

FSC® PROCEDURE

Procedure for the operation of the FSC Network

FSC-PRO-60-001 V1-0 EN



Title:	Procedure for the operation of the FSC Network
Document reference code:	FSC-PRO-60-001 V1-0 EN
Scope:	International
Approval date:	6 July 2012
Contact:	FSC Network Unit
E-mail for comments:	network@fsc.org

© 2012 Forest Stewardship Council, A.C. All rights reserved.

No part of this work covered by the publisher's copyright may be reproduced or copied in any form or by any means (graphic, electronic or mechanical, including photocopying, recording, recording taping, or information retrieval systems) without the written permission of the publisher.

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

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

Foreword

Since FSC® was established in 1993, many individuals and organizations have been interested to liaise with FSC in its development. This has resulted in a network of National Partners around the world, one of FSC's strong assets.

It is recognized that there is a deep level of interdependence between FSC and its Network. National Partners contribute hugely to FSC's global aims as they, among others, develop the nationally or regionally agreed forest management standards, which are contributing to position FSC as the benchmark in forest certification. National Partners also have a crucial role in lobbying their own governments on behalf of FSC, maintaining good relationships with local social and environmental groups and for introducing companies to the FSC system at every level of the supply chain. Many National Partners also administer the use by certain companies of FSC's trademarks within their own countries or contribute through other FSC programs to the profile and credibility of FSC in their countries.

This Procedure (FSC-PRO-60-001), which implements the Network Policy (FSC-POL-60-001), presents the roles and responsibilities of the Network Partners and FSC International, their working relationships and the selection process for Network Partners including eligibility criteria. Starting point for both the Policy and the Procedure is: *structure follows mission!*

Transition period

After this Procedure has been endorsed all Network Partners will be re-assessed. After the re-assessment there will be a Transition Period of one year in which Network Partners will be able to adjust and meet the requirements if they do not meet them already. For those Network Partners who do not meet with the eligibility criteria during the assessment after the Procedure has been endorsed, a re-assessment shall be undertaken a year later.

Note on use of this procedure

All aspects of this Procedure are considered to be normative, including the scope, procedure effective date, references, terms and definitions, notes, tables and annexes, unless otherwise stated (e.g. examples).

Please send any comments or suggestions regarding this procedure to:

FSC International Center
– Network Unit –
Charles-de-Gaulle Str. 5
53113 Bonn, Germany
Phone: +49-228 / 367-66-45
Fax: +49-228 / 367-66-65
E-mail: network@fsc.org

Contents

- A Scope
 - B Procedure effective date
 - C References
 - D Terms and definitions
-
- Part 1. Coordination and Collaboration within the FSC Network
 - 1.1 Introduction
 - 1.2 The roles and responsibilities of FSC National Offices
 - 1.3 National Office with sub-regional responsibilities
 - 1.4 The roles and responsibilities of FSC National Representatives
 - 1.5 The roles and responsibilities of FSC National Focal Points
 - 1.6 The roles and responsibilities of FSC International
 - 1.7 The roles and responsibilities of the Network Representative to the FSC AC Board of Directors (BoD)
 - 1.8 Agreements between FSC International and Network Partners
 - 1.9 Process for annual target setting in the Workplan and annual reporting and evaluation

 - Part 2. Selection of Network Partners
 - 2.1 The Process for selecting Network Partners
 - 2.2 Country selection
 - 2.3 Selection of a FSC National Office
 - 2.4 Selection of a FSC National Representative
 - 2.5 Selection of a National Focal Point

 - Annex 1. Flow chart of the process for selecting and assessing Network Partners

A Scope

The Policy document *FSC-POL-60-001 Development and Transition of the FSC Network* sets the framework for the FSC Network. Within this framework, the *FSC Network Procedure (FSC-PRO-60-001 V1-0)* is the normative document that aims to improve the Network structure and working relationship in order to work and operate as one system in a global leadership position.

The requirements in this Procedure are mandatory for FSC International and for FSC Network Partners (both applicants and endorsed partners).

B Procedure effective date

This Procedure becomes effective on 6 July 2012.

C References

The following documents are referred to in this Procedure. For references without a version number, the latest edition of the referenced document (including any amendments) applies.

FSC-POL-60-001 (V1-1) Development and Transition of the FSC Network
FSC-PRO-01-001 (V3-0) The Development and Revision of FSC Normative Documents
FSC-STD-01-002 FSC Glossary of Terms
FSC-STD-01-005 (V1-0) FSC Standard of the FSC Dispute Resolution System
FSC-PRO-01-005 (V2-1) FSC Procedure on Processing Appeals
FSC-PRO-10-501 (V1-0) Requirements for use of the FSC trademarks by FSC and FSC Network Partners
FSC-STD-20-006 (V3-0) EN Stakeholder consultation for forest evaluations
FSC-STD-60-006 (V1-2) Process for developing National Forest Stewardship Standards BM58 (FSC Board of Directors Meeting #58) TOR Network Representative.

FSC normative documents replaced by this version of the Procedure:

FSC-MAN-60-001 FSC National Initiatives Manual (1998)

D Terms and definitions

For the purposes of this International Procedure, the terms and definitions given in *FSC-STD-01-002 FSC Glossary of Terms* and the following apply:

FSC International: all units within the Forest Stewardship Council, Association Civil, Oaxaca, Mexico, FSC International Center GmbH, FSC Global Development GmbH, both Bonn, Germany and FSC's Regional Offices in the respective regions.

