

**Standards Development Group
to trial a small woods standard for the UK**

Terms of Reference and Operating Rules

V1-1, June 2018

PROJECT INFORMATION

1 Introduction

FSC's commitment 'to significantly advance the ability of smallholders and Communities to access, maintain and capture the benefits of FSC certification' through the New Approaches project was asserted in Motion GA2017/46, passed by FSC members at their General Assembly in October 2017. Actions to achieve this include 'Support to National Standard Development Groups to ensure that the full potential of Scale, Intensity and Risk (SIR) considerations result in simplified standards for smallholders, particularly for very small forest owners (thresholds to be decided on national level)'.

Supported by the New Approaches project, the FSC UK Board of Directors have committed to trialling a radical new approach to national forest stewardship standard development in the UK context. While the Board accept that the proposed approach may not achieve full acceptance within the wider FSC system, they hope that valuable lessons will be learned along the way, and that at least some elements of the approach will be found to be of value in the wider global context of FSC.

2 Background of the project and summary of the proposal

Uptake of FSC forest management certification by owners of smaller woodlands, often referred to as smallholders, remains limited, not just in the UK but around the world. Recent research in the UK suggests that, for those smaller woodland owners potentially interested in FSC forest management certification, the main barriers are paperwork, complex standard requirements, and costs.

Recognising this, founding FSC member and former FSC UK director Hannah Scrase developed a concept for a radically slimmed down forest stewardship standard for small, low-risk woodlands. It is this concept which FSC UK has chosen to explore.

The approach involves a bottom-up standard development process, beginning with identifying key issues for small woodlands in the national context, and then fitting indicators addressing these issues into the structure of the FSC Principles, rather than taking the Principles and Criteria and International Generic Indicators as the starting point for standard development. FSC UK proposes to use a translation of the FSC Principles into simple language to provide a loose framework for this bottom-up process.

Ideally this approach would result in a very small number of indicators, especially if indicators were developed which could act as proxies for several elements of compliance. As a minimum, there should be at least one indicator per FSC Principle (rather than one indicator to address each element of every Criterion, as is currently the case). In addition to these indicators, however, there would also be one 'passive' indicator per Principle; these would not be actively audited, but would allow auditors to raise non-conformances if they observed or were alerted to issues covered by the passive indicators. For very basic examples, see Box 1.

Box 1 Simple examples of active and passive indicators**Principle 1 – Compliance with Laws**

Active indicator – The FMU has a felling licence which covers all current harvesting.

Passive indicator – No evidence of other illegal activity.

The intention would be for the resulting standard to be very much shorter than existing standards, and therefore less daunting for those who had to apply it, but also quicker and cheaper to audit. By focussing on genuine risks and key issues where FSC certification can deliver positive change above and beyond regulatory requirements, such a standard would hopefully achieve real, positive changes in forest management more efficiently, thus reducing auditing burden without sacrificing rigour.

The aims of this project are to refine the proposed approach to standard development, develop a standard for the UK, and forest test it. This is an informal trial rather than a formal pilot project, but it will largely follow existing FSC rules, for example FSC-STD-60-006 V1-2 EN *Process requirements for the development and maintenance of National Forest Stewardship Standards*. Depending on the outcome, it may involve the submission of a standard to FSC International for formal approval, or FSC UK may consider other ways of using the standard to promote smallholder certification. Whatever the outcome, there will be ongoing dialogue with the New Approaches project team, and a key output of the project will be a report summarising lessons learned and recommendations for future risk-based approaches to standard development, which we hope will influence global thinking in this area.

In parallel to this work on standards, FSC UK staff will conduct a desk study on the potential implications, in terms of costs and rigour, of changes to internal and external auditing requirements for FSC forest management group schemes and to auditing requirements for individual smallholders. A key output of this work will be a series of recommendations for changes to FSC-STD-20-007 V3-0 EN *Forest management evaluations* (which addresses issues such as the frequency of field audits, the nature of audit reports, and sampling of group schemes) and FSC-STD-30-005 V1-1 EN *FSC standard for group entities in forest management groups*.

