Strengthening Forest Conservation, Communities and Markets

The Global Strategy of The Forest Stewardship Council
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To FSC members & supporters:

Over the past 12 years FSC has successfully turned a brilliant idea into the leading model for environmentally appropriate, socially beneficial and economically viable forest stewardship. FSC has led the way in defining responsible forest stewardship and in cutting across historic barriers to create new levels of collaboration and shared commitment to forest conservation across social, environmental and economic interests.

Today FSC is actively promoting responsible forest stewardship in more than 80 countries worldwide through both forest management and chain of custody certificates. At this time, roughly 10 per cent of the world’s managed forests have been certified to FSC standards involving a diverse array of people and organizations involved in supplying wood and fiber to the world’s markets: landowners, forest managers, community groups, manufacturers, traders and retailers.

The recognition and endorsement that FSC receives from environmental groups, social stakeholders and forest industries alike underscores FSC’s impact on the global forest debate and forest stewardship worldwide. This recognition has inspired many forest operations to improve their management practices and to set examples for socially beneficial and environmentally responsible forest management. Moreover, numerous examples have demonstrated that FSC certified operations and corporate partners enjoy market opportunities, better internal performance, and new reputational benefits.

As FSC proceeds through its second decade many challenges and opportunities are before it.

FSC will continue to lead progress towards responsible forest stewardship as a shared commitment across many interests and will expand its proven model for responsible forest stewardship to become a global mainstream reality. FSC will ensure that forest managers worldwide reach FSC standards, and that markets and consumers around the world recognize their efforts and achievements. FSC will also live up to its unique leadership role in providing a global forum and governance model in which stakeholders of all types will debate and determine the future of the world’s forest resources.

In short, FSC needs to prepare for a future defined by extraordinary new demands on our forest resources, from supplying basic fuel wood to stabilizing global warming. Alongside this, FSC must progress organizationally so that it can meet these demands and continue to provide trust and credibility in the FSC system.

Following a lengthy consultation process, five core interdependent goals have been identified to drive the future work of FSC. Each of these goals are backstopped by specific indicators of performance to help us measure our success and impact. The FSC Board of Directors and staff are deeply grateful for the extensive feedback and guidance we have received from across the FSC network in preparing the FSC Global Strategy. In turn we hope the Global Strategy will propel FSC to play an even larger role in the managed forest landscapes of the world.

We likewise thank our many members, National Initiatives, certification bodies, certificate holders, market partners and supporters for their tremendous efforts and dedication over many years in making FSC what it is today. For the new stakeholders, companies, public and private sector partners that are just now getting to know FSC, we welcome your support and involvement. We will need the help of both old and new partners in implementing the Strategy described here and in securing a brighter future for the world’s forests and the people that depend on them.

Sincerely,

FSC Board of Directors and Staff
Introduction to the Global Strategy of FSC

FSC’s Vision and Mission are the cement which holds the FSC global network together. FSC’s Value Proposition identifies the solutions through which FSC contributes to achieving its mission. Over the past decade FSC has engaged an ever growing number of members, stakeholders, certified operations and partners who share its vision and mission. This hierarchy of vision, mission, and value proposition is the starting point in crafting this Global Strategy for the FSC global network.

FSC’S VISION
The world’s forests meet the social, ecological, and economic rights and needs of the present generation without compromising those of future generations.

FSC’S MISSION
The Forest Stewardship Council A.C. (FSC) shall 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 provides 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.

FSC’S VALUE PROPOSITION
FSC’s unique role is to bring together people, organizations and businesses of the Global South and North to develop consensus-based solutions that promote responsible stewardship of the world’s forests. People, organizations and businesses invest time, resources and credibility in FSC because forests are important to them. FSC’s solutions respond to challenges created by poor management of forest resources and are supported by social, environmental and economic stakeholders in the Global South and North alike. They are used by people, organizations and businesses engaging markets to encourage responsible stewardship of forest resources.

