



Forest Stewardship Council®



2018 Update

New Approaches to Smallholders and Communities Certification

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1 Introduction

The Forest Stewardship Council (FSC) has established a system to improve responsible forest management worldwide. The FSC standards aim to balance the different needs of social, economic, and environmental interests, including ecological, cultural, and spiritual dimensions.

In 2015, FSC published the *FSC Global Strategic Plan 2015–2020* to capture its new direction. The strategy seeks to better position FSC to serve the needs of the global forest system, and declares the intention to more than double its share of global forest-based trade to 20 per cent by 2020. It expresses a commitment to improving the FSC certification system, and an aspiration to use its unique convening strengths in new ways to fulfil its mission. The strategic plan has an emphasis on increasing FSC certification in tropical countries, and providing voice to those most affected by mismanaged forests – Indigenous Peoples, workers, communities, women, and smallholders – while meeting the needs of current certificate holders. From this strategy, and its implementation plan, the New Approaches to Smallholders and Communities Certification (New Approaches) project emerged as a priority. The purpose of the project is to improve access to and uptake of the FSC system by small-forest owners and communities.

This concept note summarizes the New Approaches project, including what has been achieved so far, current activities, plans for the future, and the team members.

2 The problem FSC is trying to solve

FSC certification provides market and performance-based incentives for smallholders to manage their forests responsibly, and to avoid shifting to other types of land use or more intensive forest management approaches.

Forest smallholders – forest communities and private small-forest owners – are a critical part of the FSC system. But with smallholders owning or managing only 4 per cent (8 million hectares) of FSC-certified forests worldwide, addressing the barriers to certification for smallholders is one of the main challenges for FSC at this stage in its history.

The specific challenges that smallholders face are not only linked to the requirements of FSC certification, which are often too complex or costly for them, but also to marketing and their lack of resources to secure and maintain multiple revenue streams.

During its 25 years of operation, FSC has learnt that one size does not fit all: different smallholders need different standards, support services, and tools. To address this, the New Approaches project was launched in 2016 to enable smallholders to design a certification system that works for them, in their contexts, while balancing their needs with the overall requirement to maintain the integrity of FSC certification.

To this end, the New Approaches project includes direct involvement of local stakeholders as an important element to promote their ownership of the solutions developed. At the same time, the necessary safeguards are being implemented to ensure the integrity of the FSC system and application of the initial results internationally.

3 Learning from the past

Since its foundation, FSC has implemented several initiatives to support smallholders and incorporate them into the system. These have developed organically over time, as adaptations and add-ons to the FSC certification model that is predominantly applied on larger-scale operations. The New Approaches project has assessed these initiatives, shown in Figure 1, and considered their relevant conclusions and information.



Figure 1. Past initiatives taken into consideration

SCLO, small and community label option.

4 The New Approaches strategy

The New Approaches project aims to improve access to and uptake of the FSC system by small-forest owners and communities. A four-year project, its aim is to integrate the FSC experience into a modern, dynamic, and participatory approach to supporting smallholder (especially in certification and market development).

The project is aligned with the three the strategies of the *FSC Global Strategic Plan 2015–2020*, but in particular:

- Strategy 1: Strengthen the FSC framework and governance, especially:
 - Success Criterion 1.4.1: “New tools are developed to empower people and uphold and respect the rights of those that depend most substantially on

forests, including Indigenous Peoples, smallholders, forest-based communities, women and workers in the forest industry”

- Strategy 2: Increase the market value of FSC, especially:
 - Success Criterion 2.1.4: “Specific market incentives reward businesses that sell products sourced from smallholders, communities and Indigenous Peoples”
 - Success Criterion 2.3.3: “FSC develops new tools that empower and deliver increased economic benefits to smallholders, communities, Indigenous Peoples and workers, both in markets and by helping improve their performance through increasing productivity, effectiveness, and efficiency of forest management practices”.

Ultimately, this project will “deliver empowering solutions for smallholders” (*FSC Implementation Plan*, Action 11).

The New Approaches project wants to ensure that smallholders are able to contribute towards the global objectives of increasing the FSC share of global forest-based trade to 20 per cent, and increasing the current 7.6 million hectares of FSC-certified smallholder-managed forest to 10 million hectares, by 2020.

The project has three phases:

I	2016–2017	Mobilize and launch
II	2017–2018	Develop and test
III	2019–2020	Scale up

Given the multiple barriers that smallholders face in achieving and maintaining FSC certification, and in accessing markets, the project is structured in three work streams:

1. Normative framework: Build on existing work; streamline and propose new solutions
2. Market development: Increase market access and raise market share
3. Enablers: Engage, communicate, develop local capacity, and fundraise.

