



# FIRST PUBLIC CONSULTATION MATERIAL

FSC-PRO-30-006 V2-0 D1-0 Ecosystem Services  
Procedure: Impact Demonstration and Market Tools

16/01/2023



## INTRODUCTION

**Welcome to the first public consultation for the revised FSC-PRO-30-006 Ecosystem Services Procedure: Impact Demonstration and Market Tools** (also summarised as ‘the procedure’).

The first public **consultation is open between 16 January and 17 March 2023** and will be used to collect stakeholders’ feedback on a series of questions regarding the proposed first draft version of the procedure. FSC encourages all interested stakeholders to participate and provide their feedback during this period. Please click [here](#) to submit your responses in the FSC consultation platform.

It is not mandatory to respond to all questions. You may choose sections that are most important to you. You can save current progress and edit your responses right up until you submit your final response. It is possible to edit your responses until the close of the consultation period. The estimated time to complete all question items is 40 mins.

We will hold webinars in English with simultaneous Spanish and French translation for different time zones during the consultation. In these webinars, we will explain the proposals presented in the revised draft, the questions included in the public consultation, and we will address questions/comments from the public.

The registration information is given below:

Webinar information	Expected Date	Time	Registration info.
Webinar 1 (English with Spanish and French translation)	24 January 2023	9:00 – 10:00 CET	Link <a href="#"><u>here</u></a>
Webinar 2 (English with Spanish and French translation)	21 February 2023	17:00 – 18:00 CET	Link <a href="#"><u>here</u></a>

Thank you in advance for your participation.

Please contact Francesco Patino at [f.patino@fsc.org](mailto:f.patino@fsc.org) for comments or questions.

# CONTENTS

<b>Introduction</b>	<b>2</b>
<b>Contents</b>	<b>3</b>
<b>Background information</b>	<b>4</b>
<b>Executive Summary</b>	<b>6</b>
<b>Aggregated comparison between the current procedure (V1-2) and the first draft of the revised procedure (V2-0 draft 1-0)</b>	<b>9</b>
<b>General Notes and Editorial Changes</b>	<b>13</b>
<b>Initial questions</b>	<b>14</b>
<b>TOPIC 1. Overall structure, language and clarity over terms and definitions</b>	<b>15</b>
<b>TOPIC 2. Flexible FSC Forest Management Certification to use the FSC Ecosystem Services Procedure</b>	<b>15</b>
<b>TOPIC 3. Applying for FSC Forest Management Certification and FSC Ecosystem Services Claims simultaneously</b>	<b>17</b>
<b>TOPIC 4. Safeguards for the use of claims, in-scope and out-of-scope uses</b>	<b>18</b>
<b>TOPIC 5. Remote audits to verify impacts on ecosystem services</b>	<b>20</b>
<b>TOPIC 6. Benefit sharing mechanism</b>	<b>20</b>
<b>TOPIC 7. Bundling claims</b>	<b>21</b>
<b>TOPIC 8. Inclusion of new ecosystem services and impacts</b>	<b>22</b>
<b>TOPIC 9. Closing</b>	<b>22</b>
<b>Thank you very much for your participation</b>	<b>23</b>

## Background information

FSC-PRO-30-006 V1-2 *Ecosystem Services Procedure: Impact Demonstration and Market Tools* ('the procedure') has as its main objectives to:

- set out the requirements for FSC-certified forest managers to demonstrate the impact of their activities on the maintenance or enhancement of ecosystem services;
- provide FSC-certified forest managers with improved access to emerging ecosystem services markets;
- improve access to finance for validated ecosystem service enhancement impacts.

The Performance and Standards Unit (PSU) drafted a review report of the procedure and put it for consultation (Dec 2021 – Jan 2022). PSU collected feedback from stakeholders, and considering this, along with existing interpretations and frequently asked questions, recommended to conduct a full revision of the procedure.

In parallel to the review process, Motion 48/2021 (Streamline the Ecosystem Services Procedure, incorporate more services and maximise its potential) was approved at the FSC General Assembly 2021 requesting a revision of the procedure.

The revision of the procedure also contributes directly to the FSC Global Strategy 2021 – 2026, with outcomes in strategy 1 (forest solutions) and 2 (transform markets).

FSC had the kick off meeting with the technical working group<sup>1</sup> in July 2022. The technical working group consists of six members, three members represent environmental, social and economic interests and three members are technical experts. The members of the technical working group are:

**Table 1: Members of the technical working group**

Member	Organization	Type of working group member	Country
<b>Wesley Snell</b>	ETIFOR (FSC economic member)	Economic	Italy
<b>Jens Holm Kanstrup</b>	Forest of the World (FSC environmental member)	Environmental	Denmark
<b>Alan Smith</b>	Individual (FSC social member)	Social	Germany
<b>Ana Sofia Vaz</b>	University of Porto	Technical	Portugal
<b>Rachele Perazzolo</b>	FSC Italy	Technical	Italy
<b>Sriskandh Subramanian</b>	The Gold Standard Foundation	Technical	India

<sup>1</sup> You can find the terms of reference of the technical working group [here](#).