The solutions that FSC provides are:

> Standards based on agreed principles for responsible forest stewardship, that are supported by a broad consensus of social, environmental and economic stakeholders alike, that are compatible with international norms, and that are widely recognized and internationally accepted;

> Accreditation and certification systems that monitor compliance with FSC standards;

> A powerfully branded trust mark and product labeling systems that recognize responsible forest stewardship in the market place; and

> Market places that recognize and appreciate FSC’s standards, policies, systems and performance, and demand FSC certified products and services.

GOALS AND OBJECTIVES OF THE FSC GLOBAL STRATEGY

FSC Board of Directors, staff, and FSC stakeholders from around the world have identified five major goals around which FSC will focus its organizational energy. These goals reflect FSC’s vision, mission and value proposition. They respond to a consensus about key strategic needs and opportunities for strengthening the FSC system and global network of supporters and partners.

Five Goals to Drive FSC’s Future

FSC will:

1. Provide leadership in advancing globally responsible forest management.

2. Ensure equitable access to the benefits of FSC systems.

3. Secure the integrity, credibility and transparency of the FSC system.

4. Products from FSC certified forests will create more business value than products from non-certified forests.

5. Strengthen its global network to deliver on Goals 1 through 4.
GOAL 1
FSC Will Provide Leadership in Advancing Globally Responsible Forest Management

CORE RATIONALE

From basic commodities such as timber to value added products and services such as furniture and water, forests are the source of a huge range of products and resources, traded around the world. Forests are distributed throughout the southern and northern hemispheres and across the boreal, temperate and tropical regions and hold the greatest reserve of biological diversity found on land.

But already over half of the world’s forests have been degraded, destroyed or converted to other land uses. Much of the remaining forest suffers from illegal exploitation and poor management. Regions of critical forest biodiversity are under threat thanks to encroachment, the lack of legal infrastructure to protect them and the lack of private market mechanisms to reward responsible management.

Of more than 3 billion hectares of forest worldwide, 37% is primary forest, 53% is modified, 7% is semi-natural, 3% is productive plantation and 1% is protected plantation. Forests are managed for a wide variety of reasons, from high yield timber production to a source of firewood, from water catchment to biodiversity conservation. Independent of the timber and non-timber management objectives, all forest management should follow agreed principles for environmentally appropriate, socially beneficial and economically viable forest stewardship.

Over the past decade FSC standards have been established and applied in many forest regions. Setting these standards represents many years of work by a diverse range of stakeholders. Now new challenges are emerging such as those associated with climate change and the increasing use of biofuels. In its next phase of development FSC will strive to engage all regions, forest types and forest managers, equally and equitably, so that progress is made across the broad range of the world’s forest resources.

ENVIRONMENTAL

Objective 1 (a)
FSC contributes to maintaining and restoring biodiversity through standard setting and responsible forest management.

- Indicator: FSC makes a positive, measurable contribution to the protection of forest biodiversity as confirmed by independent scientific evaluations and research, and by the actual protection of High Conservation Value Forest areas (HCVF).
- Indicator: FSC measurably contributes to the conservation of at least 20% of the forest within each of the remaining large natural forest blocks under threat (e.g. Amazon, Congo, Southeast Asia, Canada & Russia).
- Indicator: FSC certified land base doubles within five years without compromising the integrity of the FSC system. This should be illustrated through the following:
  - 100% increase in certificates from natural tropical forests in the FSC portfolio.
  - Certificates for plantations demonstrate maintenance of ecological services.
  - FSC Controlled Wood standard and Modular Approach Program are implemented in controversial regions.
  - 100% increase in certificates in small and medium forest enterprises within the total FSC portfolio leading to at least 15% of total area certified.
- Indicator: FSC continues to influence and positively interact with public sector forest regulations, laws and policies.
Objective 1 (b)
The full range of forest products and services are maintained as part of the overall landscape.

> Indicator: FSC certification is recognized and used as a tool for evaluating all types of non-timber products and ecological services from forests (e.g. carbon sequestration or watershed management).

Objective 1 (c)
Certified plantations help to ensure biodiversity conservation is maintained at the level of each managed unit and on a broader basis.

