Forest Stewardship Council®

Years of growth with FSC®
1994-2014

Overview of the
FSC Theory of Change
"Rewarding responsible forestry"

Version 2, Jan. 2014 (reflecting feedback from public consultation Sept.-Oct 2013)

FSC Theory of Change – overview document, Version 2, Jan. 2014

Overview of the FSC Theory of Change
"Rewarding responsible forestry"

January 2014, Version 2
(reflecting feedback from public consultation[1] Sept.-Oct. 2013)

Problem and history

Concerned about accelerating deforestation, forest degradation and social exclusion, a diverse group of timber users and traders, environmentalist and human rights activists established the Forest Stewardship Council (FSC) in 1993 as a membership organisation with the mission "to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests." The founding members identified the need for a system that credibly identifies well-managed forests as the sources of responsibly produced wood products[i]. FSC's unique approach was to provide a governance structure balancing both societal interests as well as North-South[ii] perspectives to

- develop a consensus-based set of global responsible forest management Principles and Criteria (P&C);
- encourage national multi-stakeholder initiatives to agree on nationally appropriate indicators to adapt the FSC P&C to national circumstances;
- accredit independent bodies to audit forestry operations for compliance with nationally adapted standards; and
- certify those who demonstrate compliance, granting a certificate that allows certified operations to market the FSC certified status of products and thereby gain market advantages vis-à-vis uncertified competitors[iii].

Ever since its formation, FSC's unique role - both at international as well as at local level – has been to bring people, organizations and businesses of the Global South and North together. The role of this collaboration is to develop transparent, consensus-based solutions that respond to challenges created by poor management of a variety of interests[iv] in forest resources, and promote responsible forest stewardship. Furthermore, FSC increasingly engages in establishing more and stronger business linkages between suppliers and buyers of forest products from responsible sources. Ultimately, it is the uptake of FSC certification by responsible forest management operations that allows FSC to have its intended impacts.

There are four mutually reinforcing **pathways**[2] and a set of **supporting strategies** and inspiring concepts**,** FSC uses to develop, promote and apply these solutions and market-linked tools, to facilitate and increase its desired outcomes and impacts contributing to its vision and mission. In FSC's experience, the pathways for incentivizing responsible forest management are usually more effective in reaching the intended impact when applied in combination with broader supportive instruments[v].

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[1] The related documents: the graphical illustration of the FSC Theory of Change, the table with "Intended impacts and proposed indicators" and the synthesis report of the stakeholder feedback are available on the FSC M&E webpage.

[2] For each of the four pathways and the supporting strategies we use a symbol to navigate you through the ToC:
◈ = Engagement pathway 🗐 = Standards p. ☑ = Assurance p. 🛒 = Market p. 〰 = Supporting strategies

1 Engagement pathway – transparency based on stakeholder dialogue and consensus

FSC pursues the central **Engagement** pathway to bring people with different and conflicting interests in forests together to identify risks, opportunities and solutions related to forest management. The pathway enables dialogue and consensus among the full range of stakeholders, leading towards broadly supported, high standards and definitions of best practices (see 📄 Standards pathway). This enables the *implementation of an innovative concept* of responsible forest management, triggering relevant improvements in certified forestry operations and the broader marketplace, and changing attitudes towards forestry and forest products.

From stakeholder conflict to engagement and consensus

Stakeholder engagement is encouraged through a participatory, democratic and transparent governance structure of the FSC membership organisation: All members make up the General Assembly which is divided into three chambers according to the main societal interest groups: Environmental, Social and Economic. These are further split into North and South sub-chambers. The purpose of this structure is to maintain the balance of voting power between different interests when concluding negotiation processes irrespective of the number of members within the individual chambers. FSC members nominate the FSC Board of Directors, which directs the FSC Secretariat. As a multi-stakeholder organization, FSC follows the directive of its membership for FSC's long term strategies and to develop forest management and other related socio-ecological standards. FSC triggers societal discourses[vi] among members and with other stakeholders regarding the management of forests and plantations, and facilitates dialogue and agreement between the different interest groups (see 📧 Supporting strategies). Members and other stakeholders can further play an active role in local forest management certification processes (see ☑ Assurance pathway). FSC facilitates this engagement by providing public certification reports for all certified forests, by requiring public consultations prior to certification, for identification of High Conservation Values (HCVs) and when surrounding community are concerned.

FSC stakeholder engagement is not limited to FSC members. All relevant stakeholders are actively invited to engage on different levels. For example, all stakeholders may use the FSC database to learn from the public audit reports about certified forest management operations of interest to them. They may challenge any inappropriate implementation of the standards by activating FSC's dispute resolution system, and they are invited to engage to identify HCVs in any forest management area.

2 Standards pathway – developing, negotiating and agreeing on standards

From unknown practices to demonstrated performance

FSC standard development is governed by strict rules such as the ISEAL Code for Standard-Setting[vii]. Members and other stakeholders are engaged in identifying the need for a new standard; in discussing, improving and promoting FSC standards; and are formally consulted about the various steps of standard development and review.

All FSC forest management standards – which are usually developed at a national level – have the same set of 10 Principles and subordinate Criteria (P&C)[viii]. In order to reflect the diverse legal, social and geographical conditions of forests in different parts of the world, the globally applicable FSC P&C for Forest Stewardship are required to be complemented by nationally adapted indicators for each criterion. These national FSC forest management standards govern how forest management must take place in a given country to qualify for FSC certification. They are developed according to a defined pro-

cess of participation and consultation and reflect a consensus of interests of a diverse group of stake-holders. In the absence of national indicators developed by an FSC recognized standard development group, accredited certification bodies (CB) can use their own 'generic' standards[3], again adapted to the local conditions in the country or region in which they are to be used, with input from local stakeholders[ix].

Changing current forest management (FM) practices by reducing negative impacts caused by conventional forest management, applying relevant safeguards avoiding such impacts, and requiring the maintenance or enhancement of the social and economic well-being of forest workers and local communities are the most obvious improvements targeted by FSC certification at the forest level and constitute the overall impact of FSC forest management standards. The engagement of stakeholders through consultations as part of the FM certification processes increases FSC's transparency.

Being FSC-certified allows responsible forest managers to be differentiated from uncertified operations. Equitable access to certification for different types of forest managers and management styles is one of FSC's strategic goals. For some forest managers it is challenging to achieve FSC certification (because of difficult socio-political settings, lack of required FM and marketing skills, financial constraints, lack of awareness of certification options and markets, and so on). These challenges also result in limited supply of products from certified forest management. Responding to these challenges, FSC - in close co-operation with National Offices and other stakeholder groups - established a number of programs and projects to address the challenges for such equity. These include the Smallholder Program, the Modular Approach Program (MAP), the FairTrade/FSC Dual certification project, and options for "Certification of Community Origin", for forest contract workers (CEFCO), and for certification of Ecosystem Services (ForCES). All these programs and projects can be regarded as support tools to the "🛒 Market pathway" to increase the desired outcomes of FSC certification (improved and more transparent FM, create equal opportunities for uptake of FM certification, reward responsible FM) as well to increase certified material in the market to allow consumers to choose products from responsible origins.