At the 9<sup>th</sup> FSC General Assembly 2022 in Bali, the following motions connected to the Ecosystem Services Procedure were approved:

- a. motion 49/2021 FSC Ecosystem Service Procedure as a mitigation mechanism to meet global market demand for net-zero and net-positive targets.

Draft 1-0 of the revised procedure includes clauses that regulate who can make claims for the purpose of neutralization (see Section 2 'General requirements for the use of FSC Ecosystem Services Claims'), and which elements need to be in place to use the claims (see Section 12 'Promoting FSC Ecosystem Services Claims' and Section 15 'Promoting financial sponsorship of verified FSC ecosystem services impacts'). Find more information in the revised draft of the procedure and in sections below in this document.

- b. motion 53/2021: Policy Motion to incorporate to ecosystem services the recognition of cultural services and practices to strengthen and endure over time the interconnection of Indigenous Peoples.

Draft 1-0 of the revised procedure includes a new ecosystem service named ES 6: Cultural practices, and four new impacts (see Annex B 'Impact indicators and measurements'). Find more information in the revised draft of the procedure and in sections below in this document.

FSC will continue working with the technical working group in the implementation of both motions during the revision of the procedure.

FSC has also established a Consultative Forum<sup>2</sup> to engage with interested parties during the revision.

The consultation material for this first public consultation is:

- FSC-PRO-30-006 V2-0 D1-0 (revised draft of the procedure).
- Consultation material (presented in this document).
- Motion 48/2021 Streamline the Ecosystem Services procedure, incorporate more services and maximise its potential.
- Motion 49/2021 FSC Ecosystem Service Procedure as a mitigation mechanism to meet global market demand for net-zero and net-positive targets.
- Motion 53/2021: Policy Motion to incorporate to ecosystem services the recognition of cultural services and practices to strengthen and endure over time the interconnection of Indigenous Peoples.

The first public **consultation is open between 16 January and 17 March 2023**. The second public consultation is expected to happen in August 2023.

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<sup>2</sup> You can join the Consultative Forum [here](#).

## EXECUTIVE SUMMARY

### Who are the key stakeholders in the revision of this procedure?

- FSC Members
- FSC-certified forest managers
- certification bodies
- project developers
- sponsors of FSC-certified forests
- FSC Network Partners/Regional Offices
- FSC International staff

### What are the key concepts in the procedure?

The first draft version of the revised procedure is built on fundamental requirements of the current procedure and includes additional clauses to bring clarity regarding new concepts and roles. An analysis of safeguards for integrity was developed to have a robust structure for the regulation of claims. These include:

- Forest Management Certification as precondition for the use of the procedure.
- New requirements to enable forest managers to use forest impact data for the impact verification process.
- Additional requirements for sponsor to regulate the use of claims, including an alignment to the mitigation hierarchy to ensure integrity.
- Data sharing and the establishment of an FSC registry system for accessing and monitoring impact data and associated claims.
- Revised requirements for sponsors and certification bodies.

Table 2 presents these concepts in detail.

Table 2: Key concepts in the procedure

Nr	Concept	Why it matters
1	Preconditions and additional safeguards for forest managers, sponsors, project developers	<p><b>It retains Forest Management Certification</b> as a prerequisite for the use of the procedure, as it provides a baseline for responsible forest management and establishes safeguards for the demonstration of positive ecosystem services impacts.</p> <p>NOTE: To improve access to small or low-intensity managed forests (SLIMF), and community forests, FSC has recently launched the <i>FSC-PRO-30-011 Continuous Improvement Procedure</i> (CIP). The CIP follows a stepwise approach to certification for SLIMF and community forests, and allows for a streamlined certification process to take place facilitating the uptake of certification by SLIMF and community forests.</p> <p>It introduces and adds clarity to the <b>role and requirements for The Organization, Project Developers (PDs) and sponsors</b> concerning eligibility criteria.</p>

