

FSC® Network Policy:

Towards a thriving Network that supports FSC delivering
on its global objectives

Published: December 2021



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Opening Statement

Over the course of updating the Network Policy, FSC engaged in many conversations with past and current stakeholders who shared their successes and failures, and offered insight and advice. The new Network Policy is written from the position of the FSC Statutes and the Global Strategy 2021–2026, both of which underline that **the core strength of FSC is anchored in membership engagement and a global network of local partners: these are what enable FSC to deliver on its global mission.**

FSC's grassroots, locally driven approach has been vital to FSC's global development. The process of local co-creation has produced remarkable results so far.

Over the years, the necessary processes of adaptation involved in the expansion of FSC into different regions of the world have produced our current structure and methods of governance. While this has undoubtedly helped FSC to grow and thrive, it has also led to several challenges: complexities in governance, a need for higher levels of accountability, and clearer lines of communication between FSC International, Network Partners, National Representatives, and both international and national members – the 'owners' of and ultimate decision-makers for the organization.

The purpose of the Network Policy, which is rooted in the FSC Statutes and adheres to our member-driven ethos with balanced representation of environmental, social, and economic stakeholders, is to address these complexities, highlight the importance of cooperation, collaboration and co-creation, and increase transparency and accountability – all with the goal of strengthening and expanding the network. This purpose can be achieved by proactively engaging with members and stakeholders in the economic, environmental, and social spheres, and by acting upon opportunities that present themselves in all parts of the world.

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Noteworthy Changes in the New Policy

This document combines and replaces the Network Policy document of 2011 [FSC-POL-60-001 V1-1] and the Network Procedure document of 2012 [FSC-PRO-60-001 V1-0].

The most noteworthy changes include:

- Alignment with the 2021–2026 Global Strategy.
- Further clarity given to roles and responsibilities of FSC positions at all levels.
- Updates to terminology: ‘Network Partner’ is now used to refer to ‘National Office’.
- Recognition of extended operational models that support FSC development in countries.

It should be noted that under the FSC Statutes, last revised in 2017, the term ‘National Office’ remains as the formal term for legally independent FSC partner organizations that promote the responsible management of the world’s forests on behalf of FSC at a national level. However, to align with today’s reality, the designation ‘Network Partner’ is also used to refer to such entities. This term provides clarity about the relationship between FSC International and its partners in other countries, with the aim of creating transparency, legitimacy, and accountability.

As the term ‘National Office’ is contained in FSC’s Statutes, the term can only be formally changed with a decision by the FSC International Membership. In this context, the FSC International Board of Directors intends to propose to the International Membership an amendment to the Statutes so the denomination ‘Network Partner’ can be formally incorporated into the Statutes.

1. Scope and Housekeeping

1.1 Scope

The FSC Network Policy, published in 2021, describes the framework and organization of the FSC Network. This document aims to address challenges around some aspects of the Network that have evolved over time, and improve transparency and accountability between the Network, the FSC International Board, the FSC International Secretariat, and the members of the organization. In the ten years since the last Policy was issued, the world has changed – so too must FSC.

This Policy has been approved and publicized by the FSC International Board of Directors, after extensive consultation with international and national members and staff of Network Partners and FSC International.

1.2 Policy effective date

This Policy becomes effective December 2021.

1.3 Terms and definitions

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

Agreement or Contract: a document describing a negotiated and signed agreement between FSC International and a Network Partner including the roles, responsibilities, rights, and obligations of both parties for a defined period of time.

FSC International ('FSCI'; 'the Secretariat'): The umbrella term which collectively encompasses the Director General and the staff that serve the FSC Asociación Civil, FSC Global Development, and the FSC International Center in their day-to-day operations.

International Board of Directors ('FSCI Board', 'the Board of Directors'): The FSC International Board of Directors, made up of 12 international members elected by the full membership of FSC International, with four elected from each chamber – social, environmental, and economic – for a four-year term.