3 Set up of the project

Steering Group

The project shall be overseen by a Steering Group made up of members of the FSC UK Board of Directors, with at least one member in each chamber (economic, environmental and social). The Steering Group shall be responsible for: setting the overall aims of the project; overseeing the project budget and timetable; appointing the Coordinator and members of the Standards Development Group; and ratifying key Standards Development Group decisions as set out in these Terms of Reference.

At the close of the project, when a forest stewardship standard has been drafted, the Steering Group shall review the lessons learned during the process and decide on the next steps. These should include submitting a report to the New Approaches project on the process, outcomes and any recommendations, and may also include submitting the standard for formal approval or proposing an alternative use for the standard.

Coordinator

The Coordinator shall be appointed by the Steering Group, and shall be responsible for facilitating and chairing the work of the Standards Development Group as per FSC-STD-60-006 V1-2 EN section 3. Specifically, the Coordinator shall be responsible for: ensuring that the SDG operates responsibly and in accordance with these Terms of Reference and FSC-STD-60-006 V1-2 EN; ensuring that all members of the SDG have the opportunity to express their opinions and concerns; and brokering consensus in all recommendations of the SDG. In addition, the Coordinator shall be responsible for administration and record keeping as per FSC-STD-60-006 V1-2 EN clause 7.1 and section 16.

In this project, the role of Coordinator shall be fulfilled by Dr Owen Davies, Forest Standards Manager for FSC UK. In this capacity, Dr Davies shall also act as a technical expert as per FSC-STD-60-006 V1-2 EN clause 4.5, advising the Standards Development Group on FSC systems and procedures but taking no part in decision making processes.

At the close of the project, when a forest stewardship standard has been drafted, the Coordinator shall draft and submit a report to the Steering Group on the process, outcomes and any recommendations.

Standards Development Group

The Standards Development Group (SDG) shall be appointed by the Steering Group, and shall be responsible for developing a forest stewardship standard as per these Terms of Reference and FSC-STD-60-006 V1-2 EN sections 4 to 10. In addition, the SDG shall be responsible for setting up a Consultative Forum as per FSC-STD-60-006 V1-2 EN clause 6.1.

For details of the appointment, chamber balance and qualifications of SDG members, see section 6 of these Terms of Reference.

Technical expert(s)

The Standards Development Group may appoint one or more technical experts, who shall have voice in the Standards Development Group discussions but no formal role in its decision making processes. Any expenses or remuneration shall be agreed in advance with the Steering Group as per section 8 of these Terms of Reference.

Technical experts can include certification body staff who can advise on the auditability of standard indicators.

Consultative Forum

A Consultative Forum shall be set up by the Standards Development Group. The role of the Consultative Forum shall be to ensure that all stakeholders who may be affected by the implementation of the standard have the opportunity to comment, formally, during the standard development process as per FSC-STD-60-006 V1-2 EN section 6.

In addition to the stakeholders identified in FSC-STD-60-006 V1-2 EN Annex A, the Consultative Forum shall include all certification bodies currently offering FSC Forest Management certification in the UK.

STANDARDS DEVELOPMENT GROUP INFORMATION

4 Objectives

The main objective of the SDG is to develop a national forest stewardship standard which is tailored to the circumstances of smaller woodland owners in the UK. Standard development shall be based on identifying genuine risks and key issues where FSC certification can deliver positive change above and beyond regulatory requirements, then targeting standard requirements to address those risks and issues. The aim is to pursue real, positive changes in forest management more efficiently, thus reducing auditing burden without sacrificing rigour.

The secondary objective of the SDG is to feed into parallel work by FSC UK to consider the potential implications, in terms of costs and rigour, of changes to internal and external auditing requirements for FSC forest management group schemes and to auditing requirements for individual smallholders.