Nr	Concept	Why it matters
2	Requirements for applicants for FSC Forest Management Certification	It improves clarity over how FSC Forest Management Certificate Holders and applicants for certification can use the procedure.
3	Introductory requirements for the use of FSC Ecosystem Services Claims	It improves clarity for the eligibility criteria to use claims covering topics of integrity to <b>regulate ownership, validity, registration, and benefit sharing.</b>
4	Enhancement of the impact demonstration process enabling quantitative and qualitative claims based on impact data	It incorporates footprint <b>impact data</b> from management units and evaluates the improvement of management activities based on quantitative indicators. This enables using claims for reporting progress for achieving science-based targets, for example.
5	Additional requirements for promotion and communication, together with rules for sponsors	It regulates clarity in the use of the claim framing the <b>allowed statements for promotion and communication.</b> These ensure regulating the promotion and communication of claims based on impact data to avoid greenwashing, fake claims and misleading marketing statements. <b>Requirements and rules for sponsors</b> in regard registration and promotional licence requirements are here included.
6	Framework to govern the right to use claims	It frames fundamental safeguards for the use of claims involving <b>the mitigation hierarchy, double counting, and alignment with other trusted schemes,</b> to ensure <b>integrity.</b>
7	Additional requirements for Certification Bodies (CB)	<p>It regulates the role of CBs including additional requirements regarding <b>data sharing and FSC registry system</b> which represent the backbone to ensure integrity, transparency and credibility for regulating and monitoring claims (see Annex C 'Requirements for certification bodies').</p> <p>The registry system will be designed and implemented outside of the revision of the procedure.</p> <p><b>It introduces the additional reporting requirements and the general contents of the ESCD template</b> (see Annex D 'Additional requirements to the evaluation report and public summary'). All information to be provided by the CB are envisioned to be captured through the use of Digital Audit Report template.</p>
8	Improvement of impacts and ecosystem services regarding cultural services	It covers the recognition of <b>cultural services and practices of Indigenous Peoples,</b> enabling claims adequate for such users.
9	Streamlined application of the procedure and additional possibilities for SLIMF and Community Forests (CF)	<p>It establishes requirements for a <b>mandatory benefit sharing mechanism</b> and minimum distribution of revenue to identified beneficiaries. This is anticipated to provide benefits for SLIMF and CF forests;</p> <p>It allows for <b>SLIMF and CF to have streamlined possibilities to demonstrate positive impacts</b> with regards to the Part II of the</p>

Nr	Concept	Why it matters
	<p>procedure. More specifically it allows for impacts to be demonstrated with:</p> <ul style="list-style-type: none"> <li>- a more simplified description of the ecosystem service to which impact(s) are to demonstrated;</li> <li>- a more simplified Theory of Change (ToC), not including outputs to the ToC;</li> <li>- identification of only local contextual factors and risks influencing the permanence of the outcomes of the ToC;</li> <li>- simplified application of the footprint approach to impact demonstration.</li> </ul> <p>It also allows for <b>claims to be made with the purpose of 'neutralization'</b> when the impacts have been demonstrated <b>on SLIMF and/or CF management units</b>.</p>	



## AGGREGATED COMPARISON BETWEEN THE CURRENT PROCEDURE (V1-2) AND THE FIRST DRAFT OF THE REVISED PROCEDURE (V2-0 DRAFT 1-0)

Table 3 below offers an aggregated comparison of selected key topics between the current procedure (V1-2) and the draft version of the revised procedure (V2-0 D1-0).

Table 3 below expands on the key concepts presented in Table 2 and organises them as per the structure of the current procedure (V1-2) (see column 2).

Table 3: Aggregated comparison between the current procedure (V1-2) and the first draft of the revised procedure (V2-0 Draft 1-0)

Sections in the current Procedure (V1-2)		Key topics in the first draft version of the revised procedure
1	Terms and definitions	<p>The draft version of the revised procedure includes new terms like mitigation hierarchy, neutralization, project developer, scopes in relation to the supply chain (e.g., in-scope, out-of-scope).</p> <p>Rationale: This enhances requirements, concepts and definitions in terms of legality and integrity (see the terms of reference – ToR - task 5.4).</p> <p>Connects to topic 1 and 3 in Table 2.</p>
2	Part I: General requirements	<p>The draft version of the revised procedure includes new requirements that:</p> <ul style="list-style-type: none"> <li>- clarify responsibilities of The Organization, project developers and applicants for FSC Forest Management Certification in the use of the procedure.</li> <li>- allow applicants to get the verification of ecosystem services' impacts at the main evaluation for FSC Forest Management Certification.</li> </ul> <p>The draft version of the revised procedure retains Forest Management Certification as a prerequisite for the use of the procedure.</p> <p>The draft version of the revised procedure includes elements of the current procedure V1-2 Section 2 'Management requirements for all proposed impacts.'</p> <p>The draft version of the revised procedure Section 2 'General requirements for the use of FSC Ecosystem Services Claims' presents new requirements that:</p>

