.

Precautionary approach (revised): An approach requiring that when the available information indicates that management activities pose a threat of severe or irreversible damage to the environment or a threat to human welfare, The Organization will take explicit and effective measures to prevent the damage and avoid the risks to welfare, even when the scientific information is incomplete or inconclusive, and when the vulnerability and sensitivity of environmental values are uncertain. (**Source:** Based on Principle 15 of Rio Declaration on Environment and Development and Wingspread Statement on the Precautionary Principle of the Wingspread Conference, 23-25 January 1998).

Original Definition Precautionary Approach: Tool for the implementation of the precautionary principle.

Principle (original definition): An essential rule or element; in FSC's case, of forest stewardship. (**Source:** FSC 1994)

Publicly available (new): In a manner accessible to or observable by people generally (Collins English dictionary, Edition 2003)

Rare species (new): Worldwide populations of small species, that are not currently endangered or are not vulnerable, but that may face such risks in the future. These species are located in geographically restricted areas or specific habitats, or are scantily scattered on a large scale (**Source:** IUCN).



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Ratified (new): For the purpose of the FSC P&C, the process by which an international law, covenant or agreement (including multilateral environmental agreement) is legally approved by a national legislature or equivalent legal mechanism, such that the international law becomes automatically part of national law or sets in motion the development of national law to give the same legal effect (**Source:** FSC 2010)

Reduced Impact Harvesting (new): Logging using techniques to reduce the impact on the residual stand. (**Source:** Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests, IUCN- 2006)

Refugia (new): An isolated area where extensive changes, typically due to changing climate or by disturbances such as those caused by humans, have not occurred and where plants and animals typical of a region may survive. (**Source:** Glen Canyon Dam, Adaptive management program Glossary <http://www.gcdamp.gov/glossary.html>)

Resilience (new): The ability of a system to maintain key functions and processes in the face of stresses or pressures by either resisting or adapting to change. Resilience can be applied to both ecological systems and social systems (**Source:** Holling 1973; Nystrom and Folke 2001; Folke et al. 2002 as quoted in IUCN General Glossary).

Risk (new): A state of uncertainty about the likelihood or probability of an event with negative consequences, and also the severity of those consequences. (**Source:** FSC 2010)

Safeguard (new): A precautionary measure warding off impending, threat or damage or injury etc. (**Source:** Based on www.wordreference.com)

Scale (new): The size of the Management Unit or The Organization or the area of land or proportion of the Management Unit affected by a particular management activity, or the magnitude of that management activity. (**Source:** FSC 2010)

Shall/debe (new): indicate a requirement of the standard.

Shall not/no debe (new): indicate a prohibition

Should/debería and should not/no debería (new): indicate a recommendation.

(**Source:** ISO Guide 2, General Vocabulary section 7.1, ISO/IEC Directive, Annex E, Verbal forms for the expression)

Silviculture / silvicultural system (new): The art and science of controlling the establishment, growth, composition, health and quality of forests and woodlands to meet the targetted diverse needs and values of landowners and society on a sustainable basis.

(**Source:** Nieuwenhuis, M. Terminology of Forest Management. IUFRO World Series Vol. 9-en. IUFRO 4.04.07 SilvaPlan and SilvaVoc)

Stakeholder: See definitions of affected stakeholder and interested stakeholder.

Statutory law or statute law (new): The written law established by enactments expressing



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the will of the legislature, as distinguished from the unwritten law or common law (www.dictionary.com).

Tenure (original definition): Socially defined agreements held by individuals or groups, recognized by legal statutes or customary practice, regarding the "bundle of rights and duties" of ownership, holding, access and/or usage of a particular land unit or the associated resources there within (such as individual trees, plant species, water, minerals, etc) (**Source:** IUCN).

Threatened species (original definition): Any species which is vulnerable to extinction or likely to become endangered within the foreseeable future throughout all or a significant portion of its range, or is listed in official national classifications or in the IUCN Red List of Threatened Species (**Source:** Based on IUCN).