While the objectives of the SDG within this project are relatively tightly defined, FSC UK remains open to any practicable suggestions for improving smallholder access to certification, or for developing greater incentives for and benefits from certification for smallholders, recognising their unique role in responsible forest management. SDG members or other interested parties should submit any such suggestions via the Coordinator.

5 Tasks and responsibilities of the Standards Development Group

The following tasks are envisaged for the SDG to achieve the main objective:

1. Guided by the Coordinator, SDG members shall **familiarise themselves with FSC's vision for responsible forest management**. The Coordinator shall also present a proposed framework for the forest stewardship standard.
2. The SDG shall **define the woodlands to be included within the scope of the new standard**, using factors such as woodland size, type, ownership and/or intensity of management. The proposed scope shall be submitted by the Coordinator to the Steering Group for ratification; if necessary, the SDG shall reconsider the scope on the basis of feedback from the Steering Group.
3. The SDG shall **define the approach to risk assessment** to be used in the standard development process, guided by a set of risk-based tools currently under development by an FSC International priority project team. The proposed approach shall be submitted by the Coordinator to the Steering Group for ratification; if necessary, the SDG shall reconsider the approach on the basis of feedback from the Steering Group.
4. The SDG shall **set up a Consultative Forum**, including applicants for SDG membership (see below), other stakeholders requesting membership of the Forum, and other stakeholders deemed to represent the interests listed in Annex A of FSC-STD-60-006 V1-2 EN. Members of the Forum shall be contacted by the Coordinator and asked to confirm their support for the project.
5. Within the context of FSC's vision for responsible forest management and the defined scope of the standard, the SDG shall, with the support of the Coordinator, **collect and analyse information** relevant to the defined approach to risk assessment. Sources shall include the controlled wood National Risk Assessment for the UK, and analyses of Corrective Action Requests for current FSC forest management certificate holders.

6. On the basis of the defined approach to risk assessment and the expert opinion of SDG members, the SDG shall **identify genuine risks and key issues** which should be addressed in the forest stewardship standard.
7. Within the more closely defined context of the FSC Principles and Criteria, as presented by the Coordinator, and the proposed framework for the forest stewardship standard, the SDG shall **develop indicators to address the risks and issues**.
8. Using these indicators, the SDG shall **develop and sign off a first draft standard for public consultation**. The public consultation shall be managed by the Coordinator.
9. The SDG shall **develop and sign off a second draft standard for forest testing** on the basis of a consultation report prepared by the Coordinator. Forest testing shall be managed by the Coordinator, but SDG members should propose sites and may attend forest tests as observers.
10. The SDG shall **develop and sign off a forest tested draft for further public consultation** on the basis of a forest testing report prepared by the Coordinator. The public consultation shall be managed by the Coordinator.
11. The SDG shall **develop and sign off a final draft standard** on the basis of a consultation report prepared by the Coordinator. The draft standard shall be submitted by the Coordinator to the Steering Group as a key output of the project, along with a report on the standard development process.

Standard development shall follow the requirements of FSC-STD-60-006 V1-2 EN section 4 to 10, except that the final draft standard shall not be submitted to FSC International as per clause 10.6 but rather to the Steering Group. The Steering Group shall then decide on next steps.

For the SDG to achieve the secondary objective, the Coordinator shall provide an overview of FSC auditing requirements and invite comments from SDG members at various stages of the standard development process, particularly around forest testing, on potential adjustments to those requirements.

6 Selection of Standards Development Group members

An open call for members of the SDG shall be made by the Coordinator. This call shall be made via the FSC UK website and through direct contact with relevant representative bodies, and these Terms of Reference shall be made publicly available. At least two weeks shall be allowed for applicants to respond.

The Steering Group shall appoint SDG members from among the applicants. The Steering Group may, at their discretion, approach other potential SDG members directly if there are insufficient suitable applicants.

As per FSC-STD-60-006 V1-2 EN clause 4.2, the SDG shall have three separate chambers representing social, environmental and economic interests, with at least two representatives in each chamber, and equal number of people (or equal weighting) in each chamber. For functional efficiency, the Steering Group shall aim to appoint two members per chamber.