> Indicator: FSC certified plantations are increasingly managed for multiple ecological purposes, as evidenced by the adoption of within-unit reserves, strict riparian zone management, and emerging techniques of ecological plantation management.
> Indicator: FSC certified plantations directly contribute to reducing pressure on local natural forests and to the conservation of nearby High Conservation Value Forests, as confirmed by formal mitigation and other legal agreements that link the two.

SOCIAL

Objective 1 (d)
People who live in or near forests, or whose livelihoods depend on forests and forest products, receive benefits from FSC certification.

> Indicator: Increasing support and acceptance from stakeholders for FSC in comparison to other forest certification schemes, as confirmed by independent surveys and position statements.
> Indicator: Indigenous people confirm they have control over forest management on their traditional lands, and utilize forest products and services from their FSC certified forest, as confirmed by independent evaluations.

ECONOMIC:

Objective 1 (e)
Products from FSC certified forests are recognized and preferentially traded in local, national, and international markets.

> Indicator: Certificate holders, whose business viability depends on the production of FSC certified forest products, benefit from having FSC certification.
> Indicator: Public and commercial procurement policies increasingly recognize and specify FSC certification in their sourcing agreements.

Objective 1 (f)
FSC is recognized as the most credible forest certification tool in the market place.

> Indicator: Market share of FSC relative to other certification systems increases in both volume and geographic distribution.
> Indicator: The number of disputes and formal complaints (as a percentage of certificates issued) goes down over time.

Objective 1 (g)
FSC provides effective instruments to partners confronting a situation where competing land uses are leading to the conversion or destruction of natural forests.

> Indicator: Those engaged in dealing with competing land use recognize and adopt FSC developed systems and standards.
FSC needs to prepare for a complex future that includes expanding our activities to more countries, certifying a greater number of forests, meeting the increasing demand for certified products and services, and providing for higher numbers of stakeholders involved in the setting of standards. A variety of reputable studies have shown there is a critical link between the welfare of people and forests, especially for poor and indigenous populations around the world. One quarter of the world’s poor depend directly or indirectly on forests for their livelihood; at a minimum some 500 million people. Other studies demonstrate the links between culturally or religiously significant places and the conservation of forest resources. The FSC community has already put considerable effort into the development of a Social Strategy that highlights these connections. It is vital that FSC does more to serve the needs of people living in and from forests, and develops its role as a mechanism for promoting their social and economic needs.

While the uptake of FSC has been strong in boreal and temperate forests, it has lacked similar progress in tropical forests, even though the concept of forest certification was initially devised in response to deforestation in the tropics. FSC has still to confirm that its certification scheme can be effective in tropical and subtropical areas, particularly in those forests that contain the richest spectrum of biodiversity and which are experiencing the highest rates of deforestation. The 10th anniversary of the FSC in 2004 reminded FSC supporters of the need to redouble efforts to increase participation in the global south. FSC has steadily gained more acceptance within large traditional wood and paper producing industries and in the global market place. Yet FSC has not made as much impact on small forest owners, community forests, or low intensity managed forests as was initially hoped. While such operations own an estimated 25% of the global forests, as of 2007 they account for less than 5% of FSC certified forests. FSC must closely monitor this uneven uptake of its certification systems in different forest regions and by different forest managers and carefully evaluate how forest certification can promote responsible forest management in tropical and community owned forests. FSC must make a concerted effort to identify and develop additional mechanisms, such as a modular approach and markets for certified forestry services, to support forest managers operating in these specific conditions.

To date, the costs of certification have been borne primarily by forest managers and companies. This is changing as more suppliers and processors in the global market place find value in FSC involvement. However, the economic benefits of certification still flow unevenly, and FSC must work to ensure benefits are better distributed through the supply chain, and that they act as an incentive for forest managers of all types to become involved.

### MAJOR OBJECTIVES FOR GOAL 2

#### ENVIRONMENTAL

**Objective 2 (a)** The FSC will promote the protection and management of forest biodiversity across all forest types.

- **Indicator:** Remaining large blocks of well connected forest ecosystems are better represented in the FSC portfolio in proportion to their global cover.

