



Forest Stewardship Council®



Frequently Asked Questions

Consultation on the FSC Remedy Framework

March 2022

INTRODUCTION

After several years of work and consultations, FSC is at a decisive point to revise established practices and introduce new policies that will help halt deforestation, incentivize conservation and restoration, and with this, play a more significant role in growing the world's forest area and improving its quality.

Through the set of Frequently Asked Questions (FAQs) compiled in this document, find out more about the policies, the reasons for the revisions, and the main changes proposed to bring this work to a point where it can be implemented in the FSC system. We hope this document helps to guide your inputs to this consultation.

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1. WHAT ARE THE DIFFERENT POLICIES AND FRAMEWORKS THAT ARE PART OF THIS CONSULTATION?

The Policy for Association defines five unacceptable activities that all organizations associated with FSC should avoid engaging in, like deforestation or human rights violations, as they go against FSC's mission and values.

The Policy to Address Conversion clarifies FSC's position on conversion of natural forests and High Conservation Value areas and establishes a mechanism for the remedy of social and environmental harm of past conversion.

The FSC Remedy Framework describes a comprehensive remediation process to define equitable and effective measures for the remedy of policy violations.

For more information, please see "Chapter 2: At a Glance" of the Information Booklet.

2. WHAT IS THE GENERAL INTENTION BEHIND THE REVISION OF THE EXISTING AND THE INTRODUCTION OF NEW POLICIES AND PROCEDURES?

Since 1994, FSC has established policies to guide and restrict the management and conversion of natural forests with various standards and procedures. Over the past decades, an increased awareness for the need to fight climate change and to avoid the loss of biological diversity has created a sense of urgency to promote restoration of degraded ecosystems. Consequently, the requirements for forest management have changed. FSC wants to ensure that its policies are fit for purpose in the 2020s and beyond. Therefore, existing documents have been reviewed and new procedures have been developed. At the same time, FSC has used this opportunity to follow a call from a previous consultation to align the different policies and eliminate inconsistencies between them that have emerged over time.

The **Policy for Association** has been in place for 10 years. In this time, expectations on issues like deforestation and corporate responsibility towards environmental and social factors have changed. The new Policy for Association will improve the clarity of requirements that organizations associated with FSC need to fulfil and ensure alignment of the provisions with new policies and procedures.

With the **Policy to Address Conversion**, FSC follows the call from the FSC General Assembly in 2017 and introduces a new framework specifically targeted to strengthen FSC's position against conversion and further contribute to restoration and restitution through the remedy of past harms.

For both policies, separate working groups developed remediation procedures to define equitable and effective measures for the remedy of policy violations. After having worked in separate groups, FSC has aligned the remedy procedures and merged them into one overarching and complementary **FSC Remedy Framework**, in 2021. This is the

main document that is being consulted.

For more information, please see “Chapter 1: Introduction” of the Information Booklet.

3. HOW ARE THE POLICIES AND THE FSC REMEDY FRAMEWORK CONNECTED?

Policy for Association and Policy to Address Conversion

The Policy for Association is one of the policies that prohibits conversion for organizations associated with FSC. The revised draft for the Policy for Association has been aligned with the Policy to Address Conversion to ensure that the same definitions for conversion are used across the different documents.

Policy for Association and FSC Remedy Framework

When organizations are found to be in violation of the Policy for Association, FSC may terminate all contractual relationships with them. This is known as disassociation.

Ending disassociation requires remedy and organizational improvement. The process and requirements for that are defined by the FSC Remedy Framework and comprise the fulfillment of core and additional requirements (see FAQ 18).

Policy to Address Conversion and FSC Remedy Framework

According to the Policy to Address Conversion, for forest management units where conversion occurred between 1994 – 2020, the organization will be eligible to apply for certification of that management unit. However, certification of these management units will require remedy. Depending on the organization’s level of involvement in conversion activities, full or partial remedy of environmental and social harms will be required. The remedy process and the corresponding requirements are defined by the FSC Remedy Framework and entail conformance with core requirements. To reach eligibility for certification, the organization must reach an initial implementation threshold during the remedy process.