The participatory and consultative nature of standard development processes results in a strong sense of **ownership** of engaged parties in FSC's normative framework. This approach, combined with the principles of transparency and consensus-orientation of the "◈ Engagement pathway", and that can be applied along the "☑ Assurance pathway" allows FSC to gain its **legitimacy** as a standard setter and to build trust in the instrument of FSC certification and the FSC brand more generally.

3   Assurance pathway – Ensuring compliance

From self-declaration to 3rd party verification

The **Assurance** pathway follows a set of multi-stakeholder accreditation standards, agreed by multiple stakeholders, and relies on a system of checks and balances by specialized staff, accredited and trained third-party institutions, public stakeholder consultations and transparent reporting, to ensure that FSC delivers credible (i.e. impartial, accurate and transparent) certification claims. The Assurance pathway applies a number of quality assurance and control mechanisms:

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[3] FSC is in process of elaborating International Generic Indicators (IGI) as integral part of the revised FSC Principles and Criteria (Version 5-0). The IGI will replace the certification bodies' generic indicators, when the IGI process is completed, tentatively in 2015.

1. A global accreditation program for certification bodies (CB) based on stakeholder-consulted standards; Verification of compliance with FM standards based on stakeholder consultations, field and office audits, as well as publicly reported corrective action requests (CAR),

2. Verification of compliance with chain of custody (CoC) and labelling standards to ensure that products claimed to come from FSC certified have indeed done so, again based on site inspections and office audits, as well as CARs; and

3. The dispute resolution system (DRS), allowing any stakeholder to file a complaint against a certificate holder, a certification body, the accreditation body, or against FSC itself.

The combined application of these mutually reinforcing mechanisms enables stakeholder engagement at any stage of their application. The steps and interactions between standard setting and certification decisions are complex:

a) FSC as a standard-setting body does not carry out the accreditation of CBs nor does it certify compliance with FSC's standards. To guarantee the independence of standard developers from those assessing standard conformity, FSC certification is conducted by auditors of independent 3rd party CBs (financially independent from FSC and from the certificate holders, accredited for FSC certification by FSC's owned, yet independently operated accreditation body, Accreditation Services International (ASI)). The performance of CBs is monitored by ASI against globally applicable FSC standards, ISEAL codes, and ISO[4] requirements. Non-conformities of the CBs or their auditors' performance related to the accreditation standards are addressed with CARs in order to trigger improved performance, or with suspension of their accreditation status or scope.

b) FM certification is the process of evaluating the management of forest operations against an approved FSC standard. Certificate holders must commit to the principles and required performance stipulated by the relevant standard, and commit to achieving the intended impact. These processes therefore have to be initiated on a voluntarily basis by the forest owner/manager, when applying for certification and requesting the services from a CB to demonstrate such adherence to the FSC standard. Certification involves on-site audits of the FM unit by a multi-disciplinary team of auditors of the CB. Relevant stakeholders (local communities, employees/workers and their representatives, environmental non-governmental organisations (ENGO), neighbours, etc.) have to be informed and consulted to identify potential weaknesses and negative impacts of the FM operation.
If the FM operation complies with the FSC standard, the CB issues an FSC certificate for a five-year period, subject to annual monitoring to verify their continual standard compliance. Where the FM operation does not meet all of the standard requirements, the CB will address these non-conformities by issuing conditions for certification (CARs)[x]. Issuing and consequent compliance with CARs is the key to the process of improving the performance and achieving the intended impacts of FM operations. Analyses of the CARs issued confirm that these improvements cover a broad array of forest management issues: On average, FM operations are required to make changes affecting 15 different forestry issues. Social issues most often encountered are worker safety, training, and communication and conflict resolution with stakeholders. Environmental issues include aquatic and riparian areas, sensitive sites and high conservation value forests, and threatened and endangered species. Economically, companies can benefit from certification. Examples of benefits include improved market access for their certified products, and better managerial processes. Systems issues related to management plans, monitoring, chain of custody and inventory. The CBs monitor the implementation of CARs and again report relevant progress publicly.

The findings of each audit (including potential pre-assessments with stakeholder consultation, main assessments with office and on-site inspections, and annual surveillance assessments) are recorded in a certification report. Summaries of these reports are publicly available on the websites of FSC and of the responsible CB to ensure transparency of the decisions and maintain credibility by allowing comments and critique, and - where deemed necessary - formal complaints against the certification decision may be made.

c) In conducting forest audits, FSC makes forest management for consumers transparent. In addition to FM certification, FSC has developed CoC certification for companies processing and trading certified material from the forest to the end consumer. The issuance of a stand-alone or combined FSC CoC certificate allows certificate holders (CH) to sell their products as FSC certified, coming from a responsibly managed forest and other acceptable sources according to international standards, and to promote them with the FSC label. Through the FSC label, consumers can identify these forest products, and can choose such products, rewarding the certified forest manager and those dealing with certified products accordingly (see 🛒 Market pathway).

d) The Dispute Resolution System (DRS) allows any stakeholder (✎, 📄) to voice concerns over certification decisions and other FSC related processes. Ideally any dispute or complaint should be addressed at the lowest level (i.e. raised with the forester directly, or with the auditor)[xi]. The concerned stakeholder finds related information in the public FM summary reports and the CBs' contact details on the ASI website. The DRS includes a transparent, independent review process, a standardized system for submitting complaints, and strict procedures on responding to complaints.

4 Market pathway - Enabling market advantages

From unspecified sources to responsible origin

The **Market** pathway connects the mechanisms of the consensus-based 📄 Standards pathway and ☑ Assurance pathways (the "push" function of marketing) with the demand side (exerting a "pull" role). FSC is an attractive brand for consumers and producers, for example because it is known to have the support of major environmental and social NGOs. The FSC logo helps consumers to identify and to give preference to products that come from responsibly managed forests. Potential for market advantages over uncertified competitors and improved reputation are - from buyers' perspectives - among the benefits of FSC certification. An FSC supply chain can be regarded as a management tool for companies, to demonstrate their commitment towards the principles of sustainable forest management and towards excluding controversial sources, giving them a "social license to operate". The label helps companies to explain where their supply comes from, so that the companies do not need to develop their own communications to explain   the origin of the forest-based materials. The FSC CoC and Trademark Standard package (☑) is the normative framework for this pathway.

FSC supporters, like major ENGOs and engaged corporations, are creating increased demand for FSC certified products through public awareness campaigns supported by FSC Network Partners, and by reaching out with tailored information and communication to market leaders, from prominent brands and major project construction sites to public procurement agencies (✉).

FSC's reputation is critical for enduring support from major ENGOs and market leaders and hence for FSC's success. To protect the FSC brand, a set of systems are in place: a system to enhance compliance with labelling requirements and to follow up on trademark misuse, the DRS, and ASI's system to monitor CBs' performance (☑).