**Objective 2 (b)** Application of FSC standards in managed forest operations throughout the tropics is improved by reducing barriers and creating incentives.

- **Indicator:** FSC provides the most credible platform for controlled wood to enter the market in controversial regions, leading to more use of certification.

#### SOCIAL

**Objective 2 (c)** Local stakeholders, communities, and indigenous people have equitable access to the benefits of FSC certification.

- **Indicator:** At least 15% of the total certified area is composed by forests managed by indigenous peoples, communities and SLIMFs.

- **Indicator:** FSC certification systems are more responsive to the needs of forest dependent communities and indigenous peoples, leading to a substantial increase in their membership and participation in FSC certification.

**Objective 2 (d)** FSC contributes to small scale, community based, and indigenous peoples gaining better market access and a wider range of benefits from certification.

- **Indicator:** Dedicated FSC programs and other partnerships exist to support and generate benefits for forest managers in tropical regions, and for small and low intensity operations around the world.

- **Indicator:** FSC procedures are simplified and streamlined as necessary to support participation in FSC by small and low intensity operations.

**Objective 2 (e)** Develop a support unit for small and low intensity managed forests to provide them with access to capacity building services.

- **Indicator:** Within two years, a modular program is in operation, targeted at achieving certification for small and low intensity managed forests within a 5-year time line with continuous improvements as a basic condition.

**Objective 2 (f)** Work towards ensuring that economic as well as social benefits of well managed forests are shared equitably throughout the supply chain.

- **Indicator:** Within two years an “FSC Fair Trade” model is developed, with its target being primarily small-scale, community-based and low intensity managed forests.

- **Indicator:** Major market players in FSC receive reputational benefits in addition to maintaining or enhancing market share for their products.

- **Indicator:** More certification bodies are accredited at local and regional levels leading to more responsive provision of FSC services.

- **Indicator:** Indigenous peoples, local communities, and forest-dependent people increase their income through the trade of certified forest products, as confirmed by independent evaluations or studies.

**Objective 2 (g)** Other public benefits of forests such as ecosystem services and carbon sequestration are recognized by the FSC system.

- **Indicator:** Non-timber forest products and services account for at least 5% of the total FSC-certified forest products market.
CORE RATIONALE

FSC is the leading global model for responsible forest stewardship, yet the trust that FSC enjoys cannot be taken for granted. As new entrants come into the system and the system grows, FSC must take great care to ensure that its overall credibility, integrity and transparency are not compromised. This is critical to the FSC mission and to its value proposition, as is maintaining the faith and confidence of supporters across economic, social, and environmental interests.

Going forward, FSC will need to put in place a system of self-assessment which should lead to a rigorous evaluation of whether it is delivering on its vision, mission and value proposition. This will require more systematic monitoring and evaluation, dedicated research and development, and regular surveys of stakeholder expectations and satisfaction with FSC’s performance.

Over the past five years FSC has reviewed practically all of its policies and standards and made substantial changes to many of them. Much of FSC’s successful development over the last ten years came from the lessons of experience which demonstrated where systems and performance needed improvement. Yet even as FSC implements these changes, it must continue to strive to make itself more accessible, understandable, and cost-effective.

Changes have been driven to a very large extent by the constructive input and criticism of members and stakeholders from across the FSC network. Through its openness to scrutiny and dialogue, FSC has succeeded in creating a mainstream global approach to securing responsible forest stewardship. Now it must build on this reservoir of knowledge and experience to better position itself for the future, and to maintain trust in the FSC brand.

GOAL 3
FSC will Ensure Integrity, Credibility and Transparency of the FSC System

MAJOR OBJECTIVES FOR GOAL 3

Objective 3 (a)
FSC standards are science-based, field-tested, and adopted with comprehensive stakeholder consultation and support. They are compliant with accepted international norms and agreements.

- Indicator: Accreditation Services International (ASI) provides services which meet relevant international norms (e.g. ISO, ISEAL, WTO-TBT, IAF); and progress is independently peer reviewed annually and reported to FSC stakeholders.