FSC Network Partners: The collective of all FSC Partners on a National level (formerly called: National Initiatives) with a cooperation agreement with FSC. This includes FSC National Offices, FSC National Representatives and FSC National Focal Points.

FSC National Office: a legally established and independent FSC partner organization promoting responsible management of the world's forests on behalf of FSC at the national level on the basis of a formal contract (cooperation agreement). NOs have a multi-stakeholder governance structure, similar to that of FSC AC.

FSC National Representative: an individual working on behalf of FSC in his/her country to serve as a national point for information and to promote responsible management of the forests under a formal contract (cooperation and service agreement).

FSC National Focal Point: an individual with a specified and agreed task for his/her country accomplished on a voluntary basis and under a formal contract (agreement). The National Focal Point does not represent FSC.

FSC Network Representative: an advisor to the FSC AC Board of Directors on behalf of the Network Partners.

FSC Normative Framework: the collection of FSC Policies, Standards, and Procedures (= normative documents) which are mandatory to follow. Includes Advice Notes where these still exist (stand-alone or compiled in Directives).

FSC Policy: a documented principle. The objective of every FSC Policy shall be to further the mission of FSC in line with the aims and aspirations of its members, and taking equal account of the concerns and interests of the three FSC chambers, and its 'northern' and 'southern' membership.

FSC Standard: a document, established by consensus and approved by a recognized body, that provides, for common and repeated use, rules or characteristics for products, services or related activities, processes and methods, aimed at the achievement of the optimum degree of order in a given context (adapted from ISO/IEC Guide 2:2004).

FSC Procedure: a document that describes the processes used to meet requirements of FSC's Policies and Standards. Procedures establish clarity, accountability and responsibility, provide specific controls for risk management, define expectations for work processes and products, and serve as training tools.

Agreement / Contract: a document describing a negotiated agreement between FSC International and a Network Partner including roles, responsibilities, rights and obligations of both parties for a defined period of time.

Pre-conditions: Critical elements needed to be present in a country or a region to enable FSC forest management certification to operate effectively.

Verbal forms for the expression of provisions

[Adapted from *ISO/IEC Directives Part 2: Rules for the structure and drafting of International Standards*]

“shall”: indicates requirements strictly to be followed in order to conform to the procedure.

“should”: indicates that among several possibilities one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required. A certification body can meet these requirements in an equivalent way provided this can be demonstrated and justified.

“may”: indicates a course of action permissible within the limits of the document.

“can”: is used for statements of possibility and capability, whether material, physical or causal.

Abbreviations:

ASI	=	Accreditation Services International
BoD	=	FSC Board of Directors
CAB	=	Conformity Assessment Body (also referred to as Certification Body = CB)
COC	=	Chain of Custody
CH	=	Certificate Holder
FM	=	Forest Management
GND	=	Global Network Director
MSP	=	Marketplace Service Provider
NCH	=	Non-Certificate Holder
NFP	=	FSC National Focal Point
NO	=	FSC National Office
NP	=	FSC Network Partner
NR	=	FSC National Representative
NU	=	FSC Network Unit
PES	=	Payment for Ecosystem Services
PSU	=	FSC Policy and Standards Unit
RD	=	FSC Regional Director
REDD	=	Reducing Emissions from Deforestation and Forest Degradation
RO	=	FSC Regional Office
TSP	=	Trademark Service Provider

PART 1. COORDINATION AND COLLABORATION WITHIN THE FSC NETWORK

1.1 Introduction

This first part of the FSC Network Procedure defines the roles and responsibilities and working relationships between the FSC International and the following three (3) categories of Network Partners:

- 1: FSC National Office
- 2: FSC National Representative
- 3: FSC National Focal Point

In the following paragraphs the roles and responsibilities are presented for National Offices (1.2), National Offices with sub-regional responsibilities (1.3), National Representatives (1.4), National Focal Points (1.5) and FSC International (1.6). Agreements between FSC International and the Network Partners are presented in 1.8 and the Process for annual target setting, reporting and evaluation in 1.9.

Part 2 of this Procedure presents the Selection Process (2.1 and annex 1) and the Eligibility Criteria for Countries (2.2), National Offices (2.3), National Representatives (2.4) and National Focal Points (2.5).

1.2 The roles and responsibilities of FSC National Offices

The FSC National Office is a legally established and independent FSC partner organization promoting responsible management of the world's forests on behalf of FSC at the national level on the basis of a formal agreement.

A National Office is expected to make a substantial contribution to FSC's global aims by demonstrating the capability (through evidence of adequate resources, experience and organisational structure) to discharge most or all of the responsibilities presented below.

In those exceptional cases where a National Office does not have the capability to meet all or part of a particular responsibility, this shall be discussed and agreed with the Network Unit in a timely way, before agreeing on a cooperation agreement, and/or on yearly targets.