Traditional peoples (new): Traditional peoples are social groups or peoples who do not self-identify as indigenous and who affirm rights to their lands, forests and other resources based on long established custom or traditional occupation and use. (**Source:** Forest Peoples Programme (Marcus Colchester, 07 October 2009))

Up to date (new): As required by law, in relation to documents and payments. (**Source:** FSC 2010)

Use rights (original definition): Rights for the use of resources of the Management Unit that can be defined by local custom, mutual agreements, or prescribed by other entities holding access rights. These rights may restrict the use of particular resources to specific levels of consumption or particular harvesting techniques. (**Source:** FSC 2010)

Workers (new): All employed persons including public employees. (**Source:** ILO Convention C155 Occupational Safety and Health Convention, 1981)



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Annex 2

FSC Principles and Criteria for Forest Stewardship
FSC-STD-01-001 Version 5-0 Draft 3-0

SCALE, INTENSITY & RISK

A Discussion Paper from the FSC P&C Working Group about the significance of Scale, Intensity & Risk in certified forests

Background: The FSC P&C WG is drafting a revision of the Principles & Criteria. The latest draft proposals include sections with Explanatory Notes and Rationale, to explain and justify the proposals. This discussion papers aims to help improve stakeholder understanding of the proposals, and to identify and clarify different options where applicable. This Discussion Paper elaborates on how the concepts of Scale, Intensity & Risk should be applied in the P&C in certified forests, and to explain the thinking behind the repeated mentions of S,I&R in the P&C Standard.

The WG wishes to hear any suggestions as to how to improve the application of Scale, Intensity and Risk in the P&C and in Certification.

Introduction: The early drafts of the P&C in 1993 included the concepts Scale and Intensity. They have been included ever since, based on the assumption that the smaller the enterprise and its impacts in the forest, the lower the risks of causing unacceptable damage to environmental and other values. Initially, there were no guidelines for the application of these concepts, but later detailed guidelines were published for certification decisions in Small and Low-Impact Managed Forests (SLIMFs) where scale and intensity were below certain defined thresholds. The concepts of scale and intensity are applicable for all cases, including FMUs that are not classified as SLIMFs, based partly on an implicit understanding of Risk, and partly on common-sense adaptive management.

The concept of Risk has not been explicitly included in FSC standards until now, although it underlies the policy for SLIMFs. All FSC standards are equally applicable in all management units, and *the concepts of Scale, Intensity & Risk are designed to make FSC certification more accessible in all management situations*. While it is desirable to make FSC certification more accessible, it remains important that the minimum performance standard is achieved for all operations regardless of size to ensure maintenance of the high standard FSC strives for. Balancing these requirements is the ultimate objective to maintain the integrity of the standard as well as appropriate flexibility for smaller operations. Furthermore, this complies with the Motion 10 approved at the 2008 General Assembly, to ensure adequate wording of the P&C to make it applicable to every type and scale of forests in the world.

FSC understands that forestry activities always have social, economic and environmental impacts, and that some of them are negative and unavoidable. As the P&C standard makes



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clear, “FSC ... will not insist on perfection in satisfying the P&C”, but FSC also requires the application of the Precautionary Approach to avoid negative impacts in cases of significant risk.

What are Scale, Intensity and Risk, for FSC? From the start, FSC has operated on the basis of an implicit understanding that the smaller the area of the FMU, and the lower the intensity and frequency of activities in the forest, the lower is the risk or likelihood of serious negative impacts at any level (local or regional). This concept has been built into the definitions and rules for SLIMFs, but it applies in general terms at all levels. As a result, the proposed Criteria make it clear that the design and operation of many mitigation measures, precautions and monitoring systems should take account of the scale, intensity and (implicitly) risk of negative impacts. These words are interpreted according to the context.

For these purposes, “scale” refers to the size of the management unit, or even the size of The Organization. It may also refer to the area of land or the proportion of the FMU affected by a particular activity. So, a large FMU is likely to be considered as “large scale”. An activity such as hunting may be considered “large scale” if it affects a large part of the FMU, even if the intensity is very low.

“Intensity” is a measure of the force or strength of the activity. It should be judged on the basis of the environmental, social or economic impacts, and not simply on a comparison with other FMUs in the region. So, one rate of timber extraction (volume / hectare) may be considered high intensity on one forest type, but quite low in another.

“Risk” refers to a state of uncertainty about the likelihood or probability of an event with negative consequences, and also the seriousness of those consequences. For FSC, it refers to the probability of an unacceptable negative impact, caused by any activity in the FMU, sufficiently serious to be a non-compliance with an Indicator or Criterion, and ultimately a Principle.

Scale, Intensity & Risk are especially helpful for taking decisions when there is a shortage of good data. This is the case for smaller enterprises everywhere, and for those with lower levels of production and income, and especially in countries with weak national or regional forest research capabilities. FSC may reasonably expect larger and well-developed Organizations to generate their own data in support of their management activities. In smaller operations, especially in the tropics, it may make better management sense to evaluate risks, based on empirical experience and any relevant research, rather than to invest heavily in expensive data-collection.