- Indicator: Clear guidance and consistent interpretation of standards and policies is provided to certifying bodies and other practitioners, as verified by consultation and feedback to ASI.

Objective 3 (b)
Accreditation, monitoring and auditing systems are credible and transparent, with regular external performance assessment.

- Indicator: The level of non-compliance by accredited certifying bodies is reduced as verified against annual ASI performance data.

- Indicator: Risk registries identifying low risk areas support the implementation of FSC Controlled Wood standards and are transparent, readily available and regularly updated.

- Indicator: A short standard survey of the FSC network, provided in multiple languages every two years, verifies FSC performance, member confidence in policies and systems, member satisfaction, and signals problem areas.

- Indicator: All reports of misuse of the FSC label are investigated and addressed within 60 days, and made public via web and other updates by ASI.
Objective 3 (c)
Equitable access is provided to the FSC system for all stakeholders, including small operations and community interests in the Global South and North.

> Indicator: Independent assessments of the effect of FSC standards and systems on the ground demonstrate equitable and improved access by diverse stakeholders.

Objective 3 (d)
Real or perceived conflicts of interest between certifiers and certificate holders are managed in ways that are procedurally and ethically credible.

> Indicator: The FSC Accreditation Committee includes technical advisors and serves as an effective instrument for resolving accreditation appeals and disputes.
> Indicator: Strategies to limit conflict of interest and strengthen the capacity and objectivity of certifying bodies are adopted by ASI.

Objective 3 (e)
Efficient and workable dispute resolution systems are provided such that disputes are resolved quickly and on a local level where possible. Complaints and disputes are alleviated primarily by other checks and balances in the FSC system (e.g. effective standards & indicators, appropriate consultation, transparency etc).

> Indicator: Access to the dispute and appeals process is adequate and overall response times are improved, as verified by stakeholder involvement and timely resolution of disputes.
> Indicator: On an average annual basis, the percentage of formal disputes and complaints is limited to less than 1% of all certificates issued.
> Indicator: The percentage of plantation certificates in the FSC system under dispute is less than 5% of all plantation certificates.

Objective 3 (f)
The FSC label is recognized and promoted as the most trusted mark of responsible forest management for wood, paper and non-timber products throughout the supply and demand market place.

> Indicator: Periodic surveys of uptake of FSC certified products and services demonstrate that buyers and consumers appreciate the values behind the FSC brand and have confidence in it.
> Indicator: Spot auditing ensures that FSC labeled products can be consistently tracked and trademark misuse is limited to less than 5% of chain of custody (COC) certificates issued.
> Indicator: Within three years, or as new technologies become available, the FSC shall review and transform COC systems to more precisely track FSC certified wood supplies.
CORE RATIONALE

FSC relies on markets large and small, and from both the North and the South to deliver quality products. For this reason FSC needs to focus attention on shaping our processes and services that make it economically rewarding for those involved in buying and selling FSC certified products. The business world calls this “market facing”. In short, FSC needs to become more market facing if it is going to succeed as a tool in the market place. Enhancing the value of the FSC brand is not simply an interest of the economic chamber but shared, supported and valued by all three chambers equally. Our ambition is simple but challenging: If asked by forest business leaders our intention is that they would describe FSC as: “…the most trusted independent forest management assurance and labeling provider in the world and whose forest standards most NGOs would describe as the best in the world”.

FSC recognizes that business interests and companies have to respond to many different environmental and economic demands, on many different levels, especially the growing pressure to alleviate climate change and reduce poverty. There is clearly an opportunity to integrate these challenges into FSC’s responsible forest management system.

A key to FSC’s future success is to match its understanding of forest management with the needs and wishes of major buying organizations without compromising FSC’s core mission. To be market facing, FSC needs to have relationships that help it to better predict and prepare for future global market shifts. At a minimum, this requires good data and tracking systems and an overhaul of FSC’s fee and brand management system. Just as importantly there must be direct one-to-one professional relationships between senior FSC staff and the senior buyers and directors of most, if not all, the top twenty forest products buying companies of the world.