Supporting strategies and inspiring concepts

FSC is implementing a set of **supporting strategies** to strengthen the main impact pathways and increase the use of standard-compliant practices, for example in the following areas:

Advocacy: FSC works at a political level, including with UN organizations, within European Union and US governments, and in the public procurement arena. These activities make FSC more visible, and help decision makers better understand the opportunities that the FSC system offers, for example regarding legality verification of forest products' origin.

Network development: FSC invests in the capacity and competencies of National Offices that represent FSC in their respective countries, to establish and coordinate a decentralized network, delivering professional services, and to implement FSC strategies in their regions.

Institutional capacity building: FSC invests in its own organizational capacity, e.g. in a legal system to better protect the FSC logo use and brand value; in a key account management program to engage market leaders, and in improving ASI's capacities to monitor the performance of certification bodies.

From FSC certification to a better understanding of responsible forest management

Some **concepts** of the FSC system inspired other thinkers and organizations[xii]. Among the prominent examples are the three-chamber governance model, based on the balance of the main interest groups, which is also applied by some emerging schemes; and FSC's High Conservation Value (HCV) concept has been adopted by other certification schemes like the Roundtable for Sustainable Palm Oil (RSPO), industry leaders such as Nestlé and Disney, as well as researchers and practitioners to classify ecosystems and land use strategies.

Finally, there are **knock-on effects** of FSC, which are often based on the fact that FSC triggers and facilitates dialogue beyond the FSC scheme, and often indirectly contribute to the FSC mission. An example for an unexpected, nevertheless positive side effect is that FSC's successful governance model inspires other thinkers and organisations like emerging certification schemes: FSC chamber-balanced, participatory, consensus-oriented approach ensures key stakeholders in forests and their management are consulted. This governance model based on the balance of the main interest groups is required by FSC for example for the development of national FSC standards. Government aid agencies see this process as a contribution to the empowerment of usually marginalized stakeholder groups. In scientific literature the successful application of this governance model is seen as one of the key competences of the FSC system.

A more negative, unintended effect is that products with the FSC certificate can compete with products promoted for their local origin for the attention of consumers. FSC introduced the "Community Origin" add-on to FSC certified products, to help forest managing community to better promote the uniqueness of their products. Similarly the slow uptake of FSC certification in tropical forest countries was not foreseen. However, FSC developed a number of mechanisms to facilitate more equal access in these countries.

FSC promotes careful management of areas with HCVs, and to protect representative samples of existing ecosystems in their natural state. In some forest management operations this can result in lower yields. FSC already witnessed that companies prior to certification sell areas with HCVs to avoid limitation in harvesting intensities after certification, and is considering to revise policies to prevent this perverse market reaction. At the same time FSC requires that forest management and marketing operations encourage the optimal use of their forest's diversity of products, to minimize waste associated with harvesting and on-site processing operations and for example to avoid damage to other forest resources, that in other forest operations the yields can even increase the rate of harvest – without exceeding levels which can be permanently sustained. The certificate increases the potential for added value to forest products, and the certification process was also described as resulting in better trained