1.2.1 Roles and Responsibilities:

- a) Represent FSC in the country to stakeholders and governmental institutions and agencies and communicate important view points of national stakeholders to FSC International.
- b) Enhance FSC certification and assist consistent, rigorous, transparent and participative application of the FSC system in the country, in line with FSC's strategies.
- c) Protect the intellectual property rights and licensing rights of FSC in the country (by monitoring and reacting to infringements and reporting to FSC International when these infringements do not cease after due warning).
- d) Provide information on internationally approved interpretation for the use of the FSC systems in the country.
- e) Manage a national communications plan in line with FSC's international communication strategy.
- f) Manage decentralized FSC programs according to formal agreements between the National Office and FSC International (e.g. Trademark Service Provider program, Key Account program, Membership program).

- g) Coordinate the development and ongoing management of the national FM standard in accordance with FSC-STD-60-006.
- h) Mediate informally and confidentially to prevent disputes, support dispute resolution and advise stakeholders on possible disputes at local level. National Offices shall inform FSC International and/or ASI immediately of any occurrence that may develop into a dispute.
- i) Notify FSC International about any problems, issues and concerns before these generate international attention.
- j) Support the development and revision of international policies and standards.
- k) Contribute to the implementation of FSC policy directed at National Offices, including initiatives associated with GA motions, in close collaboration with FSC International (e.g. Controlled Wood Risk Assessment, Modular Approach Program, Pesticide Derogations).
- l) Conduct market development activities within country and with other Network Partners across markets and industry sectors (including on government procurement) and certificate holders (including smallholders) from the beginning to the end of the supply chain.
- m) Identify future opportunities and challenges for FSC in the country.

1.2.2 Operational tasks:

- a) Secure a financially sound, and professional FSC affiliated organization, aligned structurally and strategically in the Network and with FSC, recognizing that National Offices are managed by their own Boards of Directors.
- b) Develop a National Strategic Plan for the development of and services provided by the National Office, mutually agreed between FSC International and the National Office.
- c) Develop Annual Workplans including a list of targets and activities mutually agreed between the National Office and FSC International.
- d) Produce an Annual Report at the end of the calendar year and participate in an annual evaluation.
- e) Submit an annual financial Audit Report.
- f) Participate in training courses, global and regional meetings and other events in order to ensure a high degree of performance. Delegates to these courses and meetings may be appropriately compensated for their travel costs.
- g) Develop a coordinated and professional approach to fundraising in alliance with FSC International.
- h) Be accountable for and transparent on the development and activities of the National Office to FSC International.
- i) Translate key FSC documents essential to the workability of the FSC system within their territory into the national language in coordination with FSC International.
- j) National Offices shall profile themselves as FSC representatives in accordance with the Cooperation Agreement in place (name, website, use of logo as defined in *FSC-PRO-10-501 (V1-0) Requirements for use of the FSC trademarks by FSC and FSC Network Partners*). However, the National Offices are prohibited to adopt, use, permit the use of, register or attempt to register as a trademark, service mark, trade name, legal name or corporate name or as part thereof, any of FSC's trademarks.

1.2.3 Rights:

- a) Stand as, nominate and elect a Network Representative to be an advisor to the FSC Board of Directors, as per the terms of reference for this role.
- b) Contribute to the strategic planning of the FSC Regional Office.
- c) Be eligible for financial contributions from FSC International in accordance with the signed agreement(s).
- d) Have access to information, technical support and training, organised by FSC International.
- e) Know and be informed by Certification Bodies on FM evaluation and audit processes to take place in the country (*FSC-STD-20-006 (V3-0) EN Stakeholder consultation for forest evaluations*).

1.2.4 National Offices shall not:

- a) Engage independently in interpretation of international FSC Policies or Standards. However, National Offices are expected to be familiar with all FSC Policies and Standards relevant to their territories, and all associated guidance, and thus are expected to direct concerned stakeholders to the relevant FSC documentation. If questioned on interpretation, the NO will only offer advice based on provided interpretation by FSC International. In all cases of doubt, the matter should be referred to the relevant member of FSC staff.
- b) Interfere in the certification process of companies, nor engage in interpretations of decisions of Certification Bodies. A National Office shall not overrule a decision made by a Certification Body. Instead, once enquirers have been apprised of FSC documentation, they should either be referred back to the Certification Body for further discussion or be recommended to take their case to the relevant member of staff at FSC International. Where the validity of a decision made by a CB is in doubt, an NO may, at any time, inform and seek a ruling from FSC International or ASI, as appropriate.
- c) Recommend the services of specific Certification Bodies in favor of any other endorsed and available CBs to conduct a particular certification;
- d) Have staff applying for FSC membership or being a FSC member. (Note: this is currently strongly recommended and may become mandatory in the future.)
- e) Engage in other certification systems without first discussing the implications with FSC International. Board members of a National Office are strongly recommended to sign a confidentiality agreement and a conflict of interest declaration and shall not be member of a Board of another certification scheme.
- f) Act against any decision taken by the FSC Board of Directors.

1.2.5 Delegated Powers

- a) This Procedure recognises that National Offices are responsible for providing a considerable number of services to achieve FSC's global aims within their own countries. Some of these, such as Trademark Service Provision, are already delivered by many NOs under delegated powers controlled by the appropriate agreement. It is now recognised that 'local services, delivered locally' is often the best means of FSC meeting its wide remit, especially where a full understanding of local circumstances is crucial for the optimum outcome. However, the right to use delegated powers shall only be awarded after a NO has proved to be capable, by demonstrating to FSC International the required capacities to provide these services in a satisfactory manner.
- b) National Offices which have been awarded delegated powers shall be issued with a supplementary National Office Agreement which shall formalise their status.