As per FSC-STD-60-006 V1-2 EN clause 4.3, members of the SDG shall be selected on the basis of their:

- expert knowledge and/or experience of the issue under consideration;
- up-to-date knowledge and experience of FSC's systems and procedures;

- representation of points of view from the corresponding FSC chamber, and the points of view of small enterprises affected by the standard;
- understanding of the potential impact of the standard on affected stakeholders;
- understanding of and support for FSC's mission and vision;
- ability to review and comment on documents submitted in the working language(s) established for the Standards Development Group.

Training on FSC's systems and procedures shall be provided by FSC UK if necessary.

In addition, the Steering Group shall consider gender balance, and the ability of SDG members to work together constructively, and to bring fresh perspectives to the certification of small woodlands in the UK. It will be particularly important to ensure that the views of small woodland owners are adequately represented.

7 Work plan and time commitment

An estimated timeline, taking into account the SDG tasks listed in section 5 and supporting tasks to be carried out by the Coordinator, is given in Annex B. Following the appointment of SDG members, the project is expected to run from August 2018 to December 2019.

The exact number of face-to-face SDG meetings will depend on how quickly members can reach consensus, but is likely to be roughly one per month during the periods indicated in the timeline (August to November 2018, March to April 2019, July to August 2019, and November to December 2019), with e-mail correspondence and possibly telephone conferences in between. Thus there may be as many as ten face-to-face meetings, probably of one day each but potentially longer if necessary.

8 Expenses and remuneration

Reasonable travel and subsistence expenses, in line with FSC UK's UK expense claims rules and rates, may be claimed by all SDG members. Claims should be supported by receipts wherever relevant.

SDG members shall not normally be eligible for remuneration. However, in exceptional circumstances the Steering Group may, at their discretion, agree to remunerate an SDG member for their time where they believe this is necessary to ensure adequate representation of a particular group or groups of stakeholders. In this case, the rate of remuneration shall be agreed in negotiation between the Steering Group and the relevant SDG member.

Where the SDG wishes to appoint a technical expert, any expenses and remuneration shall be agreed in advance. The Coordinator shall present any such requests, along with justifications, to the Steering Group on behalf of the SDG.

9 Confidentiality and conflict of interest

Transparency is an important feature of the FSC system. No information pertaining to this project shall be considered confidential except at the express request of a Steering Group or SDG member.

However, in order to work together effectively in an environment of trust, SDG members need to feel that they can express themselves openly without their words being used against them. For this reason, the Chatham House Rule shall be observed in all SDG meetings:

When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.

SDG members and technical experts shall declare any conflicts of interest as and when they arise. In any such situation the individual shall abstain from discussion and decision making.

10 Language

The working language of the Standard Development Group shall be English.

Translation of key project consultation documents or other outputs into other UK languages may be authorised by the Steering Group in exceptional circumstances where they believe this is necessary to ensure adequate engagement with a particular group or groups of stakeholders.

OPERATING RULES

11 Deliberations and Decision Making

In order for the SDG to meet and deliberate, there must be quorum, defined as at least one member per chamber plus the Coordinator. The Coordinator shall strive to select meeting dates and venues that allow for full participation of all SDG members.

Within the SDG, decisions shall be taken by the SDG members, with no interference from technical experts or consultative forum members. Decision making shall be by consensus, defined by FSC as 'general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests'; see FSC-STD-01-002.

If consensus cannot be achieved, outstanding concerns shall be recorded by the Coordinator and presented to the Steering Group in the final report that accompanies the forest stewardship standard.

The technical experts, Coordinator, FSC staff, Steering Group members and any other supportive personnel shall not participate in any decision-making, except for the ratification by the Steering Group of key SDG decision as set out in these Terms of Reference. However, the Coordinator shall facilitate informal exchange of views between SDG and Steering Group members. In addition, any concerns expressed by technical experts shall be recorded by the Coordinator and presented to the Steering Group in the final report.