Network Partner: A legally independent, member-led organization promoting responsible management of the world's forests on behalf of FSC. At the time of writing, Network Partners are formally called National Offices in the FSC Statutes. Network Partners embody FSC's statutory objective: 'To decentralize the work of the Organization and to encourage local participation in a manner consistent with the structure and purpose of the Organization.'

National Representative: Person or persons appointed by FSC International to represent FSC in a country and report to the Regional Director.

Regional Director: Person employed by FSC International responsible for implementing regional priorities and communicating with Network Partners and National Representatives in specific regions.

1.4 Abbreviations

BoD = FSC International Board of Directors

CH = Certificate holder

CoC = Chain of custody

FM = Forest management

FSCI = Forest Stewardship Council International ('Secretariat')

NP = Network Partner (formally named "National Office")

RD = Regional Director

2. FSC Network Models and Updates to FSC Terminology

2.1 Statutory terminology

The FSC Statutes and the Network Policy of 2011 acknowledge three working models for FSC presence and delivery:

FSC National Offices: Legally independent FSC partner organizations promoting the responsible management of the world's forests on behalf of FSC at the national level through a formal contract called a 'Cooperation Agreement'. National Offices have a multi-stakeholder governance structure similar to that of FSC. In daily terminology, the term 'National Office' has been replaced with 'Network Partner' without any change to the essence and legal nature of the category.

FSC National Representatives: Individuals working on behalf of FSC in their countries who serve as national contact points for communication and information, and who promote responsible management of the forests under a formal contract called a 'Cooperation and Service Agreement'.

FSC National Focal Points: Individuals who perform specified and agreed tasks in their countries that are accomplished on a voluntary basis and under a formal contract. National Focal Points do not represent FSC.

Focal Points and National Representatives have different mandates and can coexist in a country or specified territory. In other words, one does not exclude the other.

2.2 Currently used terms and types of representation at the national level

To clarify the terminology in use today and to acknowledge the evolution of extended Network models, FSC supports network development in countries and regions in the following ways:

1. Member-led **FSC Network Partners**, governed by a chamber-balanced national board of FSC members. These partners are still formally called "National Offices" in the FSC Statutes and their essence and legal nature will not change.
2. FSC International can appoint an **FSC National Representative** in a particular country. The National Representative reports to FSC International and offers engagement opportunities to members and stakeholders in the country. Depending on the circumstances within individual countries, this position may also have a different title, including but not limited to "Country Director", 'Business Development Manager', or 'Country Manager'.
3. FSC International, in collaboration with the international membership in a country, can appoint **FSC Focal Points**. The Focal Point is a recognized voluntary organizer of chamber-balanced membership engagement in the country, under a formal agreement with FSC International. Depending on the circumstances within individual countries, this position may also have a different title, including but not limited to 'FSC Focal Person' or 'FSC Membership Contact Person'.
4. In parallel with the Network Policy but outside the network section of the FSC International Statutes (Title Six, Clause 38th), **FSC International may make the decision to work in a**

particular country or region through another structure. This will be done in accordance with FSC's purpose as defined in the FSC International Statutes (Clause 5, Point 11), using specific models, the nature of which depends on the specific circumstances of the country or region. These models may vary with the aims FSC seeks to achieve in the country or region, and with the aims of the Global Strategy.

Regardless of the model, each will be set up in consultation with FSC members and stakeholders in the region or country, be fit for purpose, and offer the best possible support to achieve the desired outcomes for FSC's Mission and Global Strategy.

Three examples of such models of representation are:

- a) Partnering with an NGO, company, or other organization (such as a partnership agreement with WWF in Guyana to promote FSC)
- b) Establishing a branch organization, a subsidiary of FSC International with the day-to-day running of the organization carried out by local staff (such as FSC China)
- c) Allowing the implementation of certain tasks by a Regional Director and team (such as the FSC European Regional Director supervising a small team effort in Poland)

3. Roles and Responsibilities

Disclaimer: This is a high-level overview of responsibilities and limitations.

3.1 The International Membership and the General Assembly

FSC is a democratic organization that is governed by its members. Members may join as an individual or as an organization. They join one of three chambers – environmental, social, or economic – which are further divided into northern and southern sub-chambers. FSC’s unique governance structure aims to ensure that all decisions are made through consensus. The General Assembly is made up of all FSC international members and is the highest decision-making body of the organization.