5 Phase I: What have we achieved so far?

Before launching another initiative, FSC wanted to establish, in detail, which past solutions and tools had worked, and what could be learnt from previous experiences. It also wanted to ensure that both the FSC network and smallholders were actively involved and participating in the development of new ideas.

Normative framework

Numerous meetings, workshops, and interviews took place with members, stakeholders, and certificate holders, to identify the specific barriers that smallholders face when trying to achieve and maintain FSC certification.

These engagement events were complemented by a thorough literature review of relevant studies and previous projects to come up with new ideas and solutions, but also to recover previous work streams that were never finalized.

Market development

To strengthen the market intelligence of the New Approaches team, a project baseline was established in July 2017. A method to measure the project's progress against this baseline was also developed; this will feed into biannual reports. This baseline represents FSC's success in bringing smallholders and communities into the system prior to the project (Table 1).

Table 1. Project baseline, July 2017

Indicator	Million hectares (Mha)	No. FSC certificates
Total 'small and community producer' / smallholder area	7.6	n/a
Small or low-intensity managed forests (SLIMF) area*	5.87	296
<i>SLIMF boreal forest area</i>	<i>1.91</i>	<i>22</i>
<i>SLIMF temperate forest area</i>	<i>2.86</i>	<i>187</i>
<i>SLIMF tropical and subtropical forest area</i>	<i>1.13</i>	<i>87</i>
Community producer area	2.27 *	108
Number of group certificates with SLIMF area (total number of group certificates)		200 (411)

* This figure includes 0.55 Mha of SLIMF community forest.

Together with FSC regional offices, the New Approaches project prioritizes key strategic regions to address specific barriers for smallholders. Efforts have so far focused on Europe (Finland and Lithuania), Asia–Pacific (Lao People's Democratic Republic and Thailand), Africa (South Africa and Tanzania), and Central America.

New Approaches has also mapped existing or potential synergies with other FSC initiatives to maximize value creation. These synergies are based on other programmes' initiatives that are relevant for smallholders. For instance, the Ecosystem Services Programme's ecosystem services tools can be a great source of additional income for smallholders; the Global Market Survey, a biennial initiative of the Marketing and Development Unit, can provide useful information regarding market trends and needs, and can source and provide updated information about smallholders; the Forest Management Programme coordinates the development and transfer of national and certification body standards, for which the New Approaches project has been supporting the definition, characterization, and inclusion of smallholders in the standards (including non-timber products as an additional revenue source for smallholders).

Enablers

Several engagement events (see Table 2) were hosted by the New Approaches project team focused on explaining the project to stakeholders, gathering relevant information (e.g. smallholders' typologies and barriers to access FSC certification per region/subregion/country), and developing capacity in locally relevant topics (e.g. group certification).

Table 2. Engagement events, Phase I

Date	Event
Sept 2016	First engagement event in Africa (Tanzania)
Oct 2016	Lao People's Democratic Republic study tour (New Generation Plantations), a precursor to the first engagement event in Asia-Pacific
Nov 2016	First engagement event in Europe – for the Nordic countries (Finland)
Jan 2017	Capacity-development workshop for Africa (Figueira da Foz, Portugal)
Feb 2017	First engagement event in Asia-Pacific (Thailand)
Feb 2017	First engagement event for Baltic states (Lithuania)
Aug 2017	Mesoamerican Forum (Guatemala)
Q4 2016 to Q3 2017	Members' regional meetings

One significant output from Phase I was a medium- and long-term communications plan, which prioritizes clear and impactful communication about the project's activities – as outlined in the new FSC Communications Strategy – aimed at the FSC network, certificate holders, FSC members, certification bodies, and stakeholders (especially smallholders). FSC emphasizes the need to develop high-impact policy communications products in reader-friendly language, including reports, discussion papers, technical news, and presentations.

To develop new partnerships and connect the project with donors that have the same values, New Approaches also developed a fundraising plan that describes the project's expected impact on the planet and people, targeted at companies and organizations that share the FSC values.

6 Phase II: What are we doing now?

Phase II of the New Approaches project, taking place in 2017 and 2018, is focused on developing and testing new and updated solutions to the barriers that smallholders face in accessing and maintaining FSC certification, as well as to establish value chains, building on the conclusions from the previous phase.

Normative framework

The activities in this phase aim to analyse the FSC normative framework, with a focus on exploring the existing flexibility of the FSC system, improving relevant international standards, and developing new solutions – i.e. ways of streamlining certification for smallholders; incorporating elements such as forestry contractors into the system to facilitate smallholder certification; and testing step-wise approaches to reduce the initial activities and costs for accessing certification.

Field and pilot tests proposed for this stage will provide data on the solutions being tested. They will help to determine whether the solutions that have been developed are actually implementable, whether they facilitate access to and maintenance of FSC certification, and the costs of their implementation.