- c) Delegated powers may be granted by FSC International to NOs who can demonstrate sufficient capacity and independence from external influence to accept an increased level of delegated responsibility that is needed in a specific country to fulfil the FSC mission. Capacity and independence from external influence shall be evidenced by the following selection criteria:
- Residential in a country that is key for fulfilling the FSC mission;
 - A consistent track record of delivering on agreed workplan targets;
 - Audited accounts that show long-term financial stability, with clear evidence that the National Office is not financially reliant on any one interest group;
 - An experienced staff who can demonstrate an understanding and commitment to FSC's standards, and the impartial enforcement thereof;
 - A three-chambered Board of Directors, who themselves have a track record of dedication to FSC's principles, impartiality and the robust due processes regarding the decisions made by their NO;
 - Clear and transparent processes that demonstrate, where necessary in written form, that FSC's procedures for reaching decisions have been followed precisely as required. Examples of such processes are: adhering to an agreed strategic plan and workplan, circulating papers for consultation at agreed intervals, acting impartially on all stakeholder comment, providing reasons why points of view have been accepted or rejected and retaining all documentary evidence needed to demonstrate 'due process', such as all correspondence and the minutes of meetings;
 - Attendance on relevant FSC training courses.
- d) Delegated powers should represent a considerable enhancement to the perceived trustworthiness of NOs and their Boards of Directors, and the faith that FSC International has in their abilities.

1.2.6 Aligning the accountability of the National Office to its National Board and to FSC International

- a) Both the National Office and FSC International are aware that there is a parallel accountability of the National Office staff (Executive Director) towards FSC International and their own Board of Directors. Both the NOs and FSC International do agree on the principle that this parallel accountability should always be dealt with in a transparent and respectful way. No accountability instance should be systematically neglected or put on a higher level than the other, neither by the Network Partners nor by FSC International.
- b) This Procedure acknowledges that National Offices are legally independent of the FSC and governed by their statutes (approved according to national legislation and the proper governance bodies such as the General Assembly of members in the country) and the national Board of Directors. National Offices represent FSC in their country on the basis of a formal agreement with FSC AC. National Offices are responsible towards their own Board of Directors in terms of financial discipline, risk management and the efficient and effective conduct of day to day operations.
- c) National Offices have considerable contractual and moral obligations towards FSC's international mission, aims and objectives. For example, it should be accepted by all Network Partners that publicly demeaning FSC before an outside audience is unacceptable behavior, as is the promotion of other certification schemes without approval of FSC International. Similarly, a Board dominated by one particular chamber would put a basic tenet of FSC in jeopardy and is thus unacceptable.
- d) To enable FSC International to harmonize performance and achieve globally set goals for the organization, agreements shall be signed with all National Offices. Such agreements shall be signed by the legal representatives of the NO and FSC

International. Strategic Plans and Annual Workplans with country specific targets are developed and agreed upon between the NO and FSC International and shall normally be approved by the Board of the NO.

- e) The NOs and FSC International should aim to align the processes in setting targets for the Strategic Plan and Annual Workplan, and evaluation through Annual Reports to prevent NOs from doing the work twice: separately for FSC International and their own Board.
- f) The priority of the Network Unit is to develop and encourage the Network Partners. In order to improve the relationship and understanding between a National Office and FSC International, the National Office (Board of Directors and Executive Director) will maintain regular contact with the Regional Director (where applicable).
- g) The Executive Director of the NO, who is contracted by the national BoD, relates directly to the Regional Office or Network Unit or other Units at FSC International for the fulfilment of the agreements, Strategic Plan and Annual Plan and other management issues on behalf of his/her Board of Directors.
- h) The National Offices are responsible for ensuring the quality and effectiveness in achieving the agreed targets in which they shall be supported by FSC International in accordance with the Cooperation Agreement and agreed Strategic Plan and Annual Plans. In recognition of the expectations placed on National Offices, FSC International must exercise some control over the quality and consistency of the results and products. In the case that it is considered that the NO should improve its performance, FSC International can propose a number of quality improvement measures which can be used at any stage before sanctions are implemented. These may include:
 1. A verbal request to the Executive Director to explain the reasons for under-performance and to propose measures for improvement.
 2. A written request to the Board of Directors of a National Office detailing areas where improvements must be made.
 3. If justified, the provision of extra support, which may include monitoring and mentoring by the Regional Director and/or another National Office.
 4. A request to the National Office for the disassociation with certain persons, as opposed to disassociation with the entire NO. Such a measure would only be undertaken on proven grounds of a specific individual bringing FSC into disrepute or acting contrary to FSC's basic principles.
 5. Commission an external review of the National Office's performance.
- i) In the event that there are serious breaches¹ by a National Office and after examining the causes, the evidences, the type of default and proposing quality improvement measures, FSC International shall define and may apply, as a last resort, the following sanctions depending on the seriousness of the breach:
 - Removal of any special status (e.g. TSP provider) which has been granted to the National Office;

¹ Examples of serious shortcomings in performance of a National Office in addition to the issues presented in 1.2.4 include and are not restricted to:

- Not achieving a wide range of national targets agreed earlier with FSC International, despite having received budget and support from FSC International.
- Not adopting the agreed joint actions to improve performance.
- The NO does not function, does not provide services to its members, has no administrative staff, does not have members participating in the democratic process around the FSC system.
- The national General Assembly or Board of Directors do not exist or do not function according to FSC's governance structure.
- There is no functioning democratic process in the country for decision-making;
- Serious administrative and management errors.