International members can submit initiatives regarding FSC’s mission and vision through motions at general assemblies, where they can participate and vote. They may also take part in chamber-led working groups to develop policy proposals and innovations in the system. International members can stand for election to the International Board of Directors.

3.2 The FSC International Board of Directors

The FSC International Board of Directors is made up of 12 members elected by the full membership of FSC International. Four members are elected from each of the environmental, social, and economic chambers. Board members are elected for a four-year term and are accountable to FSC’s international members. They represent the interests of these international members and make decisions in consensus with other chambers while also acting in the best interests of FSC.

The FSC International Board sets the strategic direction and priorities of FSC International, overseeing the implementation of motions and approving annual business plans, budgets, funding, work plans, and financial statements. The FSC International Board appoints the Director General and sets and evaluates their annual KPIs.

The Policy does not address funding matters, because the annual budget, including the funding for the Network, is approved by the Board annually. The funding mechanism of Network Partners is on a separate multiyear cycle to create additional predictability.

3.3 FSC Network Partners

FSC Network Partners are legally independent FSC partner organizations that promote the responsible management of the world’s forests on behalf of FSC.

Network Partners have a governance structure that mirrors that of FSC International: they have a membership in three chambers that elects a board of directors with balanced representation of environmental, social, and economic stakeholders; and they have their own statutes which may involve certain legal, operational, and governance obligations that differ from country to country.

Network Partners represent FSC at the national level. They may provide services to current and future certificate holders, be responsible for membership development within their countries, develop processes for engagement and capacity building, develop partnerships, establish working groups, and coordinate the various national processes involved in producing Forest Stewardship Standards and

National Risk Assessments¹. Through their members, they also contribute to realizing the FSCI Global Strategy by focusing on specific objectives within their countries.

The work of each Network Partner is different and is reflected more specifically in the individual agreements made between FSCI and an NP. Much depends on the situation in each of the countries, the existing opportunities, and the particular areas of focus important to the Network Partner.

Given their instrumental role in delivering FSC's work on the ground, Network Partners need to be financially and operationally healthy organizations, with stable governance that recognizes the importance of operational continuity and offers a supportive and productive environment to staff.

Network Partners and FSC International cooperate closely in terms of implementing the FSC Global Strategy, FSC policies, and engaging with the broader membership. This close alignment is particularly important in driving consistent approaches and messages to certificate holders, certification bodies, and other environmental, social, and economic stakeholders.

3.4 The FSC International Secretariat

Under the strategic leadership of the FSC International Board, the FSC International Secretariat is responsible for implementing the Global Strategy. The Secretariat is also responsible for overseeing the reputation of FSC, the promotion of FSC-certified products, developing international standards, and providing a framework for national standards, advocacy, communications, and global branding, assuring the integrity and credibility of the FSC system, and overall system maintenance and improvement.

FSC International is responsible for creating the conditions for Network Partners to deliver on agreed targets, as well as setting and tracking performance across the Network. FSC International will support membership development efforts made by National Representatives in individual countries and provide support to the promotion and expansion of FSC.

Network Partners and FSC International can also agree to collaborate with another NP to leverage its capacity, connections, or expertise to support work in another country. The nature and duration of these agreements will depend on the nature of the shared goals. FSC International is responsible for facilitating collaboration and knowledge exchange between NPs and the relevant FSC International experts or teams on topics of global or cross-regional interest.

3.4.1 FSC International Regional Directors and Regional Teams

FSC International works with Network Partners around the world through the Regional Directors and their teams. Appointed by FSC International, the Regional Director and their team are responsible for creating and utilizing channels of dialogue to engage with Network Partners and stakeholders in the region on behalf of FSC International.