and more motivated staff and better organised processes. Combining these constraints and opportunities should allow responsible, certified forest management operations to compensate financial losses from reduced yield in HCV areas with benefits coming from certification.
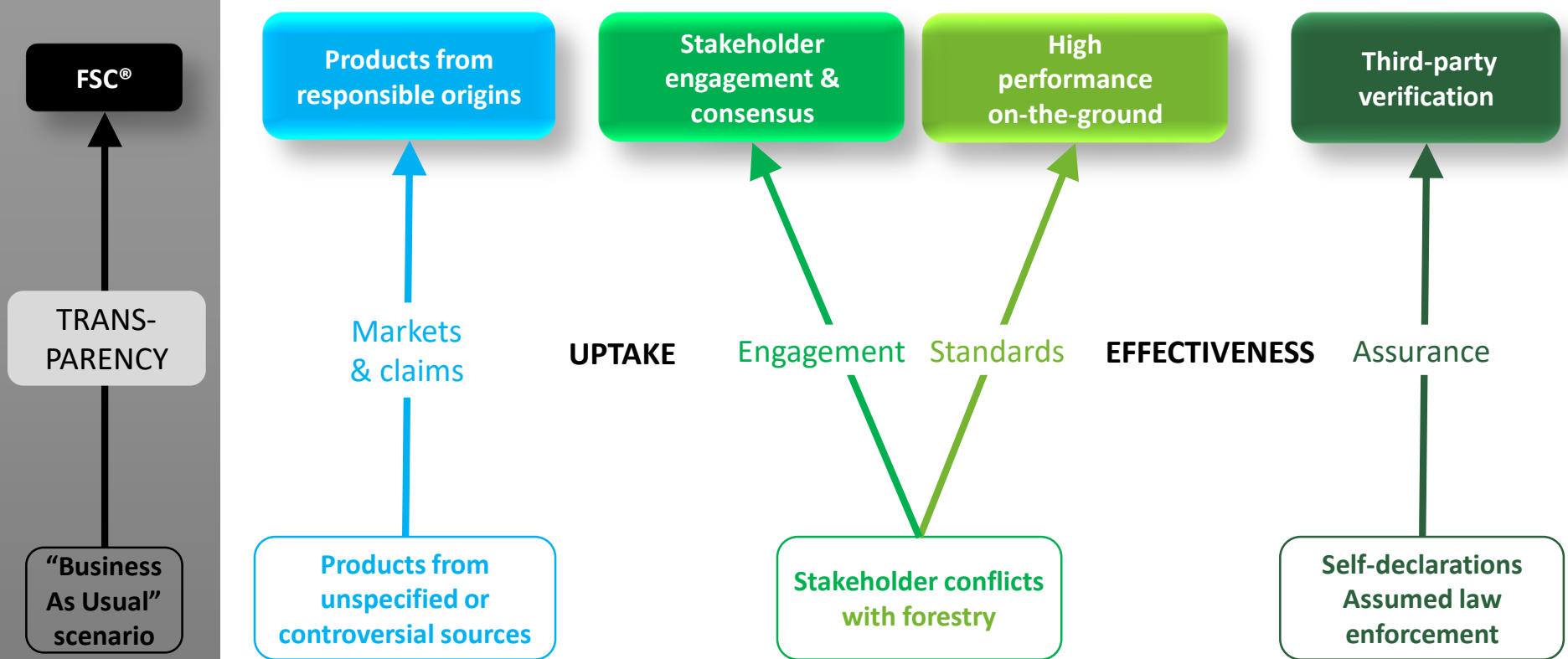
A positive example of FSC's side effect is that the work of FSC auditors' functions as "soft law", a form of market based enforcement, particularly in countries with weak governance structures. Some forest management units with FSC certification can be seen as proof for the respective governments, that it is indeed feasible to balance economical, ecological and social interests, and to achieve sustainable forest management. These lessons are often directly reflected in the revised forest legislations or in the taxation system of those countries.
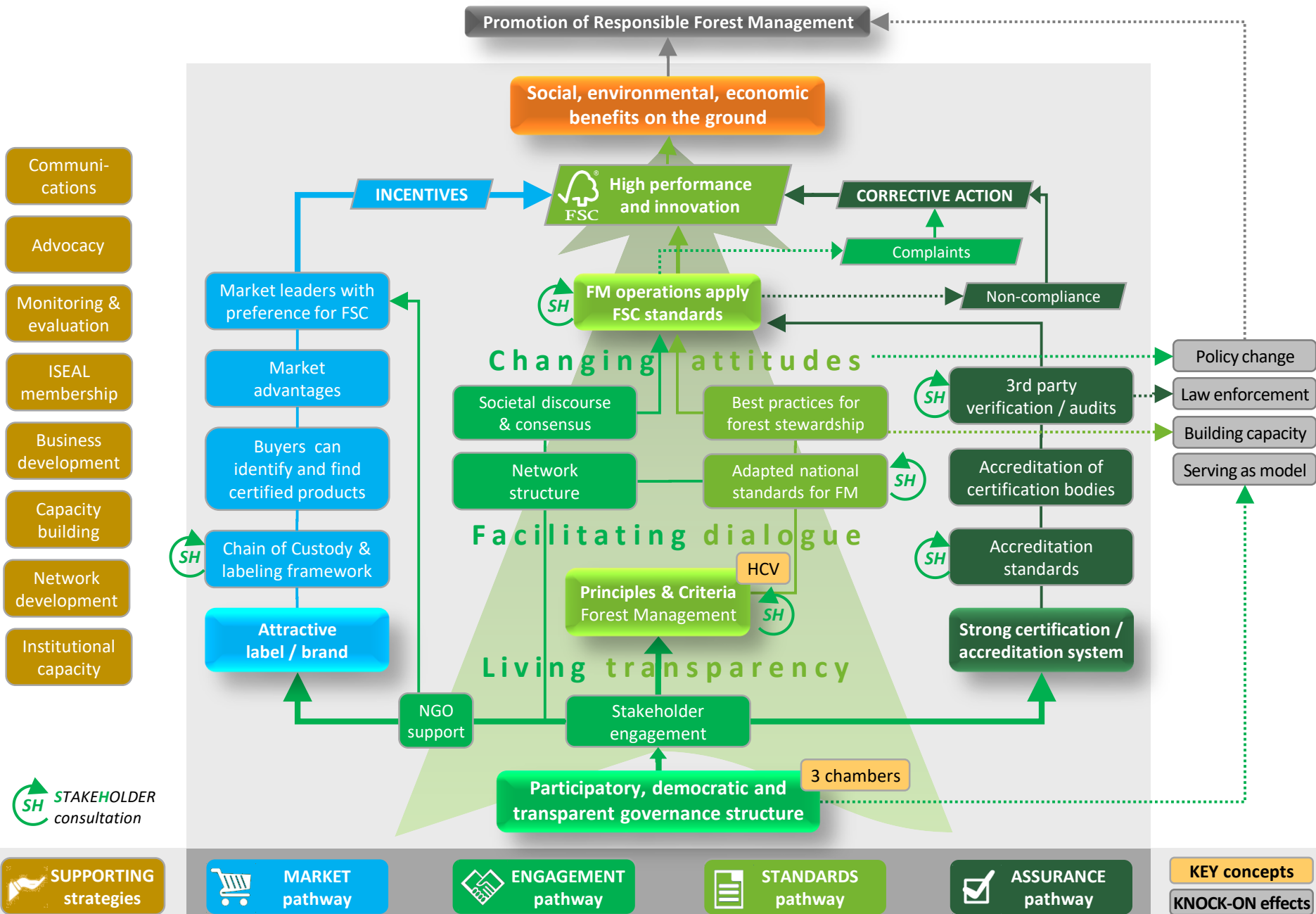
List of Acronyms:
Accreditation Services International (ASI)
Corrective Action Request (CAR)
Certification Body (CB)
Certificate Holder (CH)
Chain of Custody (CoC)
Dispute Resolution System (DRS)
Environmental non-governmental organisation (ENGO)
Forest management (FM)
Forest Stewardship Council (FSC)
International Social and Environmental Accreditation and Labelling Alliance (ISEAL, ISEAL Alliance)
International Standard Organisation (ISO)

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i Different from other social and environmental initiatives, FSC developed a system that evaluates the practices by which timber and other products from the forests are produced, rather than the environmental performance of the products themselves.

ii FSC Global North and Global South refers to the OECD categories: FSC Global South includes not only all the OECD developing countries, but also the countries in transition from the former Soviet Union, while countries like Australia and New Zealand, situated geographically in the South are economically part of the "FSC Global North".

iii Market advantages such as wider market access, price premiums, buyers' preference, and the more abstract notion of a "social license to operate".

iv For sustainable forest management and development three often conflicting interest groups have to find a balanced approach: environmental, social and economic interests. For forestry these interests may regard forests as areas for conservation of biodiversity; as ground for spiritual values, recreation, hunting and work places; and as the origin of valuable resources such as timber, fibres, energy wood, non-timber forest products and ecosystem services like carbon sequestration and storage, water purification, disaster mitigation and prevention and many more.

v Supportive instruments such as reasonable forest and human right laws, Forest Law Enforcement and Governance mechanisms, corruption control, procurement policies, local processing, Access & Benefit Sharing mechanisms in place.

vi The ability of FSC to trigger such societal discourses is a model for other certification schemes. The effects of these discourses influence the effects of other FSC pathways (the market/demand pathway, the societal learning pathway).

vii ISEAL Alliance – the non-governmental global organisation whose mission is to strengthen sustainability standards systems for the benefit of people and the environment. http://www.isealalliance.org/online-community/resources/iseal-impacts-code-of-good-practice

viii The currently (2013) valid Version of the FSC Forest Management standard "FSC STD01-001 Principle and Criteria for Forest Stewardship" is Version 4. Version 5 is, after consultation and approval of membership, tentatively in effect from 2014 on.

ix The "Generic standards", which are in the absence of national standard working groups set up by FSC accredited Certification Bodies, will be replaced by FSC "International Generic Indicators" (IGI). The IGI are still under consultation of the FSC membership. Expected endorsement of the IGI: early 2015.

x Major failures detected during the audit process, if not corrected within a limited period in time, lead to rejection or withdrawal of the FM or CoC certificate (rsp suspension by the CB).

xi If e.g. a direct approach to the forest manager was not possible or not successful, complaints against FM (or CoC) certificate holders shall be forwarded in writing to the relevant CB who shall undertake the investigation of the complaint. The list of CBs contact details is public on the ASI website, and the relevant CBs can be identified through the public FSC Certificate Databank in the respective certification report. If stakeholders want to submit (and to track) a complaint about the operation of the FSC certification system, the FSC Network, the FSC accreditation program ASI or the performance of FSC accredited CBs, they may use the online form of the DRS.

xii Elements of the entire concept of FSC have been copied by competing schemes. By some scientists this effect is added to the list of FSC's contributions to better forest management.