Sections in the current Procedure (V1-2)	Key topics in the first draft version of the revised procedure
	<ul style="list-style-type: none"> <li>- control the use of claims for the purpose of neutralization;</li> <li>- require disclosure of project specific information (such as existing registration of a project with an external certification scheme);</li> <li>- introduce a benefit sharing mechanism.</li> </ul> <p>This enhances requirements, concepts and definitions in terms of legality and integrity (see ToR task 5.4).</p> <p>Connects to key topics 1, 2, 3, 6 and 9 in Table 2.</p>
<b>3</b> Part II: Additional management requirements for the proposed ecosystem services impacts	<p>The current procedure V1-2 Part II no longer exists in the draft version of the revised procedure. Its content has been moved into other parts of the draft version of the revised procedure or removed:</p> <ul style="list-style-type: none"> <li>- content on conversion was removed (it is now addressed by the FSC Remedy Framework)</li> <li>- current procedure V1-2 Section 3 'General requirements for impact demonstration' was moved to Annex B 'Impact indicators and measurements' in the draft version of the revised procedure, next to each relevant impact.</li> </ul>
<b>4</b> Part III: Impact demonstration	<p>The current procedure V1-2 Part III has become Part II: Impact demonstration in the draft version of the revised procedure.</p> <p>The draft version of the revised procedure includes new requirements for three approaches to demonstrate impact (storytelling, footprint and performance), putting attention to measuring impact data for footprint and performance approaches.</p> <p>Rationale: this aims to ease implementation and accelerate demand (see ToR task 5.1), brings clarity, efficiency and easiness to implement to the procedure (see ToR task 5.2) and enables quantitative measurements, further impacts and new ecosystem services (see ToR task 5.3).</p> <p>Connects to key topics 4 and 9 in Table 2.</p>
<b>5</b> Part IV: Market tools: Using FSC Ecosystem Services Claims	<p>The current procedure V1-2 Part IV has become in the draft version of the revised procedure Annex A 'Promotion and Trademark Requirements'.</p>

Sections in the current Procedure (V1-2)	Key topics in the first draft version of the revised procedure
	<p>The draft version of the revised procedure includes new requirements for three types of claims (footprint, maintenance, and enhancement) that can be obtained from the three approaches to verify impact.</p> <p>New requirements in the draft version of the revised procedure:</p> <ul style="list-style-type: none"> <li>- describe the possible promotional statements to use when promoting the claims;</li> <li>- regulates how sponsors may use the claims, addresses the mitigation hierarchy, double counting, and aligns with other trusted schemes, to ensure integrity.</li> </ul> <p>Rationale: this brings clarity, efficiency and easiness to implement to the procedure (see ToR task 5.2) and enhances requirements, concepts and definitions in terms of legality and integrity (see ToR task 5.4).</p> <p>Connects to key topics 1, 5 and 6 in Table 2.</p>
<p><b>6</b> Part V: Requirements for certification bodies</p>	<p>The current procedure V1-2 Part V has become in the draft procedure Annex C ‘Requirements for certification bodies’.</p> <p>New requirements in the draft version of the revised procedure:</p> <ul style="list-style-type: none"> <li>- specify what does significant changes in the ESCD mean;</li> <li>- require the certification body to register the claim in the FSC registry system;</li> <li>- specify requirements for certification bodies related to the selection of an appropriate evaluation method (remote/on-site);</li> <li>- present that FSC will issue the Ecosystem Services Claim(s) based on the verification conducted by the certification body;</li> <li>- simplify and/or removes requirements that have been addressed by the revised <i>FSC-STD-20-007 Forest Management Evaluations</i>.</li> </ul> <p>Rationale: this brings clarity, efficiency and easiness to implement (see ToR task 5.2), and Enhance requirements, concepts and definitions in terms of legality and integrity (see ToR task 5.4).</p> <p>Connects to key topic 7 in Table 2.</p>
<p><b>7</b> Annex A ‘Template Ecosystem Services Certification Document’</p>	<p>The current procedure V1-2 Annex A is not part of the draft version of the revised procedure.</p>

Sections in the current Procedure (V1-2)	Key topics in the first draft version of the revised procedure
	<p>During the revision of the procedure, it is expected that the content the ESCD is incorporated into the FSC <u>Digital Audit Report (DAR)</u>.</p> <p>Connects to key topic 7 in Table 2.</p>
<p><b>8</b> Annex B 'Possible impacts, and measures to demonstrate them'</p>	<p>The draft version of the revised procedure includes, in Annex B 'Impact indicators and measurements', requirements that were part of the current procedure V1-2 Section 3 'General requirements for impact demonstration' and Annex B 'Possible impacts, and measures to demonstrate them'.</p> <p>The draft version of the revised procedure includes new requirements and impacts for a proposed new ecosystem service named ES 6: Cultural Practices. This is a first attempt to implement Motion 53/2021.</p> <p>Rationale: this enables quantitative measurements, further impacts and new ecosystem services (see ToR task 5.3).</p> <p>Connects to key topic 8 in Table 2.</p>
<p><b>9</b> Annex C 'Examples of a completed theory of change'</p>	<p>The current procedure V1-2 Annex C is not part of the draft version of the revised procedure. Examples of theories of change will be hosted on the FSC website.</p>
<p><b>10</b> Annex D 'Information regarding financial sponsorship'</p>	<p>The current procedure V1-2 Annex D is not part of the draft version of the revised procedure. During the revision of the procedure, it is expected that V1-2 Annex D is incorporated into the Digital Audit Report (DAR).</p> <p>The draft version of the revised procedure introduces a new Annex D named 'Additional requirements to the evaluation report and public summary'. It hosts requirements to be included into the forest management evaluation report and public summary (see FSC-STD-20-007) when the Ecosystem Services procedure is included into the scope of certification.</p> <p>Connects to key topic 7 in Table 2.</p>

## GENERAL NOTES AND EDITORIAL CHANGES

The draft version of the revised procedure (V2-0 Draft 1-0) of the procedure will be later complemented by a revised *FSC-GUI-30-006 Guidance for Demonstrating Ecosystem Services Impacts* (the guidance). The revision of the guidance will be launched at a later stage, once the revision of the procedure is at an advanced phase.