The Regional Directors and their teams coordinate and drive regional efforts led by Network Partners and/or National Representatives and/or regional staff to deliver on regional priorities derived from the Global Strategy. They support and guide Network Partners to succeed and achieve mutually agreed outcomes, provide information, and offer engagement opportunities for international members in the region. They represent their region at FSC International senior management team meetings, support the implementation of the Global Strategy through various global policies and processes, and drive business

¹ This work can include coordination of Standard Development Groups, which is an FSC recognized working group established to develop and/or revise National Forest Stewardship Standards. The role and responsibilities of the Standard Development Group is specified in FSC-STD-60-006 set by the FSC Standard 60-006 and is outside the scope of the FSC Network Policy.

development and market-related innovations that are critical to the development of FSC in the region. They also may consult FSC International senior staff or subject matter experts to support work in the region and resolve bottlenecks.

The Regional Director and regional teams oversee agreements made between FSC International and Network Partner Directors. They engage in exchanges between Network Partner Boards of Directors on topics of shared interest both informally, and more formally at annual regional member meetings, and engage in exchanges with senior staff at FSC International on an as-needed basis.

3.4.2 FSC National Representatives

FSC National Representatives are appointed by FSC International. They serve as national contact points for information and promote the responsible management of forests. They report to the Regional Director and are responsible for delivering activities relevant to the Global Strategy within their countries, engaging with key stakeholders, and facilitating the delivery of National Forest Stewardship Standards and/or National Risk Assessments.

Depending on the circumstances within the country, National Representatives may have specific objectives to support, sustain, and grow the certified area and the number of certificate holders. They may also be expected to support membership development efforts by providing information and offering engagement opportunities for international members based in their country.

International members in a country are informed of FSC International activities planned in the country and on any progress that has been made. As mentioned in Section 3.4 and in the above paragraph, both FSC International and Network Partners are expected to work together to facilitate member engagement. In cases where members are interested in forming a Network Partner, the process outlined in Section 5 is to be followed. FSC International will inform the members of the eligibility criteria and will explore ways that these members can be supported, possibly with the support of an appointed Focal Point, to reach a 'critical mass' of members which can sustain a self-governed, member-led entity. These entities may take different forms in different countries and at different development stages, as set out in Section 3.4.3 below. The same approach applies to existing organizations that may seek to become an FSC Network Partner, but do not (yet) meet the requirements set out in Section 5.2.

3.4.3 Other types of cooperation or entities set up by FSC International in specific countries

Reflecting FSC's purpose as defined in the FSC International Statutes Clause 5, Point 11, FSC International may enter into different types of collaborations or set up entities to work on behalf of FSC in specific countries. Examples include setting up branch offices of FSC International in a country or working through the Regional Directors in countries in cooperation with local partners or stakeholders.

FSC International will manage these cooperation arrangements and entities such that they have the same roles and responsibilities as defined for National Representatives, when appropriate, including the engagement of international members within their countries (see Section 3.4.2).

3.5 FSC Focal Points

FSC Focal Points work on a voluntary basis under a formal agreement with FSC International to organize membership activities with a balanced representation of environmental, social, and economic stakeholders in a country. A core responsibility for Focal Points is to find effective ways to engage the

members (including potential members) in supporting FSC in a country and/or globally, and to grow members in all three chambers.

Focal Points do not represent FSC in a country. There can be Focal Points and National Representatives active at the same time in a country or territory, each working on their own respective, agreed mandate. Focal Points facilitate exchange between members and will encourage and support the application process if members are interested in becoming a Network Partner. In countries where these two entities coexist, the Focal Point will work in collaboration with the National Representative.

Both FSC International or the international membership in a country can initiate the appointment of a Focal Point. If the parties consider there is substantial grounds for a Focal Point to help FSC get off the ground, they will be appointed by FSC International in collaboration with the members in the country. Focal Points can be (potential) members of FSC and act as FSC International's main contact person to the country if there is no National Representative present.

3.6 Channels for discussion and decision-making

FSC International is responsible for creating and maintaining platforms and channels for capacity building, communication, decision-making, and collaboration. Through these channels, FSC will receive local, bottom-up input on concerns, ideas, innovations, and other matters of local or national importance. The FSC International senior management team can also use these channels to offer advice and co-create decisions on operational and strategic priorities.

