FSC

Forest Stewardship Council®

Terms of Reference

Working Group to Develop and Trial 'Continuous Improvement'

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Terms of reference

The purpose of this terms of reference is to provide relevant background information, delineate roles and responsibilities, outline the sub- project objectives, and define the working protocols of this sub-project. If you have any questions, please contact working group Coordinator, Annah Agasha at a.agasha@fsc.org

1.1 Summary

At the 2017 FSC General Assembly, 'New Approaches to Smallholder Certification' (New Approaches) was recognized as a top priority and a vital project for FSC to achieve 20 per cent of the global forest-based trade. This commitment to the empowerment of smallholders and communities requires identifying certification barriers and exploring new solutions to design a certification system that truly works for smallholders, in their contexts, while ensuring a balance with the need to maintain the credibility of FSC certification.

Project schedule The New Approaches project has three phases and is consistent with the FSC Implementation Plan developed to help FSC take the necessary steps towards achieving the Global Strategic Plan 2015–2020.

2016	Mobilize the team and launch the project
2017-2018	Develop existing and prototype new certification products
2019-2020	Scale up certification products with potential to drive real returns

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Project streams The project has three dedicated project streams.

Normative Framework	Creating and revising relevant standards to reduce the cost and complexity of FSC certification through risk- or landscape-based approaches.
Market Development	Conducting market research to inform a marketing differentiation strategy for smallholders.
Enablers	Developing high-impact policy communication products with user-friendly language.

This Terms of Reference is for a sub-project titled, 'continuous improvement,' which falls within the 'Normative Framework' project stream.

1.2 Background

In November 2017, the New Approaches project published a discussion paper that included a concept known as 'continuous improvement.' It aimed to collect more information, views, and comments on how best to develop new certification product ideas and test them on the ground. The results were analyzed and incorporated into this Terms of Reference.

In 2018, and with the end goal of increasing the number of smallholders in the FSC system and total forest area coverage, FSC seeks to field trial 'continuous improvement' in 13 countries in the global South. Ultimately, the trial process will result in concrete recommendations for new tools to improve access to, and uptake of, the FSC system by small forest owners and communities.

Additional information may be found in the discussion paper titled, "*Reaching smallholders in the global South: Two stepwise approaches towards FSC certification.*"

1.3 Setup

FSC will establish a working group (WG) consisting of <u>six technical experts.</u> Each member of the WG is expected to advise and create content for the development and trialing of 'Continuous Improvement' and to deliver on the tasks and responsibilities outlined in these Terms of Reference (ToR) and the Standard Operating Procedure (SOP).

	The different roles are delineated in the table below.
Steering Committee	Composed of the FSC Director General (Kim Carstensen), the Policy Director (Achim Droste), the project manager of the New Approaches project (Vera Santos) and the coordinator of this working group (Annah Agasha), provides oversight on all phases of the process until the final decision by the FSC Board of Directors.
Project Manager	Appointed by the Policy Director, to manage the project.
Working Group Coordinator	Appointed by the Policy Director to set up, administering and managing the WG and the Consultative Forum. The Project Coordinator is responsible for ensuring that the WG operates responsibly and by its terms of reference and applicable procedures.
Working Group	Shall consist of three 'national sub-working groups', each comprising of three technical experts selected from within the trial country. The role of the national sub-working groups is to follow and execute a concerted work plan accompanied by a technical guidance document depicting the methodology and details of the trialing activities.
Technical advisors	A group of technical advisors that are called upon to participate in the WG meetings based on a specific need and area of expertise to gain a more comprehensive outlook on the topics discussed.

| **Consultative forum** | A selected group of interested/affected members, certificate holders, certification bodies and other stakeholders interested in providing ongoing, direct and meaningful input into the process. |

Working Group   2

2.1 Objectives

To provide content, develop a framework for 'continuous improvement' and trial it on the ground in East Africa, using the National Forest Stewardship Standards (NFSS) and other relevant sources of information (e.g., the findings from Community Certification Tool developed according to FSC-STD-01-001 *FSC Principles and Criteria*. It is expected that the working group (WG) will use the outputs and learnings generated from the trials to recommend to FSC, how 'continuous improvement' can be integrated and implemented within the FSC system.