For more information, please see “Chapter 2: At a Glance” of the Information Booklet.

4. WHAT ARE THE MAIN CHANGES PROPOSED?

Revision of the Policy for Association

For detailed information, please see chapter 3 of the information booklet. As compared to the current version of the Policy for Association, the main changes include moving the scope of responsibility from ownership-based to control-based, extending the recognition of unacceptable activities from forest level to the forest product sector, and aligning and tightening the thresholds for conversion. The revised version of the Policy for Association has been under development for a while. Based on feedback from previous drafts, the latest revision entails further clarifications and alignment of

definitions with the latest draft of the Policy to Address Conversion.

Development of the Policy to Address Conversion

During the past years, the Policy to Address Conversion has been developed following a motion adopted by the FSC membership in the General Assembly 2017. This policy provides a new and comprehensive definition of what constitutes conversion and a new model for the remediation of harms caused by conversion between 1994 and December 2020. For detailed information, please see chapter 4 of the information booklet.

Motion to align FSC Principles and Criteria with the Policy to Address Conversion

The motion proposes changes in the FSC Principles and Criteria that have emerged from the new proposals in the Policy to Address Conversion. The support of the FSC membership for the motion is necessary for this policy to become effective. This will be part of the FSC General Assembly in October 2022. For detailed information, please see pages 26 and 27 of the information booklet.

For more information, please see “Chapter 2: At a Glance” of the Information Booklet.

5. WILL THE CHANGE OF THE POLICY FOR ASSOCIATION IMPACT THE FSC REMEDY FRAMEWORK UNDER DEVELOPMENT?

The FSC Remedy Framework, which is open for consultation from March-May 2022, will be applied to any violation of the Policy for Association that took place during the effective period of the currently applied and effective version 2. The main remedy and operational improvement requirements are not foreseen to be impacted by the revision of the policy, but some updates will be required to align the FSC Remedy Framework with the scope of the new version of the policy. A chart identifying these changes is included as part of the background material for the consultation, available at [the FSC Consultation Platform](#).

6. WHAT ARE THE MOST IMPORTANT DATES AND WHEN DO THEY APPLY?

There are several dates that are relevant to determine whether a certain activity is in violation of either the Policy for Association or the Policy to Address Conversion, and if this is the case, whether remedy is possible or not.

Before 1994

FSC was established in 1994. Unless specified otherwise, none of these policies apply before 1994.

31 December 2020: Conversion cut-off date

To align with international commitments, this date has been chosen as the conversion cut-off date. This means that only

conversion that occurred between 1994 and 2020 can be remedied and lead to certification again. Areas converted after 2020, will not be eligible for certification.

Effective Date

This is the date when the policies (revised Policy for Association and Policy to Address Conversion) as well as the FSC Remedy Framework will become effective. The implementation of the Policy to Address Conversion depends on the approval of the FSC General Assembly in October 2022. Hence, the effective date for all the documents (Policy for Association, Policy to Address Conversion and FSC Remedy Framework) will only be after the GA 2022.

For more information, please see "Chapter 2: At a Glance" of the Information Booklet.

7. WHY DOES FSC ALLOW MINIMAL CONVERSION?

Not allowing minimal conversion may limit FSC's impact in key areas, such as in indigenous cultural landscapes and among smallholders, where minimal conversion may occur but still produce long term conservation and social benefits.

8. HOW WILL ORGANIZATIONS ALREADY ASSOCIATED WITH FSC BE AFFECTED BY THE CHANGES IN THE POLICIES?

The need for remediation will always be determined based on when the respective activity happened, and which policies and definitions were effective at that time. Revised definitions will not be applied retroactively.