The draft version of the revised procedure also includes references to information that will be hosted on the FSC website. While the connection is already in the procedure, the preparation of such information will be done at a later stage. This information is expected to be hosted on Ecosystem services site ([here for forest managers](#), and [here for businesses](#)).

FSC will continue seeking alignment between the revision of the procedure and the following processes:

- The restoration toolbox (development in 2023 – 2024):
  - FSC is in the process of creating a Restoration Toolbox that will ultimately lower risk for investors and demonstrate the positive impact of restoration investments.
  - The restoration toolbox is expected to be consulted in Q3 2023.
  - To find more about the restoration toolbox, please contact Pina Gervassi at [p.gervassi@fsc.org](mailto:p.gervassi@fsc.org); or Theresa Keith at [t.keith@fsc.org](mailto:t.keith@fsc.org).
- Implementation of and alignment with FSC's Digital Audit Reporting initiative (2023-2024):
  - FSC is rolling out the digital audit reporting for forest management evaluations.
  - Development of digital tools for compiling information and improving ways for FSC to demonstrate its impacts on the ground will also be a source of alignment for the revision of the Ecosystem Services procedure.
- Revision of *FSC-STD-50-001 Requirements for the use of trademarks by certificate holders* (planned for 2023).

In addition to the processes described above, FSC will continue engaging with several actors like the consultative forum, members, network partners, FSC units and programmes throughout the revision of the procedure.

## INITIAL QUESTIONS

This section presents topics we would like to obtain your feedback on. You will also see these topics and questions in the consultation platform.

### Background and interests

Please help us understand more about your background and interests by filling in the questions below:

**1. Please select your region:**

- Africa
- Asia Pacific
- Europe
- Latin America
- North America

**2. Please select the option that best identify yourself regarding your background and interests:**

- |  |                                       |
|--|---------------------------------------|
| • Academia / research organization       | • FSC International                   |
| • Assurance Services international (ASI) | • Governmental organization           |
| • Certificate Holder                     | • ISEAL member                        |
| • Certification body                     | • Non-Governmental Organization (NGO) |
| • FSC member                             | • Other (please specify)              |
| • FSC Network Partner                    |                                       |

**3. What is/would be your role regarding the procedure?**

- Existing or potential sponsor;
- Existing or potential project developer;
- FM/CoC Certificate Holder (looking to use the procedure to demonstrate impacts);
- CoC Certificate Holder (looking to reference verified ES impacts on finished products);
- Certification body;
- No specific role envisioned ('I am generally interested in the procedure').

**4. If you are an FSC member, please specify your chamber:**

- |                       |                       |
|-----------------------|-----------------------|
| • Economic South      | • Environmental North |
| • Economic North      | • Social South        |
| • Environmental South | • Social North        |

**5. Please add your email address if you give your consent to be contacted by the process lead.**

Bear in mind information and comments received will be addressed in compliance with data protection requirements.

## TOPIC 1. Overall structure, language and clarity over terms and definitions

### Relevant location in the draft version of the revised procedure:

Whole draft version of the revised procedure.

### Background:

One of the overall objectives for the revision is to improve language, structure and overall flow of the procedure.

New terms have been defined in Section D 'Terms and Definitions.' These include in-scope/out-of-scope, mitigation hierarchy, approaches to demonstrate impact and neutralisation.

**Question 1.** To what extent do you agree that the draft version of the revised procedure improves the clarity and flow of the document?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 2.** To what extent do you agree that the draft version of the revised procedure introduces clear and understandable language and requirements?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 3.** To what extent do you agree that the draft version of the revised procedure includes clear requirements for different actors (e.g., The Organization, project developer, applicants, sponsor)?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 4.** Please include suggestions to improve the language, structure and overall flow of the draft version of the revised procedure.

**Question 5.** Please include suggestions to improve the Terms and Definitions in the draft version of the revised procedure.

## TOPIC 2. Flexible FSC Forest Management Certification to use the FSC Ecosystem Services Procedure

### Location in the draft version of the revised procedure:

To be addressed in the scope and Part I: General Requirements, based on results from first public consultation.

### Background:

Currently, the draft version of the revised procedure requires FSC Forest Management Certification as a prerequisite for the use of the FSC Ecosystem Services Procedure. During the revision, the technical working group is evaluating various opportunities to streamline access to and use of the Ecosystem

Services Procedure for Organizations with small or low-intensity managed forests (SLIMF) and community forests – in particular the Forest Management Certification as the prerequisite for the use of the Ecosystem Services procedure.