The WG shall prioritize the development of the draft 'continuous improvement' framework and trial it in selected countries. In this context, the Working group shall:

- Develop a list of 'critical criteria' and 'continuous improvement criteria,' based on what is key to achieve responsible forest management on the ground. This selection will later be aligned with a related project (i.e., the risk-based approach, or ADAM concept being developed by FSC). 'continuous improvement' will be further categorized into two performance levels: level C- and level B-.
- Assign realistic minimum years of compliance with the 'continuous improvement' criteria Level C- and Level B-.
- Develop a set of performance rules for 'critical criteria' category and for each of the Continuous Improvement Criteria Levels C and B respectively to recommend to FSC as part of the final proposed framework for 'continuous improvement'.
- Identify key areas that can be developed to incentivize users of the 'continuous improvement' approach once fully developed for example, cost reduction.
- Consult with various stakeholders in the consultative forum and public consultation platform for input on the 'continuous improvement' draft framework, in preparation for the trial in the selected countries.
- Conduct trials for the 'continuous improvement' framework in Uganda, Kenya, and Tanzania; after that;
- Deliver a final report with recommendations to the FSC, how 'continuous improvement' can be integrated and implemented in the FSC system based on the outputs and learnings from the trials.

2.2 Responsibilities and Tasks

The working group (WG) members shall work together throughout the process of developing and trialing 'continuous improvement'. They shall participate in all working group meetings, discuss issues and interact with each other as a group in and outside of meetings as necessary and required by the coordinator. The working group shall execute necessary steps provided in the Standard Operating Procedure to the working group Members.

All working group members shall:

- Analyze, discuss, negotiate and present consensus-based proposals for the development of the draft framework for 'continuous improvement';
- Provide detailed input into the development of a draft version of 'continuous improvement' framework to be trialed in selected countries;
- Review and make use of the FSC-STD-01-001 (V-5-2) FSC Principles *and Criteria,* FSC-STD-20-007 (V3-0)EN *FSC Standard for Forest Management Evaluations,* (FSC-

STD-30-005 (V 1-0)EN *Standard for group Entities in Forest Management Groups*, FSC-STD-30-005 (V 1-1)EN *Standard for group Entities in Forest Management Groups,* FSC-GUI-60-002 (V1-0) *Guideline for Standard Developers for addressing risk of unacceptable activities in regard to scale and intensity* and relevant National Forest Stewardship Standards (NFSS) among other information sources;

- Review and make use of input received during the public consultation on the Stepwise Approach discussion paper;
- Seek comprehensive advice from the FSC Global Network, FSC Board of Directors, FSC accredited CBs, FSC certificate holders, other FSC stakeholders and relevant Technical experts on the development and outcome of trial process.
- Participate in stakeholder outreach and information-sharing forums, as needed;
- Recommend when the draft of 'continuous improvement' framework is ready for the participation of the consultative forum to discuss and give comments;
- Recommend when the final draft of 'continuous improvement' framework report is ready to be sent for decision making by the FSC Board of Directors;
- Provide input into the final report to the FSC Board of Directors;

2.3 Selection Process

This ToR is the basis for establishing the Working group. A total of six members will be selected to form the Working group, following an open call for participation.

The Steering Committee will select members of the Working group according to the following criteria:

- Up to date knowledge and experience of FSC's system and procedures
- Up to date knowledge and experience in interpreting and applying the FSC National Forest Stewardship Standards (NFSS) and other forest management standards
- Ability to understand the potential impact of a respective normative document on identified stakeholders
- Knowledge and ability to apply Risk-Based Approach
- Knowledge of and experience with standards of any other ISEAL members, e.g., Sustainable Agriculture Network(SAN), Better Cotton Initiative (BCI), Sustainable Biomaterials (RSB), Marine Stewardship Council (MSC), etc.
- Understanding of and support to the FSC's mission and Vision
- General knowledge of the FSC's global strategic plan
- The desire to reach consensus on controversial issues
- Ability to review and comment on documents in a concise and timely manner
- Gender balance is desired in selecting of the candidates.