This means that organizations will not be asked to remedy past activities for association if these activities were not considered policy violations at the time they occurred. Already certified management units will keep their certification. However, as of the effective date, all organizations will need to adhere to the new or revised policies and procedures.

For more information, please see "Chapter 2: At a Glance" and "Chapter 3: Policy for Association" of the Information Booklet. For specific examples, please see the "Sample Cases".

9. WHAT DOES "CONTROL" MEAN IN THE DEFINITION OF CORPORATE GROUP AND WHY IS FSC CHANGING THIS DEFINITION?

Corporate groups often comprise of multiple legal entities. In the past, FSC only considered organizations connected by similar ownership as part of the same corporate group. In the revised version of the Policy for Association, FSC will significantly broaden this definition. Connection by control will be the main perspective when determining a corporate group. Hence, the Policy for Association may apply to more organizations in a corporate group: not only those connected by a majority owner but also other types of control.

Control includes but is not limited to ownership. In this way, the revised Policy for Association will prevent organizations from circumventing FSC guidelines by simply changing the

ownership of legal entities and/or management units. For examples regarding the scope of control, please look at p. 21 of the information booklet.

Please note that for the examination of past activities between 1994 and 2020 (i.e. when determining the occurrence and severity of past conversion activities), FSC will always use the definitions which were valid at the time of the incident under investigation.

For more information, please see “Chapter 3: Policy for Association” of the Information Booklet.

10. HOW WILL THE CHANGES IMPACT THE CERTIFICATION OF PLANTATIONS THAT HAVE CHANGED OWNERSHIP IN THE PAST?

Currently, a management unit, which has been converted in the past, can be certified if the company has not been involved in the conversion. This has been commonly referred to and criticized as the “ownership loophole” by some stakeholders in the FSC community. With the Policy to Address Conversion, FSC sets out to close this loophole by switching focus from who committed conversion to the land where the activity of conversion took place.

If the land was converted between 1994 and 2020, and the company wants to certify this management unit, they need to provide remedy for the conversion. The extent of the remedy will depend on the company’s involvement in the conversion. Even if there was no involvement, for instance, because the conversion occurred before the company acquired the land, partial remedy for environmental harms as well as remedy for priority social harms will be required.

For more information, please see “Chapter 5: FSC Remedy Framework” of the Information Booklet. For specific examples, please see the “Sample Cases”.

11. WHAT HAPPENS WITH LAND THAT HAS BEEN CONVERTED BEFORE 1994?

FSC was established in 1994. Unless specified otherwise, none of these policies apply before 1994. Hence, land that has been converted before 1994 can still be certified without going through a remedy process.

For more information, please see “Chapter 5: FSC Remedy Framework” of the information booklet. For specific examples, please see the “Sample Cases”.

12. WHAT HAPPENS WITH LAND THAT WAS CONVERTED AFTER 31 DECEMBER 2020?

If a management unit was converted after the cut-off date (31 December 2020), certification of this management unit is not possible. Association of the organization or certification of another management unit, however, is possible if the organization conforms with the respective FSC policies.

For more information, please see the “Chapter 5: FSC Remedy Framework” of the Information Booklet. For specific examples, please see the “Sample Cases”.

13. ARE THERE ANY CASES WHEN NO REMEDY WOULD BE REQUIRED FOR CONVERSION?

The construction of forest roads and other essential infrastructure for forest management are not considered as conversion by FSC and do not require remedy. If it meets certain conditions, minimal conversion (up to 5% of the management unit) is also not covered by the FSC Remedy Framework.

For more information, please see “Chapter 5: FSC Remedy Framework” of the Information Booklet.

14. WHEN DO HCVS NEED TO BE CONSIDERED IN THE CONTEXT OF CONVERSION?

Conversion of HCV forests is generally not permitted. Violation of HCVs and conversion of any HCV forests are included as unacceptable activities defined by FSC in the Policy for Association. Conversion of HCV forests between 1994 – 2020 is considered to be a violation of the Policy for Association at the time of its occurrence and therefore remedy needs to be conducted by fulfilling core and additional requirements. If HCV forests are converted after the cut-off date in 2020, certification of the respective management unit is no longer possible. Association is possible when remedy is conducted by fulfilling core and additional requirements of the FSC Remedy Framework.