- Assuming breach of contract has taken place, temporary denial of further fees due under the National Office agreement, until the necessary improvements have been made or errors corrected;
- Re-categorizing the National Office to National Representative status;
- FSC's formal disassociation from the National Office's staff, or board, or both. This may well require the recruitment of a new person at National Representative level, or the members to propose a new Board or NO staff.

1.3 National Office with sub-regional responsibilities

- 1.3.1 A National Office may be asked to undertake similar tasks in neighbouring countries and then be contracted as a National Office with sub-regional responsibilities.
- 1.3.2 When a National Office accepts sub-regional responsibilities it shall be asked to sign a supplementary agreement outlining and formalizing the extra duties and rewards involved. Without such an agreement, a National Office cannot be operating as a sub-regional office.
- 1.3.3 The Strategic Plan and Annual Workplan shall include a list of sub-regional targets and activities in line with the Regional Strategy and mutually agreed to between the National Office and FSC International.
- 1.3.4 FSC International and the National Office will ensure that any sub-regional NO tasks will be agreed upon with existing FSC Network Partners in the relevant countries.

1.4 The roles and responsibilities of FSC National Representatives

The FSC National Representative is an individual working on behalf of FSC in his/her country to serve as a national point for information and to promote responsible management of the forests under a formal agreement. A National Representative shall be able to submit substantial contributions to FSC's global aims in the following fields.

1.4.1 Roles and Responsibilities:

- a) Represent FSC in the country to stakeholders and governmental institutions.
- b) Direct more complicated questions on the FSC system or on FSC's performance to the Regional Office, and/or FSC International.
- c) Enhance FSC membership and FSC certification in the country.

Subject to further training and agreement with FSC International, the following responsibilities may be added:

- d) Prepare the grounds for the development of a FSC National Office.
- e) Coordinate the development and ongoing management of the national FM standard in line with FSC-STD-60-006.
- f) Identify future opportunities and challenges for FSC in the country.

1.4.2 Operational tasks:

- a) Develop a Strategic Development Plan and an Annual Workplan including the list of mutually agreed targets and activities.

- b) Produce an Annual Report (including a financial report) at the end of the calendar year and participate in an annual evaluation.
- c) Participate in training courses, global and regional meetings and other events in order to ensure a high degree of performance. Participants to these courses and meetings may be appropriately compensated for their travel costs.
- d) Translate key FSC documents essential to the workability of the FSC system within their territory into the national language in coordination with FSC International.
- e) National Representatives shall profile themselves as FSC representatives (name, website, use of logo).
- f) The National Representative shall always inform the Network Unit, Regional Office or other FSC Units if there are any issues raised in which he/she cannot represent FSC, because these issues are not included in the contractual arrangements between the National Representative and FSC International.

1.4.3 Rights:

- a) Nominate and elect a Network Representative to be an advisor to the FSC Board of Directors, as per the terms of reference for this role.
- b) Be eligible for a financial contribution from FSC International in accordance with the signed agreement.
- c) Have access to information, technical support and training, organised by FSC International.

1.4.4 National Representatives shall not:

- a) Engage in the tasks designated to National Offices (see 1.2) with exception of the ones mentioned in paragraph 1.4 and in the agreement between the National Representative and FSC International.
- b) Engage in interpretation of international FSC Policies or Standards.
- c) Interfere in the certification process of companies, nor engage in interpretations of decisions of Certification Bodies.
- d) Engage in interpretation of any other element of the FSC system.
- e) Be an FSC member. (Note: this is currently strongly recommended and may become mandatory in the future.)
- f) Engage in other certification systems.

1.5 The roles and responsibilities of FSC National Focal Points

The FSC National Focal Point is an individual with a specified and agreed task for his/her country accomplished on a voluntary basis and under a formal agreement. The NFP does not represent FSC.

A FSC National Focal Point may be a permanent or temporary position. Depending on the importance of the country for FSC (see 2.1.3), FSC International will decide if it wants to maintain a NFP in the country or develop the position into that of a National Representative.

1.5.1 Roles and Responsibilities:

- a) The National Focal Point and FSC International shall agree on a specified task or set of tasks for his/her country for which the NFP shall be responsible (e.g. support the development of a national FM standard, promote FSC in the country).

1.5.2 Operational tasks:

- a) Develop an annual work plan for the agreed task or set of tasks for his/her country.
- b) Produce an annual report at the end of the calendar year and participate in an annual evaluation.
- c) Participate in training courses, global and regional meetings and other events in order to ensure a high degree of performance. Participants to these courses and meetings may be appropriately compensated for their travel costs.
- d) Provide FSC International with the invoices for reimbursement of a prior agreed budget.

1.5.3 Rights:

- a) Nominate and elect a Network Representative to be an advisor to the FSC Board of Directors, as per the terms of reference for this role.

1.5.4 The FSC National Focal Point shall not represent FSC but refer to the Regional Office or FSC International when representation in the country is required.

1.6 The roles and responsibilities of FSC International

1.6.1 Roles and Responsibilities

In collaboration with the Network Partners, FSC International shall coordinate the Network. Coordination will be guided by the Network Procedure and specifically the following working relationships (1.6.2-1.6.5).