Also, a group of at least four technical advisors will be established to provide advice to the working group as and of when required on specific topics.

2.4 Structure and Accountabilities

The working group (WG) will consist of six members.

The term of the WG members ends once the final draft of the report is submitted to the PSU, PSC and the BoD for decision making.

Appointed WG members are expected to adhere to the rules and regulations of this ToR and are expected to offer sufficient time to fulfill their duties thoroughly.

Appointed WG members shall sign a service and confidentiality agreement with FSC upon appointment. The Working group is accountable to FSC.

2.5 Work Plan and Time Commitment

The working group (WG) will be established after the approval of this Terms of Reference (ToR). The expected start date for the Working group is April 2018, with targeted completion by February 2019.

An estimated timetable is provided in Annex 4.2. The timetable and the detailed work plan will be updated as necessary. The work plan is further detailed in the Standard Operating Procedure.

The WG will conduct most of its work via e-mail or similar means of electronic communication (e.g., Go-To Meeting conferences), and through one-on-one calls with the Coordinator and Project Manager when required. It is estimated that there will be four virtual meetings and one face-to-face meeting during the drafting of the 'continuous improvement' framework before its trial in the selected countries.

2.6 Expense and Remuneration

FSC is an international not-for-profit membership organization with limited funding.

Participation in the working group (WG) takes place on a voluntary non-paid basis. If required, FSC covers reasonable travel and accommodation expenses related to the work plan upon submission of the respective invoices and receipts, and if expenses are agreed upon in advance.

2.7 Confidentiality and Conflict of Interest

Working group (WG) members shall sign a confidentiality and non-disclosure agreement with FSC at the beginning of their work.

Per default, the non-attributable content of discussions and papers prepared by or presented to the WG is not considered confidential, unless otherwise specified.

The WG operates according to Chatham House Rules. So, while members of the WG have full authority to share the non-confidential substance of discussions and papers, they shall not report or attribute neither the comments of individuals nor their affiliations outside of meetings, whether conducted face to face or virtual.

Members are expected to declare any conflicts of interest, where they arise. This will cause the person(s) to be excused from the discussion and to abstain from participating in decision-making.

2.8 Language

The working language of the working group (WG) is English. Language support to another language, e.g., Kiswahili is provided on request.

All drafts for public consultation, as well as other documents, as requested and as possible, shall be translated into Spanish. Documents may also be translated into other languages if requested by the Working group and depending on resource availability.

3.1 Deliberations and Decision Making

Decisions are taken by the working group (WG), with no interference by technical advisors or consultative forum members.

For the WG to meet and deliberate, there must be a quorum, defined as a minimum of agreement from 4 working group members. The Coordinator will strive to select meeting dates and venues that allow for full participation of all WG members.

A neutral facilitator may be appointed for each working group meeting to support the WG in running a successful meeting.

All members of the WG should participate in each point of decision-making. If a member(s) are not all present for a decision, then a provisional decision may be made, subject to participation by the absent member(s). Quorum is required for any provisional decisions.

The WG members shall strive and make every effort possible to take decisions by consensus (see Glossary). If consensus cannot be achieved, outstanding concerns shall be documented and presented to the FSC Board of Directors in the final report that accompanies the document presented for decision.

The technical advisors, coordinator, FSC staff, Steering Committee members, liaison persons and any other supportive personnel shall not participate in any decision-making. However, any concerns expressed by technical advisors to the working group that cannot be agreed upon by the WG members will be recorded and reported.

If the members of the WG are not able to agree on a final draft within (03) months after the final round of consultative forum, the Steering Committee shall decide on how to move forward with the process.