**Proposal:**

The revision of the procedure considers the Forest Management Certification a prerequisite for the use of its impact demonstration tool. The *FSC-PRO-30-011 Continuous Improvement Procedure* (CIP) and other already established FSC Forest Management Certification approaches are seen as ways to facilitate access to SLIMF and community forests to achieve Forest Management Certification, thus enabling access to the full implementation of the Ecosystem Services Procedure for such users.

To address forests that have remained outside of Forest Management Certification and have not experienced any management activities for at least past 10 years, a specific question has been included into the consultation about the need to retain Forest Management Certification as a prerequisite for the use of the Ecosystem Services procedure.

Additionally, the TWG wishes to seek stakeholder input to a possibility that a partial Forest Management Certification would be granted for areas that have either limited or no benefits directly from Forest Management Certification, but that would receive benefits from being able to demonstrate impacts on ecosystem services. Partial Forest Management Certification could entail that certain requirements from the FSC Principles and Criteria that are related to timber harvesting and management that entails site disturbing activities would not apply to The Organization.

The positive and negative implications anticipated with regard to retaining Forest Management Certification as a prerequisite for the use of the Ecosystem Services procedure.	
PROS	CONS
<ul style="list-style-type: none"><li>Established baseline and safeguards for responsible forest management;</li></ul>	<ul style="list-style-type: none"><li>Additional cost for the application of the Ecosystem Services procedure;</li></ul>
<ul style="list-style-type: none"><li>Existing baseline requirements for demonstrating positive ecosystem service impacts;</li></ul>	<ul style="list-style-type: none"><li>Complexity of certification as a barrier to small and low intensity managed forests;</li></ul>
<ul style="list-style-type: none"><li>Established evaluation and monitoring frameworks for the Ecosystem Services procedure to tap into.</li></ul>	<ul style="list-style-type: none"><li>Potentially limited benefits in forests where no or little site disturbing activities.</li></ul>

**Question 6.** Do you think FSC Forest Management Certification should be retained as a prerequisite for the use of the procedure for small or low-intensity managed forests (SLIMF) and community forests?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 7.** Please briefly explain your rationale and/or include suggestions for improvement.



**Question 8.** Do you think Forest Management Certification should be retained as a prerequisite for the use of the procedure if there has NOT been any commercial logging activities in the forest for the past at least 10 years?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 9.** Please briefly explain your rationale and/or include suggestions for improvement.

**Question 10.** Do you think a partial FSC Forest Management Certification could provide a feasible baseline requirement for the use of the Ecosystem Services procedure? Please explain your rationale.

## TOPIC 3. Applying for FSC Forest Management Certification and FSC Ecosystem Services Claims simultaneously

**Location in the draft version of the revised procedure:**

Part I: General Requirements, Clause 1.2.

**Background:**

The FSC Forest Management Certification provides a fundamental safeguard ensuring the responsible management of a forest management unit, adding the aspect of integrity and credibility of the conducted management activities in conformity with the FSC Principles and Criteria. It further adds a rigorous baseline to provide complementary benefits from the management activities to demonstrate an impact in the ecosystem services.

**Proposal:**

The draft version of the revised procedure of the procedure requires FSC Forest Management Certification as a precondition for the use of the procedure. Applicants for Forest Management Certification may have ecosystem impacts validated and then request the verification of an ecosystem service impact(s) at the main evaluation. In this way, the verification of an ecosystem service impact(s) and FSC Forest Management Certification decision can be simultaneously conducted.

### Risks and opportunities pertaining to the proposal of applying FSC Forest Management Certification and the Ecosystem Services procedure simultaneously

#### Risks

- Comparative data not generated during time of certification;

#### Opportunities

- Allows for a streamlined approach for prospective Certificate Holders to access the benefits of the Ecosystem Services procedure during the time of initial certification with a possibility of seeking sponsorship immediately for verified impacts after certification;

- 
- No baseline for responsible forest management set with Forest Management Certification prior to the application of the Ecosystem Services procedure;
  - Allows for a quicker verification of impacts for organizations wishing to use the Ecosystem Services procedure, that are not yet certified according to Forest Management Certification.
- 
- FSC could lose interest of potential Organizations that are interested in the procedure that would have to wait for at least one year before impacts to ecosystem services can be verified and subsequent claims can be issued (if not applicable during the initial time of certification).
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**Question 11.**      **To what extent do you agree with having the initial certification process and application of the procedure conducted simultaneously?**

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 12.**      **Please briefly explain your rationale and/or include suggestions for improvement.**

## **TOPIC 4. Safeguards for the use of claims, in-scope and out-of-scope uses**

### **Location in the draft version of the revised procedure:**

Part I: General Requirements, Section 2 ‘General requirements for the use of FSC Ecosystem Services Claims’, Section 15 ‘Promoting financial sponsorship of verified FSC ecosystem services impacts’, and Annex A ‘Promotion and Trademark Requirements.’

