



Minutes of the 57th Meeting of the FSC Board of Directors

Document: Minutes – 57th Meeting of the FSC Board of Directors
Date: 11 July 2011
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Status: APPROVED

Minutes of the 57th Meeting of the FSC Board of Directors held on June 27 and July 3, 2011 in Kota Kinabalu/Malaysia

Present:	Board of Directors (BoD):	
	Chris van der Goot (CvdG)	Chairperson
	Ana Young (AY)	Vice-chairperson
	Margareta Renström (MR)	Vice-chairperson (27 th June)
	Mario Abreu (MA)	Treasurer
	Eric Palola (EP)	(27 th June)
	Jaime Levy (JL)	
	Michael Conroy (MC)	
	Roberto Waack (RW)	
	Xiaoping Wang (XW)	(03 rd July)
	Erik Peek (EPk)	Finance Committee (27 th June)
National Initiatives	Robert Knysak (RK)	NI Representative
	Corey Brinkema (CB)	CEO of FSC US (03 rd July)
Staff:	Andre de Freitas (AF)	Director General
	Gemma Boetekees (GB)	FSC Network Director
	Alison Kriscenski (AK)	Communications and Marketing Director
	Achim Droste (AD)	Policy Director
	Marcelle Peuckert (MP)	Director of Business Development
	Guillermina Garza (GG)	Head of Director's Office
	Patrick Little (PL)	Chief Operating Officer
	Angela Rott (AR)	Executive Assistant
Sam Ponder (SP)	ASI Managing Director	



<i>Item</i>		
Monday, 27th June 2011		
	<p><u>List of Attendance</u> The Chairperson welcomed members of the BoD and the NI representative Robert Knysak from FSC Poland.</p> <p>Quorum was noted with eight out of nine members of the BoD present.</p> <p><u>Nomination of Chairperson and Secretary of the meeting</u> Chairperson: Chris van der Goot Minutes: Angela Rott</p>	Chris van der Goot
	<p><u>Approval of the Agenda</u> The agenda was approved as follows:</p> <ul style="list-style-type: none"> - Decision on the 2010 externally audited financial statements for FSC AC and its subsidiaries – decision 	Chris van der Goot
	<p><u>Decisions and follow up:</u> AF and members of the Finance Committee presented the results of the 2011 external financial audits for the FSC Group, which were approved by the FSC BoD.</p>	Mario Abreu / Erik Peek / Andre de Freitas
Sunday, 03 July 2011		
	<p><u>List of Attendance</u> The Chairperson welcomed members of the BoD and the NI representative Robert Knysak from FSC Poland.</p> <p>Quorum was noted with seven out of nine members of the BoD present in person.</p> <p><u>Nomination of Chairperson and Secretary of the meeting</u> Chairperson: Chris van der Goot Minutes: Angela Rott</p>	Chris van der Goot



	<p><u>Approval of the Agenda</u> The agenda was approved as proposed, with the addition of a discussion on the interface between the FSC Network and the FSC Policy and Standards Unit.</p>	<p>Chris van der Goot</p>
	<p><u>Investment in Market Development in the United States</u></p> <p>AF provided a brief introduction to the issue and the background for the case. This proposal by FSC US has been under discussion for the past few months and has counted with strong input from the relevant FSC International staff. The proposal entails a significant financial support to market development activities led by FSC US, which are expected to strengthen FSC's position in the United States, contribute to increased international demand for FSC products and generate lessons and outputs that can be used elsewhere in the FSC Network for similar efforts. The proposal is being considered under the concept of extraordinary strategic investments approved by the BoD at BM55 in Japan. Due to the size of the proposal and its pioneering nature it was sent to the BoD for feedback, in line with the Godfather blessing approach.</p> <p>Corey Brinkema provided an overview on the proposal under consideration, which addressed the rationale behind it and also gave more details on matching funds to FSC International's financial investment and how this proposal would benefit the whole FSC system.</p> <p><u>Decisions and follow up:</u> The FSC BoD expressed its support for the proposal by FSC US and the overall concept and congratulated FSC US on the quality of the information presented.</p>	<p>Andre de Freitas / Gemma Boe-tekees / Co- rey Brinkema</p>
	<p><u>Revised ToR of the Network Representative to the FSC BoD</u></p> <p>The proposed revised version was developed taking into account the feedback from the first two years of the Network representative role to the BoD and in consultation with the FSC Network.</p> <p>GB briefly highlighted the main changes of the proposed revised version of the terms of reference, which include more support for communication between the representative and the Network and a more explicit recognition of the role the representative has as an advisor to the BoD.</p>	<p>Gemma Boe-tekees</p>