FSC International is also responsible for providing opportunities for personal exchange during which all people across the world working for FSC are invited to gather to connect, exchange, align agendas, and discuss items, processes, and innovations that are important to the Global Strategy and the various functions of the organization.

4. Lines of Communication, Governance, and Decision-making

Network-related decisions are made at three levels in FSC: by the FSC International Board of Directors, by FSC International (which includes Regional Directors, National Representatives and other country-level cooperation models set up by FSC International), and by individual Network Partners.

4.1 The FSC International Board

As per the decision made after Motion 63, enacted in 2017, and embedded in the Statutes of FSC International, the FSC International Board of Directors sets the strategic direction for Network development.

In addition, the Board:

- Defines the prerequisites to become and remain a Network Partner
- Decides on both recognizing and ending recognition of Network Partners and other models, and the associated processes
- Approves the Network Policy and reviews the approach taken
- Approves a set of international and regional priorities for the upcoming year
- Decides on principles and a general model of financial compensation for the Network

The Board is also informed on an annual, or, if necessary, on a more frequent basis about:

- Risks and opportunities across the Network
- Planned investment decisions taken in new countries
- Evolving transitions in Network working models
- The annual allocation of the NP financial compensation model
- Performance and results achieved, especially in relation to the FSC Global Strategy and its goals

The Board is accountable to the International Membership and communicates with the membership about Network-related issues.

4.2 FSC International

Within the framework provided by the FSC International Board of Directors, giving due consideration to the objectives and goals set out in the FSC Global Strategy, and respecting the independent decision-making mandate of FSC Network Partners (see Section 4.3), FSC International makes decisions on:

- Operational processes led by National Representatives under FSC International's responsibility
- Contract management
- Annual agreements made with Network Partners and other partners
- Regional operational priorities which are in line with the Global Strategy and follow the direction set by the FSC International Board
- Communicating with Network Partners and other partners through the Regional Directors
- Coordination across countries and regions
- Activities to support FSC in non-Network Partner countries, including membership engagement opportunities
- The strategic allocation of resources

- Key certificate holder account management and relationships with partners beyond the national reach
- Protecting FSC's global reputation, which also includes the responsibility to intervene in cases where national issues spill over beyond a country's borders and threaten FSC's reputation or put other elements of the Global Strategy at risk
- Providing support, when necessary, to Network Partners regarding key processes that contribute to the promotion and expansion of FSC, for example processes related to the development of national standards

The main points of communication in day-to-day operational interactions with NPs are an NP-appointed contact person or persons (usually the Executive Director, and/or any other relevant local staff) and the FSC International-appointed Regional Director (and any other regional team members).

Regional Directors arrange and schedule regular regional member meetings where members can engage with the FSC International Board and senior staff. FSC International also engages with NP Boards and/or NP representatives at these meetings and during other membership-related events, as well as conducting ad hoc interactions with NP Boards around issues of shared concern as they arise.

The Regional Directors are also expected to enable the flow of information and increase engagement with international members at the regional level.

In countries where FSC works through National Representatives (who are appointed by FSC International), the National Representatives provide information and support to members in the country. This includes supporting membership development by offering engagement opportunities and communication support. The same is expected from other entities that represent FSC International at the national level.

4.3 FSC Network Partners

Network Partners are organizations governed by their own member-driven National Board of Directors with a balanced representation of environmental, social, and economic stakeholders. The main channel of communication between NPs and FSC International, and vice versa, is the Regional Director. NPs make decisions on:

- Strategic country directions, in consideration of the aspirations and the objectives set out in the Global Strategy
- National priorities
- National work plans
- Recruitment of national staff
- Management of the National Membership within the framework of the FSC Statutes and agreements with FSC International
- The appointment of a designated contact person for communication between the NP and FSC International

5. Becoming Part of the FSC Network

FSC is committed to the growth of the organization in all parts of the world. The development of an FSC entity in a particular country depends on the strategic relevance of that country to achieve the goals of the FSC Global Strategy, and whether the country's socio-political, environmental, and legal frameworks allow for the implementation of sustainable forest management, chain of custody certification, and/or the development of markets for certified products. The general economic, political, and security situation in a country also has a profound effect on the ability of FSC to develop a presence.