To do this FSC will have to develop a functional capacity devoted to building relationships with these and other “high leverage accounts”. By high leverage FSC mean players whose activities can create genuine momentum towards ensuring that world trade in forest products stems from well managed forests within the FSC system. FSC will become more adept at managing FSC product data and anticipating market trends. Not only will it track the percentage of forest that is FSC certified, it will track, understand and seek to improve the market share of FSC products in key sectors.

FSC recognizes the need to develop FSC markets in the emerging economies of the world, especially in the tropics and other southern markets. We will directly, or through our business partners, strive to better balance the demand for FSC products between the northern and southern hemispheres. Small-scale and community forestry has a vital role to play in emerging economies, especially in connection with the growing fair trade movement. The value of combining FSC core services with the Fair Trade label to create a mutually beneficial, unique brand will be vigorously explored.

MAJOR OBJECTIVES FOR GOAL 4

Objective 4 (a)
FSC will create dedicated capacity to focus on, and understand the needs of, the top twenty most important businesses for FSC.

> Indicator: The top twenty most important businesses for FSC find consistent value in the FSC brand and services in the markets they serve.
> Indicator: FSC is embedded in the buying policies of the twenty most powerful and influential companies in the world.

Objective 4 (b)
The FSC brand has strong market value.

> Indicator: Global-scale businesses find consistent value in the FSC brand and services in the markets they serve, as evidenced by their support and commitment to the FSC system.
> Indicator: FSC market share of the global trade in forest products steadily increases from less than 5% today.

GOAL 4
Products from FSC Certified Forests Will Create More Business Value than Products from Non-FSC Certified Forests

> Indicator: Market share of FSC certified enterprises increases relative to market share of other forest certification schemes.
> Indicator: The rate of attrition, or non-renewal of certificates, is held to less than 5% on an annual basis.
> Indicator: Consumer awareness and retail support for FSC increases in key product and financial sectors (e.g. the “green” market place) as well as key geographic regions, as confirmed by independent market surveys.
> Indicator: FSC is promoted as a credible “solution” (among others) to campaigns that seek to limit illegal logging and improve wood and fiber sourcing from controversial regions.

Objective 4 (c)
Expand and support the market opportunities for small scale and community forest operations offered by global scale forest product companies.

> Indicator: The value of turnover (gross sales) of FSC certified products from small scale producers and community operations increases ten times by 2012.

Objective 4 (d)
FSC trademark service and chain of custody (COC) delivery systems are accessible, transparent and timely.

> Indicator: A new Global Brand Support program and supporting license and fee structure is successfully implemented within two years.
> Indicator: Surveys of trademark business partners demonstrate overall satisfaction in the FSC system and ready access to FSC service providers and support systems.
> Indicator: The “leakage” of FSC product from the forest to the consumer is reduced such that at least 80% of FSC wood harvested is sold as an FSC product within three years.
> Indicator: An increasing number of FSC National Initiatives directly assist in providing trademark and other FSC services.
CORE RATIONALE

FSC is currently in a phase of major growth and change that is challenging existing governance structures and the stability of its core network, created over twelve years ago. While change and growth are necessary for an organization such as FSC, the implications of this need to be recognized and understood in the context of FSC’s strategic direction. What began as a small group of public and private supporters is now a globally recognized system. On the one hand, FSC must continue to engage stakeholders fully and fairly in the development of systems and standards to ensure there is widespread support from social, environmental and economic partners around the world. On the other hand FSC is increasingly called upon to act more promptly by delivering business decisions on a more immediate time scale, by being responsive to new market demands for FSC products, and by maintaining brand value for its varied clients.

The FSC global network of partners, stakeholders, and National Initiatives has been essential to FSC’s success. Many unique partnerships among businesses, non-governmental groups, and market initiatives have evolved thanks to FSC. Benefiting from the explosion in electronic communications in recent years, FSC has become a truly international network, striving to implement its vision, mission and value proposition in the forest and in the market place. The system of standards and the infrastructure that has been created is also now demanded in other settings, where ‘textbook’ solutions are lacking, such as in the new markets for carbon sequestration, ecosystem services, biofuels, and green energy. And FSC continues to play a vital role in under-resourced forest regions around the world. Recent advances by FSC in tropical natural forests in the Amazon and Congo basins, as well as in plantations in different countries, underscore this need.