3.2 Effective Working Group Meetings

- Established solid foundation at the start (objectives, roles, timetable, etc.).
- Agreed meeting protocols.
- Detailed agendas provided before and at meetings; meeting materials provided well in advance of meetings whenever possible to ensure that members have sufficient time to review.
- Clear decision-making structures
- Simple, logical discussion format, e.g., commencing with clarifying the issue(s) the requirement is meant to address before starting to comment on the specific requirement.
- Regular, ongoing temperature checks on points-of-agreement.
- Decision point, end of day and end of meeting summaries.
- Development of work plan during the first meeting to guide the process.
- Use of Performance & Standards Unit and technical advisors in drafting the documents to support working group's role and task.
- Temperature check from stakeholder groups before a final draft is recommended to the FSC Board for approval.
- When impasse issues arise the working group cannot resolve that, they will be addressed through the consultative process, with options and perspectives circulated for consultation. The working group will then work to resolve the issues based on comments received. If the issues are highly technical, additional research/investigation

might also be called upon to provide additional information for making informed decisions.

- A straw poll of the working group before going to decision-making.

3.3 Effective Communications and Representation of Stakeholders

- Implement timely communication to all relevant stakeholders about the process of the trials by utilizing already existing communication tools and channels of the New Approaches project, e.g. mailing lists, news briefs, etc.
- The members of the Consultative forum shall obtain timely information about the sub-project development process
- Use tracking/document handling software tools to facilitate dialogue amongst stakeholders as part of the consultation process.
- Provide updates and solicit input on documents, e.g., at Network Partner meetings, regional FSC meetings, and global staff meetings.

Annexes 4

4.1 Glossary of Terms

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

Chairperson: A working group member, chosen by the other members, to act as a contact point and spokesperson for the working group. He/she brings together the shared concerns, suggestions and recommendations of the working group members and shares them with the other actors involved in the project. The Working Group Coordinator shall be the Chairperson.

Chatham House Rule: "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." The Chatham House Rule has the aim to encourage openness and the sharing of information at meetings.

Consensus: general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests.
NOTE: Consensus should be the result of a process seeking to consider the views of interested parties, particularly those directly affected, and to reconcile any conflicting arguments. It need not imply unanimity (adapted from ISO/IEC Guide 2:2004).

Technical consultation: targeted internal consultation to receive feedback on an FSC normative document during the drafting or re-drafting stage before the document is released for public consultation.

Technical advisors: a group of selected experts with professional experience in the field of question, to advise and provide content related input to the development or revision process of an FSC normative document.

Working group: a group of experts appointed by FSC with professional experience in the field of question, to advise and provide content related input to the development or revision of an FSC normative document.

4.2 Estimated Timeline

Activities	2018												2019		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March
Appoint WG Coordinator		■													
Establish Steering Committee		■													
Draft ToR for WG and work plan			■												
ToR Approval				■											
Set up WG				■											
1st WG meeting-virtual					■										
2nd WG meeting-virtual						■									
3rd WG meeting-virtual							■								
Draft 1- Continuous Improvement framework								■							
Consultative forum comments on draft 1									■						
Public consultation on draft 1									■						
Analyse and compile comments by WG coordinator										■					
4th WG meeting-Virtual-addressing comments										■					

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Activities	2018												2019		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	March
5th WG meeting-face to face- Finalizing framework and signing off draft 1 for field tests											▓				
Field-testing in Uganda											▓				
WG meeting- Virtual- Evaluation/confirmation of results for Uganda, analysis and filling gaps												▓			
Field testing in Tanzania													▓		
WG evaluation of results for Tanzania, analysis and filling gaps													▓		
Field- test in Kenya													▓		
WG evaluation of results for Kenya, analysis and filling of gaps													▓		
Draft 2-Continuous Improvement framework														▓	
Consultative forum comments on draft 2														▓	
Public consultation on draft 2														▓	
Analysis and evaluation of comments															▓
6th WG meeting-Virtual-Drafting report for submission															▓
Draft report submitted to Performance & Standards Unit, PSC and BoD															▓

4.3 Organogram

Steering Committee			
Kim Carstensen (Managing Director)	Achim Droste (Policy Director)	Vera Santos (Project Manager)	Annah Agasha (WG Coordinador)

Vera Santos
(Project Manager)

Annah Agasha
(WG Coordinator)

Technical advisors	**Working Group:** Technical experts from three trial countries	Consultative Forum

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