5.1 Applications to join the FSC Network

FSC International welcomes applications from interested parties that wish to become recognized FSC entities in a country, or partner with FSC under their own names. This includes parties in countries where FSC has National Representatives and/or Focal Points established. FSC International considers all applications equally. All applicants that meet the eligibility criteria listed below will receive impartial consideration against the applicable criteria.

Applications received by the FSC International Global Network Unit receive an acknowledgement of receipt within two weeks. All completed applications are considered within three months, after which time applicants will receive a decision, based on a detailed set of criteria set out in Section 5.2.

5.2 Criteria for FSC International to recognize a Network Partner or set up an FSC International-led presence

Numerous factors are involved in developing or evolving an FSC presence in a country or region, with a list of criteria used to evaluate the eligibility of a potential FSC entity. Decisions to recognize Network Partners are made by the FSC International Board of Directors, while operational decisions to create other FSC presences in countries are made by the FSC Secretariat.

In all cases, the form, structure and operations of the FSC entity are based on the aims of the FSC Global Strategy and discussions with members in the country.

The need for FSC to have a presence in a country or region must first be determined. Factors which influence this include:

- Forest management and ecosystem services certification opportunities
- Potential for support for forest stewardship by Indigenous Peoples, local communities and smallholders
- The general forestry situation
- The general economic and political situation
- The general security situation
- Political opportunities and challenges related to forest stewardship and forest products
- Potential for the adoption of solutions to global environmental, social and economic challenges
- Business opportunities related to the presence of major market players with, or with an interest in, FSC certification
- The presence of value chains with a high potential to contribute to the FSC Global Strategy and 2050 vision
- The presence of FSC members and/or other organizations and associations that are relevant to FSC's success in a country

- The importance of consumer and/or business markets for FSC-certified products and public procurement opportunities
- The presence of competing schemes

When the discussion focuses on establishing an FSC International presence, the final decision will be made by FSC International based on the above criteria. When the application focuses on establishing a Network Partner, the decision-making process will also include the criteria below in Section 5.2.1.

5.2.1 Eligibility criteria for establishing Network Partners

Assessments of Network Partner applications are made by the FSC International Global Network Unit in close collaboration with the relevant Regional Director and their team.

Candidate NPs should begin the application process with the following criteria in place:

- Established as a legally independent entity, satisfying all necessary national legal requirements.
- Established as a multi-stakeholder organization that mirrors the governance of FSC International, with a Board of Directors composed of at least three FSC members with a balance of environmental, social, and economic interests.
- Have a 12- to 24-month plan setting out how the applicant organization can contribute to FSC at the national level, specifying targets in reference to the FSC Global Strategy, and outlining the significance of the country to FSC.
- Have a time-bound plan that assures an effective governance model with majority and balanced membership representation and specifying any further organizational constitutional principles that need to be formalized with the membership.
- Have a 12-month plan to engage existing and potential members.
- Appoint a designated contact person that will engage with FSC International, who understands and can communicate in English.
- Be able to demonstrate expertise, professional engagement and other capabilities in responsible forestry, or a broader field of sustainability, which is relevant to FSC's mission and Global Strategy, either at the individual or organizational level.
- Have specific plan that sets out how the applicant aims to meet any of the below criteria that are still outstanding within one year of recognition.

When the fundamental criteria are in place, recognized Network Partners are expected to work towards meeting the other requirements below where these are not in place yet, and aim to have these completed within a year. FSC International will support these Network Partners along the way by providing relevant information and helping them navigate through the FSC system. Exchange and learning opportunities will be provided by facilitating interaction with experienced Network Partners. Progress against the outstanding criteria will be regularly evaluated, subject to which extensions can be provided by FSC International. These criteria are:

- A stable financial base to sustain staff and a plan to assure a healthy financial and operational set-up over a longer term.
- A stable governance base with an established NP Board of Directors that makes decisions in consensus and provides timely advice and clarity to assure activities can be undertaken by staff, with overall strategic guidance provided to the NP Director.
- Demonstration of knowledge and capacity to provide a comprehensive range of services to the certificate holders and other stakeholders in the country.
- Demonstration of knowledge and the capacity to conduct marketing activities based on a defined corporate strategy, while also supporting global campaigns, trademark services, and global key account management.
- Demonstration of the ability to effectively engage members and grow a membership base.