1.6.2 FSC International shall assess the priorities and need for FSC Representation based on the global FSC mission and strategy in compliance with *Part 2. Selection of Network Partners* and identify countries where representation should be initiated or further encouraged.

1.6.3 FSC International shall evaluate applications from individuals and organizations that want to become a Network Partner in compliance with *Part 2. Selection of Network Partners*.

1.6.4 FSC International shall provide all relevant information to allow the FSC National Offices to act as the official channel of communication and the front end of the FSC Certification Scheme. FSC International will consult with the National Offices prior to approval on policy matters that affect their national stakeholders. Within the bounds of commercial and legal confidentiality, FSC International will notify the National Office of all direct dealings it is having with individual stakeholders within the Territory.

1.6.5 FSC International shall support Network Partners in their operations by:

- a) Guiding and coordinating the development of Strategic Development Plans, annual Workplans with target setting and annual reporting with Network Partners.
- b) Supporting Network Partners in meeting requirements of their category of NP or supporting NPs in becoming a next category of NP (e.g. from NR to NO).
- c) Sharing revenues with Network Partners to an agreed system and managing the Strategic Fund for specific projects of the Network.

- d) Supporting Network Partners in fundraising activities.
- e) Responding to requests by the NPs and supporting constructive and timely communication between the Network Partners and FSC International, including timely reacting to complaints by Network Partners about the performance of FSC International.
- f) If FSC International agrees with National Offices under an additional service agreement that programs are decentralized, decentralization will come with training, sharing of resources, funding or joint fundraising (as examples: key accounts program, membership program, marketplace program).
- g) Providing communications materials like corporate design templates, basic corporate communications materials, databases access, certificate holder data;
- h) Supporting the development of a web page of the NO and NR.
- i) Ensuring that National Offices are kept up to date regarding general developments in FSC and on specific issues that particularly relate to their Territories, e.g. by providing regular updates on FSC related issues through newsletters and Network specific emails.
- j) Promptly informing the National Office of all complaints about FSC.
- k) Establishing and coordinating contacts with multi-national companies, where applicable in close co-operation with those National Offices which have pre-existing relationships.
- l) Lobbying at supra national level and providing regular updates on international policy issues and advocacy support.
- m) Organizing one annual global network meeting and an annual regional network meeting.
- n) Managing a training program.
- o) Supporting the Network Representative to the Board of Directors (BoD).
- p) Conducting continued performance reviews and annual evaluations of NPs and FSC International.
- q) Supporting Network Partners when they change their category of NP.
- r) Conducting regular evaluations of the Network system.

1.7 The roles and responsibilities of the Network Representative to the FSC AC Board of Directors (BoD)

- 1.7.1 The roles and responsibilities and the election procedure for the FSC Network Representative to the Board are described in *BM58 (FSC Board of Directors Meeting #58) TOR Network Representative*.

1.8 Agreements between FSC International and Network Partners

- 1.8.1 This Network Procedure is the normative document that provides a clear structure for the network system and distinguishes between the three categories of Network Partners. Separate agreements exist between FSC International and NPs:
- a) For each category of NP a standard Agreement is available which serves as a contract between the Network Partner and FSC International and can be tailored to the requirements of that Network Partner and FSC International.
 - b) Agreements for specific programs carried out by the National Office (e.g. for TSP, Key Account program, Membership program).

- c) Other agreements between FSC International and NPs (e.g. for specific projects).

1.8.2 Description of the standard Agreements with Network Partners:

- a) FSC International has developed and shall sign an Agreement with all endorsed Network Partners.
- b) The Agreements set the rules for collaboration between the Network Partners and FSC International and describe the roles, responsibilities and rights of the Network Partners and FSC International, based on this Procedure.
- c) The Agreements shall serve as an umbrella agreement for all other agreements between the Network Partner and FSC International.

1.9 Process for annual target setting in the workplan and annual reporting and evaluation

- 1.9.1 Every year by late October / early November each Network Partner shall do a self-assessment to analyze to what extent the targets of the ongoing year have been achieved and identify reasons for short comings (internal and external) following a fixed format provided by FSC International. FSC International may also request an external review of the performance of a Network Partner.
- 1.9.2 In December the Network Partner and FSC International shall discuss new annual targets and activities for the NP, based on the results of the previous year and in case of an NO and NR on the national Strategic Development Plan and strategic priorities of FSC. The new agreed targets shall be endorsed by the Board of the NO and presented in an Annual Workplan at the beginning of each calendar year. This should be aligned with the Network Partner's other Workplans if existing (see 1.2.6).
- 1.9.3 Each Network Partner shall present its Annual Report and each National Office also an Audited Annual Financial Report to FSC International by the end of the Q2 of the following year, at the latest.
- 1.9.4 The Network Partners and FSC International are required to deliver on their contractual agreements in a timely manner.