Forest Stewardship Council ®

ToC: Transformation through FSC certification

FSC®

TRANS-PARENCY

"Business As Usual" scenario

Products from responsible origins

Stakeholder engagement & consensus

High performance on-the-ground

Third-party verification

Markets & claims

UPTAKE

Engagement

Standards

EFFECTIVENESS

Assurance

Products from unspecified or controversial sources

Stakeholder conflicts with forestry

Self-declarations Assumed law enforcement

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
ECONOMIC	To be sustainable, Forest Management (FM) must be economically viable, (environmentally appropriate and socially beneficial).			
1. Forest management operations gain market advantages through certification. Examples from FSC P&C for Forest Stewardship (Version 5): Principle 5 *See M&E report 2014, chapter "forest management".*	Certification increases societal acceptance for the marketed forest products, the certificate provides greater market access, it can contribute to ensuring sustained demand for certified products, and as such to the long term viability of the operation.	**VIII. Enhance economic benefits obtained from forests.** FAO[2] suggest that benefits from trees, forests and forestry are increasing, widely recognized and appreciated. (…) . UNFF[3] 2nd of 4 Global Objectives: Enhance forest-based economic, social and environmental benefits, including by improving the livelihoods of forest-dependent people. CIFOR[4] suggests that forest actors[5] have a reasonable share in the economic benefits derived from forest use.	The FSC product label and the instrument of Chain of Custody certification allow buyers and consumers to identify products from well managed forests and to give preference accordingly. Whether FSC certified products achieve price premiums is dependent on a number of factors, such as product type, wood species, supply situation, marketing skills, investment and opportunities, and market dynamics.	**1a. Number and area of certified operations is growing in all climate zones, regions, for natural and plantation forests, for all ownership types and sizes of operations.** - in all climate zones - regions - for natural and plantation forests - for all ownership structures and - size of operations. ➢ Number and area of certified operations; (split up by climate zone, region, natural or plantation forests, ownership structure and size of operations) ➢ Evaluation of trends from previous years compared to current numbers ➢ Analysis of feedback from FSC CoC holders about perceived benefits from being certified, satisfaction with certification and perceived relevance of certification in their industry.

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[1] The following „relevant broader sustainability goals" are meant as examples, and quoted from public documents of other organizations:

[2] From FAO Strategy for Forests and Forestry, 2010. Goal 2 of the Global Goals for Forests and Forestry.www.fao.org/docrep/012/al043e/al043e00.pdf

[3] UNFF 2006 Four Global Objectives on Forests http://www.un.org/esa/forests/about.html

[4] From CIFOR's generic list of Principles, Criteria and Indicators – Social C3.2, (1998) www.odi.org.uk/resources/docs/1178.pdf

[5] CIFOR probably has more the other forest actors (stakeholders), not only the forest managers in mind.

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
				1b. Number of recertified operations increases. ➢ Number and area of re-certified operations ➢ Evaluation of development over time ➢ Number of Controlled Wood license holder ➢ Aspirational indicator: Evaluation of reasons for recertification and for termination of certificates
2. Harvesting rates are brought into balance with forest productivity and species composition. C5.2 (P7 and P8)	The actual harvest is in balance with the growth rate, so that the natural species composition and future sustainable yields are not at risk.	**II. Stop and revert forest degradation.** CIFOR[6] requests that yield (and quality) of forest goods and services are sustainable. UNFF[7] 1st of 4 Global Objectives: Reverse the loss of forest cover worldwide through sustainable forest management (SFM), including protection, restoration, afforestation and reforestation, and increase efforts to prevent forest degradation. UNFF[8] supports all efforts that effectively slow, halt and reverse deforestation and forest	FSC certified FM operations develop, implement and periodically update long-term management plans to maintain or enhance the forest resources, defining and justifying annual harvesting rates in relation to legal requirements. Progress towards achievement of the management objectives is monitored and evaluated. (See also comments under #6.)	2a. (aspirational) The actual harvest of each species does not exceed allowable harvesting rates over defined timeframes. Analysis of the relations between the annual allowable harvest rates (AAC) as approved by the certification body and the legally prescribed (AAC), the forest management plan and the actual harvest rates (to be cross checked with annual sales) over the time of the certificate validity (so far desk/office study). An environmental impact assessment of the regeneration rate at selected sites, and comparisons with adequate long term representative sample sites will serve as counterfactual to evaluate the information gained from the desk/office study. ➢ Independent academic research (ecologists),

[6] As (3) above, Production of Goods and Services - P6. Yield and Quality of Forest Goods and Services are Sustainable

[7] UNFF 2006 Four Global Objectives on Forests http://www.un.org/esa/forests/about.html

[8] From Rio 2012 Declaration „The future We Want" Clause 193 www.un.org/disabilities/documents/rio20_outcome_document_complete.pdf

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
		degradation.		➢ collected in the FSC literature database ➢ Tentatively external experts in cooperation with FSC National Offices (commissioned).
3. **Forest manage-ment operations gain increased competencies for example in planning, impact assessment and evaluation, silvicul-ture, health and safety, and marketing.** Principle 7 and 8 (impact assessments and evaluation requirements) *See M&E report 2014, chapter "forest management" and "FSC Global market*	Capacity building is central to the quest for sustainable development (UNEP). Sustainable forest management is a very complex task which needs many skills. Building of relevant competencies and investing in capacities supports promotion of good forest management.	**XI. Increased awareness of situation of forests and the relevance of responsible management and consumption.** UNEP[9] states "Over the past several years it has become clear that capacity building is central to the quest for sustainable development. […] Capacity building has therefore become a core goal of technical assistance provided by the United Nations system." The 3rd Ministerial Conference on the Protection of Forests in Europe[10] emphasized that "The interaction between forestry and	FSC is expected to "Build capacity by learning from experience, not only for the standards system but also for enterprises and others involved in the standards system." (FSC statutes, FSC non-profit status etc). FSC does build capacities of different constituencies, directly and indirectly. FM standard: Impact assessments and evaluation requirements in P7, P8, learning loops. CAR Analyses. Support programs: Smallholder funds, training programs	**3a. Number and types of relevant policy documents and support tools.** ➢ Number, types of FSC documents and tools aiming to increase competencies for example in planning, impact assessment and evaluation, silviculture, health and safety, and marketing. 3b. (aspirational) Number of participants which concluded FSC trainings and capacity building programs. ➢ Number of participants successfully completing FSC trainings on Forest Management ➢ Number of participants successfully completing other FSC trainings ➢ Aspirational: Number of FMU staff completing certification-related trainings provided by certified entities (as part of certificate compliance?) **3c. Number of users of the "FSC Market Place" and other related FSC tools.**