- n) Demonstration of knowledge and the capacity to coordinate the development and ongoing management and interpretation of a national forest management standard.
- o) An updated plan that reflects how national priorities and opportunities connect to the FSC Global Strategy.
- p) Provision of an update regarding any new FSC International compliance and governance matters and/or expectations, including conflict of interest considerations;
- q) Development of procedures for consultation, participation, grievances, and decision-making that align with FSC International.
- r) Demonstration of knowledge and the capacity to promote responsible forest management of the country's forests including conservation, restoration, and ecosystem service management.
- s) Demonstration of knowledge and the capacity to meaningfully engage with Indigenous Peoples and local forest communities, worker organizations, and other key stakeholders.

The FSC International Board of Directors may also stipulate other prerequisite requirements above and beyond those listed above.

5.3 Recognition of Network Partners and change of status

The FSC International Board of Directors is the only entity that can officially recognize Network Partners. Likewise, the withdrawal of recognition of NPs can only be done by the FSC International Board of Directors. However, in the event of a crisis or an urgent situation where an NP is found to be in breach of contract and immediate intervention is needed, FSCI can suspend the NP without the prior approval of the Board of Directors and on the understanding that the Board will be fully informed and will address the issue in a timely manner.

Changes in a Network Partner's status are decided by the FSC International Board of Directors in consultation with the FSC International Secretariat.

Throughout both the recognition and withdrawal of recognition processes, there will be open, rapid, and transparent communication with the relevant Network Partner, regardless of their decision-making rights.

Disagreements at the national level between members, chambers, and/or staff can occur. When disagreements cannot be resolved within a reasonable and acceptable time frame, or when an ongoing dispute impairs consensus-based decision-making, delays implementation of actions and progress in a country, or affects FSC's reputation, both FSC International and the Network Partner must prioritize a resolution. This may involve engagement with NP Directors and NP Board representatives, the establishment of a confidential escalation point for the NP Director or board members, or the identification of independent support, which can include other means of resolving conflicts.

If a Network Partner faces challenging situations to maintain a healthy operation, a transition to National Representative and/or Focal Point can be explored and implemented in discussion with FSC International. If at any point the members in country wish to return to their status as a Network Partner, they can reapply using the standing eligibility criteria applicable for candidate Network Partners. Where these transitions in either direction may occur, they are supported by FSC International in collaboration with the existing membership in the country, and executed in the best interest of continuity to FSC and staff deployed in the country.

6. Legal Agreements

The relations between FSC International and NPs, National Representatives, and other entities are regulated by a set of formal contracts that aim to create a clear accountability structure for the Network. These agreements describe the roles, responsibilities, and rights of all parties involved and clarify the related commitments and expectations.

Generally, an umbrella framework agreement will be in place between Network Partners, National Representatives, other entities, and FSC International. This will establish the basis of cooperation between the entities, with further agreements possible for specific programmes and projects that are carried out by these entities.

7. Shared Goals and Objectives

Together, FSC International, Network Partners, National Representatives, and all other FSC entities adhere to a set of shared goals that deliver on the FSC Global Strategy.

Area	Shared Goals
Strategy Achievement	Positive social and environmental impacts on forest management through the maintenance and increase in certified area and uptake of FSC solutions
	Successful development and ongoing support for standard development and certificate holder support processes in a country or region
	The ability to maintain financial and operational resilience, as evidenced by diversified revenue streams and partnerships
	Acting in a collaborative manner to deliver results on the ground and synchronize country-level work with the FSC Global Strategy
Growth of FSC	Ensuring capacity to professionally deliver services to certificate holders and market drivers that actively promote FSC
	Maintaining the ability to drive demand, increase awareness, and enhance trust through targeted government and corporate outreach initiatives
Governance	Achieving balanced growth of the international membership, by both geography and chamber Inclusive and proactive member and stakeholder engagement in the FSC Global Strategy as well as mutually agreed strategies, policies, and methods of implementation
Integrity	Maintaining and strengthening the credibility and integrity of FSC, particularly in high-risk countries