### **Background:**

In the procedure, the introduction of claims for sustainability target reporting by companies entails the development of several safeguards to keep credibility, trust, and robustness of FSC in the nature market. The current version of the procedure (V1-2) does not regulate the use of claims outside the forest scope (out of scope). The draft version of the revised procedure frames the inclusion of out of scope uses by aligning the procedure to trusted and robust schemes, i.e. Science Based Target Initiative, and adding clear rules of how and when a claim on neutralisation can be issued. Furthermore, the new draft aims at developing claims to demonstrate progress towards achieving net-zero and net-positive targets for climate, biodiversity, and water at all stages of the mitigation hierarchy. This is the main request from Motion 49.

In the carbon spectrum, neutralisation refers to measures that companies take to remove carbon from the atmosphere and permanently store it to counterbalance the impact of emissions that remain unabated. Following the mitigation hierarchy (defined by the Science Based Target initiative, as well as by Forest Trends, links [here](#) and [here](#)) residual impacts/emissions are those which remain after a company has implemented actions to avoid, minimise and restore all impacts/emissions in all scopes and from all sources. These scopes are defined as follows:

- In-scope: It refers to direct and indirect greenhouse gas (GHG) emissions within the value chain of an organization. Scope 1 emissions are direct GHG emissions occurring from sources that are owned or controlled by the company. Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the company. Scope 3 emissions are a consequence of the activities of the company, but occur from sources not owned or controlled by the company.
- Out-of-scope: These are GHG emissions which fall beyond the value chain of an organization.

#### Proposal:

The draft version of the revised procedure introduces new requirements for eligibility criteria aimed at regulating sponsors and the use of claims for out-of-scope uses. Key aspects are:

- Prove of a commitment to an approved and/or validated eligible net-zero or eligible target in accordance with the mitigation hierarchy
- Claims are unique, not transferable, not bankable, and immediately retired upon registration of sponsorship
- Claims for neutralization purposes can only be used:
  - when impacts are verified in management units that meet the eligibility criteria for SLIMF and/or community forests, and
  - those management units that are not eligible for in-scope projects and
  - do not supply the forest industry with round wood.

#### Risks and opportunities pertaining to the proposal of in-scope and out-of-scope uses

Risks	Opportunities
<ul style="list-style-type: none"> <li>• Out-of-scope would open the door to users outside the forest scope, where instruments for regulating a commitment to the mitigation hierarchy and target reporting are not mature enough.</li> </ul>	<ul style="list-style-type: none"> <li>• FSC becomes a mitigation mechanism to meet global market demand for net-zero and net-positive targets.</li> </ul>
<ul style="list-style-type: none"> <li>• There is a need for mapping out potential scenarios according to users of the procedure and user of claims when incorporating concepts such as water neutrality and net-zero. This includes potential pressure, and threats to forests.</li> </ul>	<ul style="list-style-type: none"> <li>• FSC has the decision on how to frame the inclusion of concepts such as out-of-scope use and add clear rules of how and when a claim for neutralization purposes can be used.</li> </ul>

#### Question 13. To what extent do you agree with having claims for the purpose of out-of-scope to be made available through the procedure?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

#### Question 14. To what extent do you see any risk in the offering of claims for out-of-scope purposes only from SLIMFs and community forest?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

#### Question 15. Please briefly explain your rationale and/or include suggestions for improvement.

## TOPIC 5. Remote audits to verify impacts on ecosystem services

### Location in the draft version of the revised procedure:

To be added to Annex C 'Requirements for certification bodies', based on results from first public consultation.

### Background:

The draft version of the revised procedure aims to lower costs and facilitate access to users while making the use of claims more robust and attractive. The technical working group analysed opportunities to streamline the evaluation process of the procedure.

### Proposal:

The draft version of the revised procedure proposes an alignment with the revised *FSC-STD-20-007 Forest Management Evaluations* that allows a remote audit method to be applied for evaluating FSC Forest Management Certificate Holders. The possibility to conduct evaluations remotely is specifically assessed in the context of the Ecosystem Services procedure, and a consultation question has been formulated to seek input on two approaches currently discussed by the TWG:

- Specific: Only certain impacts would require an on-site audit
- Open: up to the Certification Body to decide if the impact requires an on-site audit

#### Question 16. Do you agree that impacts on ecosystem services can be effectively verified through a remote audit?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

#### Question 17. Which approach would you think is more appropriate?

- Specific approach
- Open approach
- Neither approach is applicable
- Both are applicable in certain scenarios

#### Question 18. If you agree to a 'specific' approach, what certain impacts would you considered?

#### Question 19. If you agree to an 'open' approach, what elements as eligibility criteria should be considered?

#### Question 20. Please briefly explain your rationale and/or include suggestions for improvement.

## TOPIC 6. Benefit sharing mechanism

### Location in the draft version of the revised procedure:

Part I: General requirements, Section 2 'General requirements for the use of FSC Ecosystem Services Claims.'