PART 2. SELECTION OF NETWORK PARTNERS

2.1 The Process for selecting Network Partners

The following Process shall be applied for the selection of all categories of Network Partners (see also the flow chart in Annex 1):

- 2.1.1 The process to select Network Partners shall be a joint activity of the Network Unit and the Regional Office. The final result of this process shall be communicated by the Global Network Director for decision making to the Director General of FSC.
- 2.1.2 The starting point (**Step 0.**) shall be that :
- FSC has a Network Partner in a specific country that is scheduled to have its re-assessment (every 3-5 years, see 2.1.11) or has requested to develop into another NP category *and/or*
 - FSC International feels the need to investigate if it should have a NP in a country (e.g. in the Regional Strategy) *or*
 - FSC International has received a request from an individual or organisation to become a NP;
- for the following steps to be taken:
- 2.1.3 **Step 1.** Analyse and decide if a country is a priority country for FSC and if so, if the Network Partner should be a National Office, National Representative or National Focal Point by:
- 1a. Doing an assessment if pre-conditions in a country are being met (2.2.2) and if positive:
 - 1b. Assessing against the eligibility criteria for countries (2.2.3).
- 2.1.4 **Step 2.** Check if persons or organisations are already representing or have represented FSC in the country in the past. If so continue with Step 3 (2.1.5), if not go to Step 4 (2.1.7).
- 2.1.5 **Step 3.** Check if the current person or organisation that acts as Network Partner or that has represented FSC in the past is meeting the eligibility criteria and willing to continue as Network Partner. If so, the agreement shall continue (for NO) or be renewed (3 years for NR, 1 year for NFP).
- 2.1.6 If the current person or organisation that acts as Network Partner or that has represented FSC in the past is not willing to act as NP or does not meet the eligibility criteria for NP, inform that person or organisation, that the relationship with FSC shall end and that that person or organisation shall no longer represent FSC.
- 2.1.7 **Step 4.** In case no Network Partner is available or the relationship with the current Network Partner has ended, candidates to become Network Partner in the given country need to be identified by FSC International. This can be done by:
- a. Checking for recent applications to become a Network Partner;
 - b. Developing a stakeholder map of persons and organisations involved with FSC in the country, the characteristics of their involvement, past track records, possible conflicts of interest, their interest, etc. *and/or*;

- c. Announcing publicly on FSC's international website and through the existing mailing lists the need for a NP in the country and inviting interested persons or organisations to apply, and/or,
- d. Checking within FSC's own network, with the former Network Partner and other related persons and organisations for suitable candidates.

2.1.8 **Step 5a.** Request potential candidates to provide FSC International with:

- a. A Curriculum Vitae (CV) (for NR and NFP);
- b. An application letter highlighting interest for the position, past experience with and knowledge of FSC, and a potential strategy or workplan for the country;
- c. Documented evidence for compliance with each of the eligibility criteria;
- d. Three support letters from FSC international members in the country (one from each chamber for applications to become a National Office).

Only for National Offices:

- e. Proof of achieving all preparations necessary to become an NO in close cooperation with FSC International (e.g. establishment a governance structure in line with that of FSC-AC).

2.1.9 **Step 5b.** Assess the suitability of the candidates (individuals or organisations) using the eligibility criteria (2.3.2, 2.4.2 or 2.5.2) and select the best candidate by:

- a. Analysing the CV and application letter (and optionally the strategy or workplan) to assess the candidate's involvement with FSC and sustainable forest management;
- b. Checking credentials, either with the references provided by the candidate or within FSC's own network;
- c. Interviews with a selection of qualified candidates;
- d. Final analysis of each candidate identifying uncertainties about the person or organisation and missing information. Mitigation measures can also be included;
- e. Finally the Global Network Director proposes a candidate (organisation or person) to the Director General of FSC for endorsement.
- f. The Director General decides on endorsement.

2.1.10 **Step 6.** Establish an agreement and workplan with the selected Network Partner. The agreement will have an unlimited duration for National Offices, a duration of 3 years for National Representatives and 1 year for National Focal Points. The workplan could also indicate if there is a need to change from one category of Network Partner to another and what is required to achieve this.

2.1.11 Re-assess the status of the Network Partner every 5 years for NOs and every 3 years for NRs and NFPs or earlier (on request of the NP) following the same process. The reassessment process of a NP shall be carried out within four months.

2.1.12 New applications to become a Network Partner or applications to change the category of Network Partner by an existing Network Partner shall be processed year round. The process to assess new applications shall be finalised within four months. Within these four months, the applicant cannot function as a Network Partner (or as a Network Partner in the category he/she has applied for).

2.1.13 Applicants for the Network who are not satisfied with the way their application is dealt with, including Network Partners who applied for a changed status and Network Partners who had to change their status per decision of FSC International, can make use of the *FSC Standard of the FSC Dispute Resolution System FSC-STD-01-005*

(V1-0) and the related *FSC Procedure on Processing Appeals FSC-PRO-01-005 (V2-1)*.

2.1.14 Ending a relationship with a Network Partner shall be done:

- a. on request of the Network Partner, or
- b. when FSC International decides that it does not need to be represented in the country, or
- c. when the Network Partner's performance has not met the requirements over a period of time.

A risk assessment is always part of the decision making process when FSC International decides to end its representation in a country (2.1.14.b).

When a Network Partner's performance has been unsatisfactory (2.1.14.c), FSC International will first propose a number of quality improvement measures to the NP as specified in 1.2.6.h.