For these reasons, the concepts of Scale, Intensity and Risk can form part of a *risk-based approach* to certification and management. This approach has already been developed by the Marine Stewardship Council (MSC, 2009). It also underlies the system for Environmental Risk Assessment for certified tropical forests which was presented at the FSC General Assembly in South Africa in 2008, and published in www.oneworldstandards.com/ERA.html. The concept is also included in the new ISO 31 000 series of standards for risk management. FSC has not yet developed a formal risk-based approach for forest certification, but the concept is being



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developed for specific purposes by some FSC National Initiatives: for example, in the Controlled Wood Risk Assessment Matrix for Australia, approved by FSC (FSC Australia, 2009).

The use of Scale, Intensity & Risk in the P&C underpins such an approach. However, whenever there is a shortage of data, there is a potentially higher level of uncertainty. The use of a risk-based approach should be risk-averse and highly precautionary, accepting very low risks of unacceptable impacts.

The concept of “scale, intensity & risk” occurs explicitly in several Criteria (and may be considered implicit in others, where appropriate). The combination of “risk” with scale & intensity opens the way for a different approach for using criteria to assess compliance with Principles (cf. FSC definition: a Criterion is “a means of judging whether or not a Principle has been fulfilled”). Criteria and their Indicators are the means to an end: they can be evaluated to assess whether the aim of a Principle is being correctly achieved, and they can also be evaluated to assess the likelihood or risk that the aim is NOT being achieved.

An example: Existing Criterion 6.1 includes the words: “Assessment of environmental impacts shall be completed – appropriate to the scale, intensity of management and the uniqueness of the affected resources”.

The equivalent proposed new Criterion 6.3 includes the words: “The Organization shall identify actions to prevent, mitigate, and remedy negative impacts of management activities proportionate to the scale, intensity and risk of these management activities and their negative impacts”. This Criterion aims to ensure compliance with Principle 6, of which the proposed new version is “The Organization shall maintain and/or enhance ecosystem functions, biological diversity, water resources, soils and landscape values of the Management Unit”

The existing version, and the proposed new version of the Criterion, both require assessments of environmental impacts, but these are simply means to the end of ensuring that the environmental values listed in the Principle 6 are properly maintained: the assessments are not intended to be ends in themselves. When the scale and intensity of activities is low, and the available experience, data and research indicate that the risks of unacceptable negative impacts are also low, the manager / Organization is expected to decide on an appropriate package of monitoring, assessments, and prevention or mitigation measures, adequate for ensuring the conservation of the values listed in the Principle. In situations where the risk of unacceptable impacts is evidently very low, the manager is *not* required to carry out more elaborate assessments or other measures simply because the results may be valuable, useful or interesting. This is a management decision, subject to review by the certification body. The Certification Body may conclude, after inspections and discussions, that the measures taken are not sufficient or appropriate, and may set a CAR for the non-compliance, but the CB should not prescribe the actions that must be taken.

The general application of Scale, Intensity & Risk elements in the proposed P&C: The elements are explicitly included in certain Criteria when it is well known that forest management enterprises cover a very wide range of (1) overall size-scales, and of (2) the



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size-scales of the particular elements covered by the Principle, and of (3) the scales and intensities of management activities, and of (4) the risks, dangers or probabilities of unacceptable negative environmental, social or economic impacts caused by management activities, as revealed by empirical experience, research results and publications, and on-the-spot observations. The same elements may be taken into account in the assessments of any other Criteria, in any particular cases where management decisions about mitigation measures, monitoring or assessment should reasonably be intensified, or may reasonably be reduced, according to the scale or intensity of activities and the risks of unacceptable impacts.

These management decisions must always strike a balance between two absolute requirements: the avoidance of unacceptable impacts, and the wise use of scarce financial and human resources. Following a precautionary approach, a manager will not defer necessary mitigation measures, monitoring or assessments because of their cost; but equally a manager will not invest more resources than are reasonably justified by the objectives, results or risks.

National Indicators and International Generic Standards will provide many of the details about how Scale, Intensity & Risk should be interpreted in different situations.

References:

FSC Australia (2009) Controlled Wood Risk Assessment Matrix for Australia. FSC-CWRA-001-AUS. www.fscaustralia.org

MSC (2009) MSC Risk-Based Framework. Risk-Based Framework FAQs. MSC Fisheries Assessment Methodology. Available in the document centre of the Marine Stewardship Council, www.msc.org