## Background:

The current version of the procedure (V1-2) does not include benefit sharing requirements to regulate the distribution of income to beneficiaries when developing a project to verify an ecosystem services impact.

## Proposal:

The draft version of the revised procedure presents new clauses framing the concept of benefit sharing mechanism including the involvement and agreement of actors, e.g., project developers, The Organization, and identified beneficiaries, to share at least 60% of income from the financial sponsorship of any claim, after payment of any charges, taxes or similar fees levied by the host country, with the beneficiaries of the benefit sharing mechanism.

**Question 21. Do you agree with including a mandatory benefit sharing mechanism in the procedure?**

- Agree with the proposal
- Disagree with the proposal

**Question 22. Do you agree with the proposed percentage of 60% (this is how much of the net income from the financial sponsorship is to be shared with the beneficiaries of the benefit sharing mechanism)?**

- Agree with the proposal
- Disagree with the proposal

**Question 23. Please explain your rationale and/or include suggestions for improving the benefit sharing process or the income share percentage.**

## TOPIC 7. Bundling claims

### Location in the draft version of the revised procedure:

Annex A 'Promotion and trademark requirements', Section 12 'Promoting FSC Ecosystem Services Claims.'

## Background:

The terms of reference of this revision process asked to evaluate opportunities to bundle various ecosystem services together. This could enhance market prospects, by lowering costs and facilitating access while making the product more attractive.

## Proposal:

The draft version of the revised procedure allows to distinguish the bundling of different ecosystem services. This is framed around the term 'multiple positive impacts' that can be used for promotion and communication. This term may be used if there are verified impacts for at least three of these ecosystem services: biodiversity, water, carbon and soil.

**Question 24. To what extent you see value for forest managers in the use of the concept 'multiple positive impacts'?**

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 25.** To what extent you see value for sponsors in the use of the concept ‘multiple positive impacts’?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 26.** Please briefly explain your rationale and/or include suggestions for improvement.

## TOPIC 8. Inclusion of new ecosystem services and impacts

**Location in the draft version of the revised procedure:**

Annex B ‘Impact indicators and measurements.’

**Background:**

The approved Motion 53/2021 requests the Ecosystem Services Procedure to be strengthened through developing specific additional services and market claims for Indigenous and Traditional Peoples. This includes i) the protection and maintenance of cultural and ancestral knowledge and practices, ii) the protection and maintenance of cultural places and archaeological sites, iii) the strengthened social benefits of forests including health and well-being, and iv) the consideration additional cultural practice claims.

**Proposal:**

In order to address the motion requirements, the draft version of the revised procedure includes a new ecosystem service, named ES 6: Cultural Practices with four new impacts: Impact 21 ‘Maintenance of cultural practices’, Impact 22 ‘Enhancement of cultural practices’, Impact 23 ‘Maintenance of culturally valued populations or species,’ and Impact 24 ‘Enhancement of culturally valued populations or species’.

It is to bear in mind the current procedure (V1-2) has 5 ecosystem services, 20 impacts and a multitude of indicators. Nonetheless, there are many more ecosystem services, impacts and indicators that remain namely outside of the procedure.

**Question 27.** To what extent would you like to see in the procedure new ecosystem services (including impacts and indicators) and/or new impacts in the already existing ecosystem services?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

**Question 28.** Please briefly explain your rationale and/or include suggestions for improvement.

## TOPIC 9. Closing

**Question 29.** To what extent do you agree overall with the draft version of the revised procedure?

- 100% agree
- 75% agree
- 50% agree
- 25% agree
- 0% agree

- Question 30.** Please share any additional comments on Part I: General Requirements. Please refer to the clause(s) in the document your comments relate to.
- Question 31.** Please share any additional comments on Part II: Impact Demonstration. Please refer to the clause(s) in the document your comments relate to.
- Question 32.** Please share any additional comments on Annex A ‘Promotion and Trademark requirements.’ Please refer to the clause(s) in the document your comments relate to.
- Question 33.** Please share any additional comments on Annex B ‘Impact indicators and measurements.’ Please refer to the clause(s) in the document your comments relate to.
- Question 34.** Please share any additional comments on Annex C ‘Requirements for certification bodies.’ Please refer to the clause(s) in the document your comments relate to.
- Question 35.** Please share any additional comments on the whole draft version of the revised procedure. Please refer to the clause(s) in the document your comments relate to.

## THANK YOU VERY MUCH FOR YOUR PARTICIPATION

On behalf of the FSC-PRO-30-006 technical working group, the FSC Forest Management Programme, and the FSC Climate and Ecosystem Services Programme thank you very much for providing your feedback in this consultation!

As a reminder, it is possible to make changes in your responses while consultation is open through 17 March 2023. Even if you have submitted your response, you can return and edit it.

For further information on this revision process, please visit [our current processes site](#) on the FSC website.



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