For more information, please see “Chapter 3: Policy to Address Conversion” and “Chapter 5: FSC Remedy Framework” of the Information Booklet.

15. WHAT IS THE DIFFERENCE BETWEEN PRIORITY SOCIAL HARMS AND ALL SOCIAL HARMS?

Remedy of social harms requires addressing all harm caused by conversion or unacceptable activities. Remedying priority social harms is done through a prioritization process with affected rights holders, by an independent assessor or identified in consultation with affected stakeholders by the organization when rights holders are not present. This process is based on the principles of FPIC (Free, Prior and Informed Consent)-based where applicable.

Remedy of priority social harms is only relevant as a part of the core requirements of the FSC Remedy Framework for organizations that have acquired management units where conversion occurred, but the organization was not directly or indirectly involved in the conversion.

For more information, please see “Chapter 5: FSC Remedy Framework” of the Information Booklet.

16. WHAT IS THE DIFFERENCE

A Third Party Verifier is an independent, third party company

BETWEEN THIRD PARTY VERIFIERS AND INDEPENDENT ASSESSORS?

or organization, approved by FSC International, with the necessary expertise in environmental and social harm and remedy that is required to verify compliance of remedy processes.

A Third Party Verifier verifies that the requirements of the FSC Remedy Framework are met.

An **Independent Assessor** is an expert entity without conflict of interest, who is not subject to the organization's or the corporate group's authority, influence, or control; and who assesses harm.

An Independent Assessor is a part of the remedy process and investigates the harm caused to stakeholders and rights holders, depending on the activity.

For more information, please see "Chapter 5: Remedy Framework" of the Information Booklet.

17. WHAT IS THE DIFFERENCE BETWEEN PARTIAL AND PROPORTIONATE REMEDY?

The remedy level for organizations that have not been involved in conversion will be less than for those that have been involved in conversion.

While full remedy of environmental harms requires a proportionate (1:1) remedy of the converted area, partial remedy will require less. In this consultation, FSC proposes that partial remedy only requires restoration of a certain amount of the converted area. The development of the concept for partial remedy was supported by a study commissioned by FSC in 2021 on the economics of conversion in three areas (Latin America, South-East Asia, and Africa).

Receiving stakeholder feedback on the proposed threshold is part of the consultation.

For more information, please see "Chapter 5: FSC Remedy Framework" of the Information Booklet.

18. WHAT IS THE DIFFERENCE BETWEEN CORE AND ADDITIONAL REQUIREMENTS?

Core requirements are the fundamental steps that organizations and company groups need to take to remedy harm. To remedy harm done by conversion, only core requirements are necessary.

Additional requirements refer to those requirements that need to be fulfilled for remedying harm done by unacceptable activities, in addition to core requirements. They need to be fulfilled to be eligible for association. Fulfilling the additional requirements fosters a transformation on a corporate group level to improve quality management systems and performance on the ground

For more information, please see "Chapter 5: FSC Remedy Framework" of the

information booklet.

19. WILL SMALLHOLDERS BE AFFECTED BY THE NEW POLICIES?

FSC defines a small-scale smallholder as any person that is dependent on the land for most of their livelihood and/or employs labour mostly from family or neighbouring communities and has land-use rights on a management unit of less than 50 hectares.

Small-scale smallholders are exempt from the Policy to Address Conversion and the remedy requirements of the FSC Remedy Framework if they are involved in conversion. No other exceptions for small-scale smallholders are made for violations of the Policy for Association. With these policy decisions, FSC strives to incentivize small operations to become certified while still discouraging speculative conversion and unacceptable activities.