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[9] http://www.unep.org/pdf/Capacity_building.pdf
[10] http://www.foresteurope.org/docs/MC/MC_lisbon_resolutionL1.pdf

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
review".		society in general, should be promoted through partnerships and be strengthened by raising general awareness of the concept of sustainable forest management and the role of forests and forestry in sustainable development. Therefore an adequate level of participation, education, public relations and transparency in forestry is needed. (…) Human resources development policies should (…) broaden the competence of forest owners and managers and forestry workforce in forest management, (…).		➢ Number of users of the "FSC Marketplace" and other related FSC tools like MAP training programs, logo use training etc. ➢ Aspirational: level of satisfaction by users of tools provided by FSC **3d. CAR analyses over the different economic, social, environmental criteria show lessons learned by forest management operations.** ➢ Number and criteria of CARs addressed per certified operation, per certification body, per country, per forest operation type. ➢ Analysis of patterns of distribution of CARs. ➢ Analysis of reasons for imbalances in patterns of CARs. ➢ Aspirational: Number of CARs implemented: Findings of auditors reflected in reports and CARs required to be implemented to improve FM trigger thinking of certified forest managers to improve FM to match FSC standard requirements. 3e. (aspirational) Level of awareness for sustainability issues in forest management increases. (to be evaluated in case studies esp. MAP) ➢ Aspirational: Number of MAP participants showing increasing awareness levels of sustainability issues in forest management
SOCIAL	To be sustainable, FM must be socially beneficial, (economically viable and environmentally appropriate).			

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
4. Forest management operations have good and fair relations with indigenous and any other local communities, and maintain or enhance fair inter-generational access to resources & economic benefits. **Spiritual and other cultural values of forests are identified and respected.** P1, P3, P4, C5.4, P9 HCV 4-6 (P7 and P8) *See M&E report 2014, chapter "quality of forest management".* **5. Forest-dependent, forest-managing**	(350) Millions of people depend on forests for their subsistence and income. Well-managed forests help create jobs, develop trade, and provide housing and other important resources for improving the lives of people. Poor forest management can undermine these options. Certification requirements can contribute to social and economic development of local communities.	**VI. Improving the livelihoods of forest dependent people.** **X. Equitable access to forest resources** **XII. Spiritual and other cultural values and services of forests respected.** Well-managed forests have the potential to reduce poverty, spur economic development and contribute to a healthy local and global environment. UNFF[11] reaffirms the necessity to promote, enhance and support more sustainable (…) forestry, (…) that improves food security, eradicates hunger (…). The Global Forest Coalition and with IUCN[12] remind that indigenous people and local communities play an essential role in forest conservation and	FSC has a number of transparent mechanisms in place to allow stakeholders to raise concerns and forest managers to adequately address these concerns. This includes the respects for indigenous peoples' rights. Especially in countries with weak governance FM standards, compensation mechanism and related FPIC and stakeholder negotiation processes can require provision of support to social and economic development of local communities. FSC requires engagement with indigenous peoples and communities to identify sites which are of special cultural, (…) religious or spiritual	4+5a. (aspirational) Number / percentage of certified FMUs with evidence of conflict resolution cases without violence. ➢ Number of conflict resolution cases at FSC International and ASI level ➢ Aspirational: Number of conflict resolution cases raised in CARs ➢ Aspirational: number of such cases addressed at National Office / Certification Body level 4+5b. (aspirational) Number of people[13] obtaining an income through FSC is increasing. ➢ 4+5b: Number of group certificate members (Note: this does not inform about family members etc) ➢ 5b: Aspirational (MAP): Number of people from forest-depending, forest-managing certified communities depending on income from certified / candidate operation. ➢ 5b: Aspirational (MAP): Relation of income from sales of FSC certified products to other income prior to certification and to costs for certification. Important: Focussing on forest-depending, forest-

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[11] As above (5), clause 111

[12] From Global Forest Coalition, ICCA Consortium & CEESP: **"**The 'do's and don'ts' of supporting forest conservation and restoration initiatives by local communities and indigenous peoples" http://globalforestcoalition.org/wp-content/uploads/2012/05/final-report-dos-and-donts.pdf

[13] Only for MAP: include total of people depending on people above.

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
certified communities improve their lively-hoods as well as their forest management skills. P1, P3 and P4, C5.4, P9 HCV 4-6) (P7 and P8) *See M&E report 2014, chapter "quality of forest management".*		restoration. "When users are genuinely engaged in decisions regarding rules affecting their use, the likelihood of them following the rules and monitoring others is much greater than when an authority simply imposes rules."	significance, and that the management and/or protection of these sites shall be agreed through engagement with these stakeholders.	managing, certified communities. 4+5c. (aspirational) Number and quality of additional social services (FMU scope) delivered by FSC certified management. ➤ The number and area of certified operations, where CARs related to legal issues do not exist ➤ The number and area of certified operations with solved CARs related to legal issues. ➤ Number (and area) of certified operations with unsolved / open CARs related to legal issues. (So far a subset of CAR analyses). ➤ Aspirational: Qualitative CAR analysis related to number of CARs addressing legal issues. ➤ Qualitative analysis of cases reported to FSC Dispute Resolution System. 4+5d. (aspirational) Access to forest resources and mechanisms for sharing benefits are perceived locally to be fair. ➤ Aspirational: Analysis of stakeholder consultation feedback about related aspects. 4+5e. (aspirational) FM maintains or enhances fair access to resources and economic benefits. ➤ Aspirational: CAR Analysis of Principle 2, P3, P4 related issues, and of stakeholder consultation

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
				feedback about related aspects. (Exceptional case studies)
6. Forest management operations improve or ensure a minimum standard for workers' living and working conditions, especially with respect to occupational health and safety. P1, P2	United Nations International Labour Office (ILO) specifies forest work as a profession in which the accident rates has long been higher than in most other industrial sectors. There are many options for improving Occupational Health and Safety (OHS) practices.	**VI. Improving the livelihoods of forest dependent people.** UNECE[14] calls the forest sector to (…) build up work-force, (…) significantly improving the OHS of workers. BWI[15] sees certification as a useful tool for unions in their struggles to improve the workers' living and working conditions.	FSC has clear requirements for FM to employ skilled workers, to provide relevant training, to apply OHS best practice for all working in the certified forest management operation, and to monitor implementation of these requirements and of accidents' causes. To a limited extent these requirements are applicable for CoC certified and associated operations.	6a. (aspirational) Number of male / female forest workers (including contractors) ➢ Number of certified operations, number of workers reported per certified operations, by gender ➢ Aspirational: Relation between intensity of forest management, harvested volumes and people working. 6b. (aspirational) Health and Safety strategies meaningful and implemented, as reports about (decreasing) accidents rates demonstrate. ➢ CAR analyses (Principle 4 (P&C Vers 4)) related to Occupational Safety and Health ➢ Number of FMUs that have meaningful safety strategies in place, based on certification assessments. 6c. (aspirational) Number of people trained in safe working techniques. ➢ Aspirational: Number of occupational accidents in certified FMUs ➢ Aspirational: Number of people trained in safe working techniques