8. Performance

8.1 Definition and purpose

The FSC International Secretariat measures performance at all levels of the organization. The principles followed for assessments of the FSC Network are rooted in the three pillars of the Global Strategy and all of its 12 goals. Indicators to assess FSCI's overall progress in meeting the global goals have been developed and made available to members and Network Partners. Network performance evaluation will complement and tie into these indicators for performance against the Global Strategy.

'Performance' is defined as the positive (or negative) contributions made to the FSC Global Strategy and to the protection of FSC's reputation. The collective efforts made by FSC International and all FSC Network Partners, National Representatives, and other entities, which take different forms in different countries and in different languages and cultural contexts, are all monitored to assess the success of our work on the ground.

Performance measurements are used for several purposes:

- To identify challenges that prevent FSC entities from delivering on the Global Strategy, and strengths that FSC should continue building on.
- To prepare annual Network performance summaries. These are reported annually by the Secretariat to the FSC International Board. These summaries allow the FSC International Board to set strategic priorities and make informed decisions over short-, medium-, and long-term timelines.
- To highlight critical matters that require attention, provide timely insight, or seek an outside view that may help to correct a particular course of action. They can also help to escalate matters to senior management or the FSC International Secretariat, in the event that intervention or support is considered to be necessary by either FSC International, or the Network Partner, or other entity. In such an event, FSC International will work with the Network Partner to ensure that goals, actions, and achievements are aligned with the Global Strategy. This process may involve boosting capacity or skills, discussing and solving issues, adjusting performance criteria, clarifying escalation points, or other actions depending on the specific circumstances.
- To identify critical gaps in knowledge, capacity and/or skills, and subsequently evaluate whether these gaps have been effectively addressed.
- To highlight achievements and successes on the ground to recognize the effort and motivate and inspire staff across the FSC Network.
- To develop and tailor strategies for country representation.

8.2 Monitoring the performance of a diverse Network

Performance expectations vary by country and region because the concept of performance itself varies and depends on the diverse realities on the ground: strength, market position, forest base and ownership, the stakeholder composition, and other relevant contributions to the achievement of FSC's global objectives.

Performance is therefore measured using different sets of parameters. These include quantitative parameters that are measured across the FSC Network, such as the number of hectares under Forest Management certification, the number of members, and/or the number of chain of custody certificates and promotional licence agreements. There are also fewer quantifiable parameters that vary from country to country, such as creating a positive media environment, gaining access to high-level decision-makers, defining new policies that incentivize certification, growing the membership base, and others.

8.3 Targets, support, and mutual accountability

All entities should have a clear understanding of how performance is measured, and the roles each entity needs to play to achieve targets.

It is the role of Regional Directors and their teams to support and guide Network Partners to succeed and achieve mutually agreed outcomes. Regional Directors use performance measurements to discuss with Network Partners the progress made towards targets, and to encourage the exchange of ideas and experience within and across countries and regions.

Closing statement

It bears repeating that the Network has always been, and will always be, a crucial part of FSC and its continued success.

The Global Strategy clearly states that the first strategy is to **engage members and stakeholders to drive change as a community for co-creation of solutions**, and

[To] inspire and be inspired by new and existing members and partners to co-create local and global forest stewardship solutions to current forest related challenges such as climate change, biodiversity loss, gender inequity and violation of the rights of workers, Indigenous Peoples, and local communities, while responsibly delivering forest products and services to the world.

A strong, strengthened, expanded, and aligned Network will empower the entire constellation of organizations and individuals – FSC national and international members, Network Partners, National Representatives, staff, certificate holders, and countless other entities and external stakeholders – to launch initiatives together and co-create and implement local forest stewardship solutions that contribute to building FSC’s global mission: *Forests for All Forever*.

This is both possible and achievable.



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