If the members of the SDG are not able to agree on a final draft forest stewardship standard within three months after the final round of public consultation, the Steering Group shall take a decision on how to move forward with the process.

12 Effective communications and representation of stakeholders

Communications and engagement with stakeholders will be crucial to the credibility of this project and the quality of its outcomes.

SDG members should discuss the project with colleagues and peers to gather the widest possible range of views.

The Coordinator shall ensure that FSC UK's communication channels (website, social media, e-magazine) are used to best effect, along with press releases and direct contact with specific stakeholders, to raise awareness of the project and to solicit responses to public consultations.

The Coordinator shall ensure that the Consultative Forum is informed in a timely manner of all developments within the project and that all Forum members have adequate opportunities to respond to consultations.

In all communications, and in all drafts of the standard, the Coordinator shall ensure that the language used is simple and accessible to the widest possible audience.

Annex A: Relevant FSC standards and procedures

FSC-STD-01-001 V5-2 EN FSC Principles and Criteria for Forest Stewardship

The Principles and Criteria are the fundamental basis of the FSC system, developed by FSC members; they set out the detail of FSC's vision for responsible forest management, but are designed to be applicable in all types of forests all around the world, and require interpretation in specific national contexts.

FSC-STD-01-002 FSC Glossary of Terms

Many terms in FSC standards and procedures are intended to be understood in very specific ways, and key definitions are set out in this glossary.

FSC-STD-20-007 V3-0 EN Forest management evaluations

This standard sets out the process for evaluating conformity with the applicable forest stewardship standard, including sampling, public consultation, and both desk and field checks.

FSC-STD-30-005 V1-1 EN FSC standard for group entities in forest management groups

This standard defines how forest management group schemes work, including the division of responsibilities between the group manager and members, and internal monitoring requirements.

FSC-STD-60-002 V1-0 EN Structure and Content of National Forest Stewardship Standards

This standard defines the format of a 'normal' FSC forest stewardship standard. Although this project will deliberately stray from these requirements, some of the contents of this standard may still be relevant, such as instructions for developing effective indicators.

FSC-STD-60-004 V1-0 EN International Generic Indicators

The IGIs were developed to provide a consistent baseline for FSC standards around the world, and are the starting point for developing new forest stewardship standards. This project will deliberately not use the IGIs as a starting point, but they may still provide useful inspiration for tackling specific issues.

FSC-STD-60-006 V1-2 EN Process requirements for the development and maintenance of National Forest Stewardship Standards

This is the key reference on which these Terms of Reference are based.

FSC-GUI-60-002 V1-0 EN Guideline for Standard Developers for addressing risk of unacceptable activities in regard to scale and intensity

This guideline was developed in the context of standard development using the IGIs, but many general points about understanding risk in relation to different scales and intensities of forest management may be relevant to this project.

Annex B: Estimated timeline

Task	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	
Call for SDG members	Orange																			
Steering Group selects SDG members		Red																		
SDG members commit to these Terms of Reference and Operating Rules		Green																		
Initial SDG meeting, attended by Steering Group members [1,2,3,4]			Green*																	
SDG meetings [2,3,4,5,6,7,8]			Green*	Green	Green	Green														
Public consultation (allowing extra time over Christmas)							Orange	Orange	Orange											
Consultation report									Orange											
SDG meetings [9]									Green	Green										
Forest testing												Orange	Orange							
Forest test report													Orange							
SDG meetings [10]													Green	Green						
Public consultation																Orange	Orange			
Consultation report																		Orange		
SDG meetings [11]																			Green	Green
Sign off final draft and submit to Steering Group [11]																				Green
Project report																				Orange

Numbers in square brackets refer to the Standards Development Group tasks listed in section 5.

Colours represent tasks for the Coordinator (orange), Steering Group (red), and Standards Development Group (green). Red asterisks (*) indicate the possible timing of ratification of Standards Development Group decisions by the Steering Group, depending on when tasks 2 and 3 are completed.