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[14] From UNECE Timber and Forest Sector 2012 Action Plan's Vision for 2020, Principles for the UNECE region forest sector in the emerging green Economy.
http://www.unece.org.unecedev.colo.iway.ch/fileadmin/DAM/timber/meetings/20130617/ECE_TIM_S_2013_3_Action_Plan.pdf

[15] From press release from "Building and Wood Workers' International Strategies to Promote Decent Work and Sustainable Development Trough Certification in the Forest and Wood Processing Industry" 2010, Croatia www.bwint.org/default.asp?index=2826&Language=EN

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
				➢ Aspirational: Relation between intensity of forest management, harvested volumes and people working.
ENVIRONMENTAL	To be sustainable, FM must be environmentally appropriate, (economically viable and socially beneficial).			
7. Minimized degradation of forests, no conversion of natural forests to plantations and other land uses. P1, P6 and P10	Deforestation, conversion of forest to other land use is a major threat for climate and people. Degraded forests provide fewer benefits like environmental services than intact forests. Forest degradation is often a phase before the decision to convert alternative profitable land use.	**I. Reduce and ultimately halt global deforestation.** **II. Stop and revert forest degradation.** **VI. Halt forest biodiversity loss.** The General Assembly of UNFF[16] expresses their concern about continued deforestation and forest degradation. REDD and WWF's *Zero Net Deforestation and Forest Degradation* (ZNDD)[17] target call for halting deforestation and degradation. UNFF 3rd of 4 Global Objectives: Increase	FSC requires implementation of management plans which prevent degradation of natural forests, maintain or enhance biodiversity and prohibit conversion of forests to plantation or other land use. FSC certification has little influence over continued degradation in non-certified forest areas, but does not allow certificate holders to be involved in significant conversion of natural forests or destruction of high conservation values in non-certified parts of	**7a. Area of certified FM operations managing natural forests increasing. (Subset of indicator 1a.)** ➢ Area of natural forests in certified operations (including plantation and mixed forests operations) ➢ Evaluation of trends from previous years compared to current numbers. **(7b.) Aspirational: Degradation of natural forests in certified operations is minimized** ➢ Aspirational: Sample sites (resp. priority areas in samples) show evidence that after 5 years defined priority areas are not significantly degraded. **(7c.) Aspirational: No conversion of natural forests to plantations or other land uses is taking place in certified areas.** ➢ Aspirational: Ratio of area under scope of certificate: managed area : HCV area.

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[16] From Resolution adopted by the General Assembly of the Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of all Types of Forests, A/CONF.151/26 (Vol. III) www.un.org/esa/forests/about-history.html

[17] From WWF Forests for a Living Planet, 2011 www.panda.org/livingforests/download

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
		significantly the area of sustainably managed forests, including protected forests, and increase the proportion of forest products derived from sustainably managed forests.	their operations. To send a clear message, FSC further does not allow certification of plantations established on are-as converted from natural forests after November 1994, to keep responsible entities from conversion in order not to prevent any future interest in FSC certification.	
8. Forest management operations maintain or enhance biodiversity. High Conservation Values of the forests are identified with stakeholder input and maintained or enhanced through appropriate management.	Forests are rich in ecological and social conservation values. Maintaining or enhancing biodiversity values and their gene pools is critical for a healthy environment, social conservation values for a healthy society.	**III. Increase the area of forests under conservation management.** **IV. Increase the area of forests under sustainable production** Aichi'[18]s target 7 and among FAO's goals is the increasing trend of forests contribution to (…) conserving biodiversity. FSC's HCV concept is partly or fully applied by other ENGOs.	FSC has demanding requirements for the participatory identification and the appropriate management of conservation areas and high conservation values of forests. Forest areas identified as HCV are not necessarily excluded from harvesting and other forest management interventions.	8a. (aspirational) Areas certified as managed for conservation, managed exclusively for Non Timber Forest Products (NTFP) and for non-extractive management goals are maintained or increasing. ➢ Areas of identified HCV classes ➢ Areas of set aside areas 8b. (aspirational) Area of High Conservation Value (HCV) classes, set asides, Representative Sample Areas in certified units and on system level in relation to entire certified area is maintained or growing.

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[18] Convention on Biological Diversity AICHI - BIP 2012 Target 7 www.cbd.int/sp/targets/

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
P9, and P6-10				➢ Areas of representative sample sites per operation and aggregated for regions and management types. ➢ Ratio of area per classification compared to total certified area. ➢ Aspirational: Additional qualitative CAR analysis related to P6, P9 for samples. Qualitative CAR analysis related to P6, P9. 8c. (aspirational) There is evidence for sufficient stakeholder engagement in identifying and managing HCV areas. ➢ Number of active Standard Development Groups, ➢ Number of participants per chamber per SDGs, ➢ Number of consultation rounds in SD revision, cycles and ➢ Number/quality of feedback received.
9. Forest management operations identify and maintain the forests' manifold ecosystem services from forest soil, water, biodiversity.	Sustainable forestry is not limited to managing few timber species only. Forests can be managed in a way that protects, and even enhances, fragile ecosystems, water resources, soils and	**II. Stop and revert forest degradation.** UNCED, Rio Declaration, Forest Principle[19]s: Forest resources and forest lands should be sustainably managed to meet the social, economic, cultural and spiritual human needs of	FSC FM certified means that the forests are managed in an environmentally appropriate way – forestry interventions maintain or enhance biodiversity and ecosystem service values, operations maintain or enhance social wellbeing,	9a. (aspirational) A growing number of FSC certified FMUs identifies ecosystem services. ➢ Number of operations Nr of FSC-certified FMUs identifying ecosystem services. 9b. (aspirational) Areas certified as managed for ecosystem service provision are maintained or increasing. ➢ The area managed for non-extractive forest

[19] http://www.un.org/documents/ga/conf151/aconf15126-3annex3.htm

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
P6, P9

See M&E report 2014, chapter "Quality forest management" / ForCES analysis. | other ecosystem values and benefits to local communities and people globally. | present and. future generations. These needs are for forest products and services, such as wood and wood products, water, food, fodder, medicine, fuel, shelter, employment, recreation, habitats for wildlife, landscape diversity, carbon sinks and reservoirs, and for other forest products. Appropriate measures should be taken to protect forests against harmful effects of pollution, including air-borne pollution, fires, pests and diseases in order to maintain their full multiple values. | generate income options, etc.

The FSC certificate can be used to promote the values and even the marketing of ecosystem services. Also ecosystem services are covered under the new "sustained yield" criterion C5.2. | management goals.
➤ Areas managed for ecosystem services exclusively.
➤ Number of operations offering certified ecosystem services.
➤ Evaluation of trends from previous years compared to current numbers.
➤ Number of operations offering certified non-timber forest (NTFP) products. Areas managed for NTFP only exclusively.