2.2 Country selection

2.2.1 An individual or organization is only eligible for one of the three categories of Network Partners, if their country qualifies as a priority country for that category, depending on the strategic relevance of that country for FSC (*structure follows mission*). The decision to maintain or develop FSC representation (National Office, National Representative or National Focal Point) in a country shall be based on a two step approach: first an **assessment** against **pre-conditions** shall be done and only if the preconditions are met it shall be followed by an assessment against **country eligibility criteria**.

Both assessments shall be done by the Network Unit in collaboration with the relevant Regional Office.

2.2.2 The assumption is that if pre-conditions for certification in a country are not met, there is little need for FSC to be represented in that country. A country shall therefore have to fulfil **both** of the following **pre-conditions** for FSC to decide that it can be represented in that country. These pre-conditions are:

- a) The socio-political, environment and legal framework allow implementation of sustainable forest management, COC certification and /or markets for certified products.
- b) Safety conditions permit the Network Partner, FSC staff and auditors to perform their duties in an acceptable way, which would exclude e.g. countries at (civil) war or which are highly unstable.

2.2.3 When both pre-conditions are met, **eligibility criteria for country selection** shall be applied based on FSC's mission and strategy, to decide if and with which category of Network Partner FSC wants to engage in the country, being:

- a) Strategic need and/or the opportunity to have quick results for maintenance or development of FSC representation. This shall be based on the following indicators:
 - Forest area under certification or with potential for certification and number of (potential) FM certificates.
 - Importance and potential for processing of certified forest products related to the number of COC certificates and opportunities to increase their number, both in-country and through international trade links.

- The importance and potential of consumer and/or business markets for FSC certified products and public procurement opportunities, both in-country and through international trade links.
 - Business opportunities including future investment plans related to the presence of major market players with (interest in) FSC certification.
 - Political opportunities and challenges related to legislation of forest products (e.g. EU Timber regulation, Lacey Act) and new income generating opportunities for certified forests (e.g. REDD, PES).
 - Number of FSC members.
- b) The need of FSC presence in the country, based on the following indicators:
- Presence of competing schemes.
 - Number of critical associations / NGOs engaged in FSC.
 - State of the forest / deforestation rate.

2.3 Selection of a FSC National Office

2.3.1 In countries where FSC shall be represented by a National Office, the following **eligibility criteria** shall be applied for an organisation to become or to remain a National Office:

- a) Be established as a legally independent entity, satisfying all necessary in-country legal requirements.
- b) Be established as a multi-stakeholder organizational that mirrors the one of FSC AC with a Board of Directors composed of at least three (3) FSC members with a balance of economic, environmental and social interests.
- c) Established procedures for consultation, participation, grievance and decision making in full alignment with FSC.
- d) Established corporate strategies aligned and agreed with FSC International.
- e) Secured financial base and organizational model, and a secured management model for a professional FSC office, aligned in the Network and with FSC International.
- f) Proven ability to fundraise independently.
- g) Capacity and experience to coordinate the development and ongoing management and interpretation of the national FM standard.
- h) Capacity and experience to provide a comprehensive range of services to the full range of Certificate Holders and other Non-Certificate Holders in country.
- i) Ability to implement nationally relevant marketing campaigns, ideally driven by consumer or sector research to increase brand recognition (amongst business and consumers).
- j) Capability to manage programs decentralized by FSC International (e.g. Trademark Service Provider program, Key Account program, Membership program).
- k) Knowledge, skills, attitude and leadership to represent FSC in the country, including towards government institutions and key business partners.
- l) Capacity to provide translation services that are inclusive of technical forestry, supply chain and market terminology.
- m) Good communication capacity.
- n) Excellent working knowledge of English.
- o) The ability to relate to FSC's Values and Approach.

2.4 Selection of a FSC National Representative

- 2.4.1 In countries where FSC shall be represented by a National Representative, the following **eligibility criteria** shall be applied for an individual to become or remain a National Representative:
- a) An individual.
 - b) Track record and an undisputed reputation in sustainable forest management and FSC certification.
 - c) In possession of a broad network with key stakeholders for FSC including governmental institutions.
 - d) Skills and poise to interact with the highest levels of government and business within country; and a track record of this.
 - e) Capacity to provide translation services that are inclusive of technical forestry, supply chain and market terminology.
 - f) Excellent understanding of the FSC structure.
 - g) Excellent communication skills and a track record of this.
 - h) Excellent working knowledge of English.
 - i) Skilled to manage a financially sound bookkeeping system and a track record of this.
 - j) The ability to relate to FSC's Values and Approach.
 - k) Be free of conflict of interest.
 - l) If employed, have approval from the employer to be a FSC National Representative.

2.5 Selection of a National Focal Point

- 2.5.1 In countries where FSC shall be engaged with a National Focal Point, the following **eligibility criteria** shall be applied for an individual to become or remain a National Focal Point:
- a) An individual.
 - b) Track record and an undisputed reputation in sustainable forest management and FSC certification.
 - c) Knowledge, skills, attitude and proven leadership to provide accurate information about FSC and promote FSC and sustainable forestry in the country.
 - d) In possession of a broad network with key stakeholders including governmental institutions.
 - e) Ability to transfer information from the national stakeholders to FSC International.
 - f) Excellent communication skills.
 - g) Excellent working knowledge of English.
 - h) The ability to relate to FSC's Values and Approach.
 - i) If employed, have approval from the employer to become a FSC National Focal Point.

Annex 1. Flow chart of the process for selecting and assessing Network Partners