Along with input from public consultations, national working groups, one-on-one interviews, and workshops, the field and pilot test conclusions will thus contribute to developing solutions that will facilitate smallholders' access to and maintenance of FSC certification. The chosen solutions will be proposed for incorporation into the FSC system, or used as input for planned revisions of international standards (e.g. the group certification standard FSC-STD-30-005 and the forest management evaluations standard FSC-STD-20-007).

Table 3 details the major activities in 2017–2018, and the contact person for further information.

Table 3. Major activities of the New Approaches project, 2017–2018

Action	Purpose	Tests	Actors involved	Contact
Making provision for smallholders within existing national standards				
Chinese national standard	Analyse the possibility of exempting smallholders from indicator 6.5.5 related to the 10% conservation areas network	Pilot tests with smallholders in Guangdong, Guangxi, and Shandong provinces	FSC China and chamber-balanced working group	Ma Lichao, ma.lichao@fsc.org
UK national standard	Reduce the applicable indicators for smallholders, starting at the Principle level	Field tests with smallholders in the United Kingdom	FSC UK and UK standards development group (SDG)	Owen Davies, owen@fsc-uk.org
US national standard	Test a point-of-harvest approach: low-impact logging as a proxy for responsible forest management for smallholders	Pilot test in the Appalachia region, with FSC members as participants	FSC US, Rainforest Alliance, Appalachian Woodlands Alliance	Amy Clark Eagle, a.eagle@us.fsc.org

Action	Purpose	Tests	Actors involved	Contact
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Group certification standard (FSC-STD-30-005)

Minor revisions	Changes to definitions, and revisions to the influence of national SLIMF criteria on internal monitoring procedures	Global consultation	FSC International – Performance and Standards Unit (PSU)	Joachim Meier, j.meier-doernberg@fsc.org
Global survey	Gather inputs to justify and guide the upcoming standard revision	Global consultation	FSC International – PSU	Joachim Meier, j.meier-doernberg@fsc.org
Pilot test	Test a model group type III, which includes forestry contractors as members of group certification	Pilot tests with already certified and experienced smallholder groups	FSC national office of the country of the pilot participants	Lauri Ilola, l.ilola@fi.fsc.org
Global workshop	Analyse and discuss the results from the global survey and gather additional, direct inputs from stakeholders	Face-to-face meeting in the United States of America	FSC US, the most experienced group managers, and other relevant stakeholders	Vera Santos, v.santos@fsc.org
Major revisions	Revise standard FSC-STD-30-005 for group certification, including the recommendations of the work in relation to Motion 2014:83	Field tests for the revision of FSC standards	FSC International – PSU, working group	Joachim Meier, j.meier-doernberg@fsc.org

Action	Purpose	Tests	Actors involved	Contact
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Forestry contractors

Field tests	Examine possible entry points for forestry contractors in FSC certification	Public consultations and field tests	International working group, national sub-working groups (Finland, Latvia, and USA), and FSC offices (Germany, Spain, and Sweden)	Lauri Ilola, l.ilola@fi.fsc.org
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Step-wise approaches

East Africa	Generate recommendations for FSC on how to integrate and implement 'continuous improvement' in the FSC system, including the recommendations of the work in relation to Motion 2014:83 work	Public consultations and field tests	FSC East Africa working group, with experts from Kenya, Tanzania, and Uganda	Annah Agasha, a.agasha@fsc.org
Latin America	Characterize the smallholders, and identify the critical indicators, including the recommendations of the work in relation to Motion 2014:83	Workshops with SDGs, smallholders, and communities	FSC national offices, FSC Central America, FSC Latin America	Janja Eke, j.eke@fsc.org

Action	Purpose	Tests	Actors involved	Contact
Asia–Pacific	Identify the critical indicators or requirements, which can then be included in a simplified version of the national standard, including the recommendations of the work in relation to Motion 2014:83	Based on previous work from Ikea, WWF, Rainforest Alliance, the rubber sector, and the International Finance Corporation (World Bank), and stakeholder inputs	FSC Asia Pacific	Loy Jones, l.jones@fsc.org

SDG, standard development group.

Market development

The evolution of this work stream has been slowed down because of: (1) the need to prioritize the work stream on standards to synchronize with existing relevant processes (the national and certification body standards, and the finalization of the work related to Motion 2014:83) and to follow the recommendations of the engagement events from Phase I; and (2) the need to wait for the new strategy of the Marketing and Communications Unit of FSC to be finalized and stabilized, to be able to understand where project contributions would be more relevant.

Nevertheless, the New Approaches team has already started working on the development of value chains for smallholders, mainly through two partnerships.