9c. (aspirational) CAR analyses show that auditors are trained to identify ecosystem services, and that forest managers adhere to FSC ecosystem services related indicators such as environmental and social risk assessments and impact assessments.
➤ Number of related CARs and qualitative CAR analysis.
➤ Analysis of reasons in case of absent CARs where CARs could be expected. |
GENERAL				
Diversification to strengthen economic, environmental & social benefits				
10. Forest	The tension between the need to generate	**IX. Diversification of**	FSC FM standard require the forest manager to encourage	10a. (aspirational) The global portfolio of products incl. Lesser Known timber Species, NTFP and Ecosystem

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
management operations **diversify their portfolio of forest products to increase environmental and economic resilience.** P5, P6, P10	adequate financial returns and the principles of responsible forestry is reduced through efforts to market the full range of forest products and services for their best value. There are economic and environmental risks to limit the management of forests to the extraction of a few main marketable species.	**marketed forest resources** CIFOR[20] recommends the diversification of total forest product utilization (products used/known potential products), with optimal and equitable mix of products, to ensure that forest actors have a reasonable share in the economic benefits derived from forest use.	the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits. The FSC certificate can increase market acceptance as it allows consumers to identify and to decide for products coming from responsibly managed origin.	Services offered as FSC certified is maintained or growing. ➤ Number of operations offering certified non-timber forest (NTFP) products. ➤ Areas managed for NTFP only exclusively. ➤ The area managed for non-extractive forest management goals. ➤ Areas managed for ecosystem services exclusively ➤ Number of operations offering certified ecosystem services. ➤ Number of operations offering Lesser Known Timber Species. ➤ Evaluation of trends from previous years compared to current numbers. ➤ (Aspirational/ in future): Number of Lesser Known Timber Species, NTFPs and or ecosystem services offered per certified operation. ➤ Trends of product range over time per region and operation type.
Law Enforcement				
11. Maintained or increased legal compliance by forest management operations and	Illegal forest use and timber trade must stop because it poses serious threats to forests, people and wildlife, contributes to	**III. Increase forest law enforcement and stop illegal logging.** WWF[21] targets *Zero Net Deforestation and Forest Degradation* (**ZNDD**), which is	FSC FM standards require systematically legal compliance of FMUs and exclusion of illegal activities within FMUs. Adherence to the standards is regularly	11a. (aspirational) FSC certified FMUs and CoC operations adhere to legal requirements. ➤ CAR analysis to explain cases of non-conformities to legal requirements, and how FSC triggered improvement. 11b. (aspirational) Area of certified FM operations,

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[20] From CIFOR's generic list of Principles, Criteria and Indicators – Social C3.2, (1998) http://www.odi.org.uk/resources/docs/1178

[21] See (11) above

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
exclusion of illegal activities within the FMUs. P1, P2-P4, C6.4, C9.1, C10.10	global deforestation and climate change, and undermines legitimate business. It causes social conflicts and financial losses for forest-rich developing countries. Market demand for products from management with high social and environmental standards and bans on trade in illegally sourced timber can help achieving it.	**only achievable under g**ood governance, and when not undermined by illegal logging. UNFF[22] calls to combat and eradicate illegal practices. FAO[23] requests that benefits from trees, forests and forestry are increasing, widely recognized and appreciated (e.g. increase in their contributions to society and, of investments in forests).	audited, non-compliances addressed and corrected. The certified area is an indicator for the absence of illegal uses of forests. The CoC-certificate indicates legal compliance of the certified forest management where the product was harvested. The FSC Policy for Association provides additional assurance that certified and associated operations are not involved in illegal activities.	number of certified CoC operations, and supply of types and number of certified products are increasing. ➢ Area of certified FM operations. ➢ Number of certified CoC operations. ➢ Supply of types and number of certified products. **11c. CAR analysis: Number and quality of CARs issued and implemented in relation to Criteria addressing legal compliance, illegal activities.** ➢ Analysis of CARs related to legal compliance ➢ Analysis of CARs related to the exclusion of illegal activities within and in relation to the certified operation ➢ (Aspirational/ in future): Additional qualitative CAR analysis related to P1 and related criteria in other principles for cases of special interest. (For example related to human rights, protected areas, RTE species and trade in such species, land grabbing, ILO conventions.)
Transparency, ownership				
12. Bring together diverse groups of people to develop	Sustainable development – for forests and other sectors - needs the support of the society,	**X. Equitable access to forest resources** **XI. Increased awareness of situation of forests and the relevance of responsible**	FSC provides a governance framework that enables stakeholders with conflicting interests in forest management together to	**12a. Number of international FSC members per chamber is growing.** ➢ Number of international member organizations and individual members per chamber.

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[22] See (6) above, clause V.6.n
[23] See (1) above

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
consensus-based solutions and craft policy. FSC's Governance model and stakeholder engagement (Statutes, by-laws, FSC-STD-20-006, 20-002, C1.6, C3.1, C4.1, C4.5, C7.5, C9.1, C9.2, C9.4, *See M&E report 2014, chapter "Promoting responsible forest management politically" and FSC Global Market Survey.*	e.g. to avoid undermining of legal requirements. FSC like others gain authority when they have broad stakeholder support.	**management and consumption** **XII. Spiritual and other cultural values and services of forests respected** Global Forest Coalition[24] as well as CIFOR remind that local people's values and perceptions of the landscape are important and can improve the ways forests are managed, e.g. because they can bring more holistic values to forest management that may help companies and governments temper a timber-only view with other ecological values. When stakeholders are genuinely engaged in decisions regarding rules affecting their use, the likelihood of them following the rules is much greater than when others simply imposes rules.	jointly develop solutions for forest management acceptable for all. FSC requires and invites for public consultation processes and consensus based decisions in strategy and standard development, FSC requires public consultations in forest management, FSC is transparent in reporting about certification decisions and developments, and FSC is in this respect a model for other organisations aiming for sustainability.	12b. (aspirational) Number of national FSC members per chamber is growing. ➢ Number of national FSC members per chamber. **12c. Number of standards / consultations per standards.** ➢ Number of standards and other FSC core documents in consultation processes. ➢ Number of consultation processes per document. ➢ Number of people engaged in negotiation of these documents**.** 12d. (aspirational) Number of organisations engaged in identification of HCVs. ➢ Number of organizations engaged in identification of HCVs per certificate with HCV, per certificate in countries regions where HCV is to be expected. **12e. Level of FSC awareness is growing.** ➢ Monitoring statistics about prompted recognition of "FSC" in countries where independent organizations conduct such studies. ➢ Number of user hits of FSC website and trends.

[24] See (7), (4) above

FSC Intended impacts	Explanatory notes	Relevant broader sustainability goals (examples)[1]	How FSC contributes to these goals	How we measure our outcomes and impact (proposed indicators)
				12f. (aspirational) Number of external observers in audits is growing. ➢ Number of external observers in FSC audits.