	<p><u>Decisions and follow up:</u> The BoD requested that FSC develop a system to clearly identify which BoD documents can be shared with the FSC Network and which are confidential. It was agreed that the Secretariat will propose a classification on the confidential nature of specific documents, which can then be confirmed or altered by the BoD. The classification would be valid for FSC members as well.</p> <p>The BoD provided feedback that the mandate and election of the representative should ensure an even representation of North and South partners in the FSC Network over time.</p> <p>The BoD agreed to make a decision on the proposed revised ToR for the Network representative via email.</p>	
	<p><u>Communication between PSU and the FSC Network</u></p> <p>RK brought forward some concerns of the Network regarding its role in the communication of technical elements of FSC certification. It was clarified the Policy and Standards and the Network units have already started to develop a system that will contribute to define this more clearly. The basic principle of this system is that the further developed a Network partner is, the more responsibilities and rights it can have, including on the communication of technical issues on FSC certification.</p>	<p>Robert Kny-sak</p>
	<p><u>ASI's engagement with RSB and RSPO</u></p> <p>AF provided a short overview and summary of the business case for ASI to provide services to other social and environmental initiatives, as well as some background information on RSB and RSPO and an analysis on potential operational and reputational risks of their engagement with ASI.</p> <p>MC highlighted that he would abstain from the decision on the provision of services by ASI to RSB, given that he has been involved in supporting the development of the RSB initiative.</p> <p><u>Decisions and follow up:</u> The BoD agreed that it would make a decision on both cases via email during the month of July 2011.</p>	<p>Sam Ponder / Andre de Freitas</p>



	<p><u>Future of Plantations and possible implications for FSC</u></p> <p>Some of the discussions at the 2011 FSC GA highlighted how diverse and scattered FSC's understanding is on the trends and developments in plantations and semi natural forests and how these may affect the organization in the future.</p> <p>Given the above, the BoD requested that the Secretariat coordinate an analysis on the current issues and future outlook (5 and 10 years) on plantations and semi-natural forests and their potential impacts on FSC. The analysis should include, among others, issues related to indigenous peoples, supply of FSC material, current status and trends for volumes derived from plantations in FSC supply chains and developments such as the possible use of GMOs and increased use of exotic species in plantations and semi-natural forests. The overall objective of the analysis is to provide the organization with a better understanding of how the forest sector is developing and the potential implications for FSC.</p> <p>AF also provided the FSC BoD with the Secretariat's opinion that research activities on GMO's do not represent a non-compliance with the FSC Policy for Association, so long as the operator does not introduce GMO plantings into certified operations. The BoD discussed the issue and expressed its agreement with the interpretation of the FSC Secretariat.</p>	<p>Chris van der Goot</p>
	<p><u>2011 FSC General Assembly</u></p> <p>The BoD congratulated the FSC staff for a very well organized event and provided positive feedback on specific issues and suggestions for improvement for future General Assemblies.</p> <p>The BoD concluded by requesting that the Secretariat reach out to the FSC membership and get feedback on priorities to support the planning process for the implementation of the approved motions.</p>	<p>Chris van der Goot</p>