- **Eco-Innovation Foundation**

- This partnership was established to: assess, engage, and support viable participants to develop successful smallholder-based wood value chains, and for inclusion in the Good Wood programme. The Good Wood programme seeks to develop new value chains for wood from the global South; it focuses on wood products from degraded natural tropical forests under the control and responsible management of smallholders – a value chain that has the potential to become competitive and provide long-term incentives to smallholders to engage in certified sustainable forestry. Overall, it:
 - provides value to smallholders and corporate end-users that goes beyond certification;
 - forms the basis for growth in the uptake and brand equity of FSC certification.

- **Forests and Climate Change Fund (FCCF)**

- This organization invests in Costa Rica, Guatemala, and Nicaragua, in FSC-certified secondary forest management units or those with the potential to become FSC certified.
- It uses bottom-up approaches to create innovative, long-term investment models, focused on forests managed by smallholders.
- FSC Guatemala and FSC Central America are already cooperating with FCCF by assessing pre-selected projects in terms of their potential to become FSC certified.
- The New Approaches project is currently exploring the possibility of a deeper alliance between FCCF and FSC.

Enablers

The New Approaches team is aware of the importance of transparency and communication, particularly when the aim of the project is to support smallholders with solutions that are developed by and for them.

To guarantee ownership of these solutions and stakeholder participation throughout the project, the team has already hosted several engagement events (Table 4). Outreach initiatives are being carried out throughout the project, using different formats and settings (e.g. high-level events, workshops, capacity-building sessions), aiming to address the objective of the event and the needs of the target audience.

Table 4. Engagement events, Phase II

Date	Event
May 2017	Second engagement event in Africa (Tanzania)
Oct 2017	Second engagement event for the Baltic states (Latvia)
Oct 2017	Capacity-development workshop in the Baltics

In addition to these, the New Approaches team is finalizing a communications plan, which will set out the project's target audiences and the communications activities to be implemented until the end of Phase II.

Target audiences:

- smallholders and communities
- key accounts, donors, consumers
- FSC international members
- certification bodies
- FSC staff and Network Directors.

Activities:

- create a comprehensive web page, with regularly updated information on project activities;

- develop infographics for the website, social media channels, and distribution at meetings and events;
- provide regular concept notes and project status summaries;
- provide regular news items and updates on project activities and results;
- provide success stories of impact on the ground from previous work;
- provide updates on the implementation of Motions;
- open up channels to inform people of project activities and allow for participation by relevant and representative stakeholders.

As explained in the normative framework section (see sections 5 and 6), the engagement of local, regional, and international stakeholders is crucial for the success of the New Approaches project. The project is incorporating several ways for them to participate in activities, such as:

- establishing international and national working groups, and consultative forums
- opening up several public consultations
- undertaking pilot and field tests
- organizing workshops and face-to-face meetings.

Seeking to implement an effective fundraising strategy, New Approaches continues to work closely with FSC Investment and Partnerships in exploring different types of potential funders and donors.

7 Phase III: Next steps

Once Phase II is completed, the results will be incorporated into the New Approaches strategy following the recommendations of FSC members, certificate holders, and stakeholders, especially those associated with and affected by the activities being implemented by the project. The best solutions will be expanded to make them globally available as quickly as possible.

8 Who we are

The New Approaches project is being developed and implemented by a global team, composed of representatives from FSC international, regional and national levels. FSC believes that this structure reflects the FSC network, and the diverse set of skills and expertise of the team members is one of the project's strengths. It enables direct contact with stakeholders and grass-roots development, as well as the opportunity to scale up activities.

Table 5. Our global team

Level	Activities	Personnel
International	International stakeholder processes Normative framework and approval processes Field and pilot testing Insights on international markets Communication strategies Funding opportunities at global scale	Vera Santos (Project Lead – Performance and Standards Unit, PSU), v.santos@fsc.org Joachim Meier-Dörnberg (PSU), j.meier-doernberg@fsc.org Jesse Cruz (PSU), j.cruz@fsc.org Rosario Galán (PSU), r.galan@fsc.org
Regional	Identification of priority countries Synergies among countries Intermediate-level link and support Closer understanding of market trends	Annah Agasha (East Africa), a.agasha@fsc.org Paul Opanga (East Africa), p.opanga@fsc.org Janja Eke (Latin America), j.eke@fsc.org Loy Jones (Asia–Pacific), l.jones@fsc.org Mariam Mattila (Commonwealth of Independent States), m.matila@fsc.org
National	National and local stakeholder relations Implementation of the different initiatives Local markets and buyers' input National funding and programmes	Lauri Ilola (Finland), l.ilola@fi.fsc.org Amy Clark Eagle (United States of America), a.eagle@us.fsc.org



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