While the FSC global network has become increasingly diverse and complex, many sources of friction remain, such as the overlap in decision-making between FSC members at the national and international level. Similarly, FSC’s core service providers (e.g. National Initiatives, certification bodies) and its many other allies and partners depend on the decisions of FSC, but do not feel adequately involved in the decision-making process. And it is becoming clear that FSC has reached a degree of complexity where key partners, constituents and stakeholders can no longer be involved in every aspect of its development simultaneously. At the FSC General Assembly 2005 in Manaus, Brazil, a motion calling for a comprehensive review of FSC’s operational and decision-making models and structures was adopted with overwhelming support. It recognizes FSC’s need for better systems and tools to handle the challenges ahead and to meet the strategic objectives identified in Goals 1-4.

MAJOR OBJECTIVES FOR GOAL 5

To strengthen its global network, FSC will:

Objective 5 (a) Strengthen existing partnerships as a key mechanism in implementing the FSC Strategy and develop new partnerships that support and complement responsible forest management (e.g. carbon credits, commercialization of ecosystem services, sustainable tourism and eco-tourism, sustainable biomass energy).

> Indicator: Training programs that focus on the development of National Initiative services and FSC standards in priority “producer” regions and controversial regions are in place within two years.

Objective 5 (b) Support a strong network of National Initiatives and FSC offices in all regions of strategic value to the FSC global network.

> Indicator: National Initiatives (NI’s) and FSC offices are strengthened in accordance with strategic criteria developed by FSC, the NI’s, and other key stakeholders.

> Indicator: All NI’s that meet agreed minimum standards are eligible to deliver FSC services for which there is demand in their country. Criteria for FSC International Center (IC) support of NI’s for selected FSC services are developed within one year.
> Indicator: NI’s comply with minimum standards to deliver selected FSC services for which there is demonstrated need, and they are appropriately compensated for providing such services.

> Indicator: Within one year and relative to their capacity, NI’s have written agreements with FSC-IC for country-level growth and revenue targets.

**Objective 5 (c)**

Systematically improve the communication of FSC decisions, systems and successes throughout its global network.

> Indicator: FSC maintains a professional communications and outreach capacity that delivers network news, policy decisions, disputes, and related matters in a timely, efficient manner.

> Indicator: FSC annually updates the risk registry information and data in a centralized transparent and accessible location.

**Objective 5 (d)**

Diversify revenue sources and achieve financial security within five years through the development of viable business models for the various core elements of the FSC network.

> Indicator: New fee-for-service models are developed, such that revenue from commercial services, including the provision of external services by ASI, contributes at least 60% of FSC’s operating budget by 2012.

> Indicator: Fee structure is simple to understand and use as evidenced by feedback and growth in the FSC portfolio.

> Indicator: Within two years, FSC will recommend to the membership an FSC system for verifying forest protection as carbon banks, and a system for verifying biomass and wood-based energy farms.

To enable improved governance of its global network, FSC will:

**Objective 5 (e)**

Comprehensively review its global operational and decision-making models and structures in accordance with General Assembly (GA) motion #51 and identify key regions for network support of National Initiatives and FSC offices.

> Indicator: The GA 2008 decides based on a comprehensive analysis of the FSC governance required by 2005 GA motion #51, on improvement to the FSC structure and systems of decision-making.

> Indicator: Financial viability is demonstrated by a 10% increase in annual net revenue over the next five years. This is accompanied by similar revenue growth in priority areas of the network.

> Indicator: National Initiatives and FSC offices are strengthened in key regions in accordance with strategic criteria developed by FSC.

**Objective 5 (f)**

Improve stakeholder consultation in implementing the FSC Global Strategy using information technology and other culturally appropriate communication.

> Indicator: The overall satisfaction of the FSC network with progress toward fulfilling the Global Strategy is regularly surveyed and reported to all stakeholders.