



Forest Stewardship Council®

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**Standard Operating Procedure for pilot  
testing of FSC-STD-RAP-01-2020 V-1  
FSC Regional Forest Stewardship  
Standard for Smallholders**

**PART II – Pilot Test Implementation**

## Introduction

In November 2021 the FSC-STD-RAP-01-2020 V-1.0, *Regional Forest Stewardship Standard for Smallholders in Asia and Pacific* (hereafter AP RFSS) was approved by FSC International. Focussing on the user group of very small forest owners managing forest plantations with management units (hereafter MU) below 20 hectares, the standard addresses most small forest holdings in Southeast Asia, where the average property of land rarely exceeds five hectares.

Keeping the principles and criteria as laid out in the FSC-STD-01-001, *FSC Principles and Criteria for Forest Stewardship*, changes were made on the indicator level in comparison to the FSC-STD-60-004, *International Generic Indicators (IGI)*, to reduce the complexity of requirements for smallholders, where seen as not relevant and to introduce more flexibility to demonstrate conformity.

To understand the impact regarding the integrity of the FSC system on the one side, and the intended outcome to reduce costs for auditing and standard conformity on the other, the Policy and Standard Committee (PSC) recommended to the FSC Board of Directors (hereafter BoD) the AP RFSS to be pilot tested. Hence, the FSC BoD mandated FSC International to roll out the standard in a controlled manner, referring to FSC-POL-01-001, *FSC Policy for Pilot Tests of Draft FSC Standards*, in the four countries of scope – India, Indonesia, Thailand and Vietnam. Once evidence on its robustness and effectiveness has been given through the pilot test, the geographic scope of the AP RFSS can be expanded to Southeast Asia and beyond.

Being a nationwide pilot, the number of possible participants is unlimited, either as new certification candidates or existent certificate holders (hereafter CH). The pilot test duration is foreseen for five years, starting as of March 2022, with a first point of intervention and possible course correction after year three, when a progress report will be evaluated by the FSC BoD.

Regulating the pilot test, the first of two Standard Operating Procedures (hereafter SOP), Part I – Approval Process describes the process for national adaptation and approval of the AP RFSS to become effective, being used as a legitimate standard to be audited against and to take the certification decision by an FSC-accredited Certification Body (hereafter CB).

The second SOP, Part II – Pilot Test Implementation sets the requirements and provides the instructions to CB and CH for the onboarding process, to participate successfully in the pilot test phase and implement it on the ground. The monitoring and evaluation are the vital parts of this process, where CB will be collecting and transferring data to FSC International for analysis and conclusion. For the progress report after year three, data will also be collected by CH to provide feedback on socioeconomic parameters to understand the potential impact on certification costs.

The role of the FSC National Representatives is further outlined in both documents, to steer and support the implementation of the pilot in the respective countries.

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## A. Scope

This SOP is a set of instructions to assist involved parties to carry out routine operations relating to the implementation of the pilot test of the AP RFSS.

All involved parties, as listed below, shall conform with the applicable instructions described in this SOP.

1. CB active in India, Indonesia, Thailand, or Vietnam.
2. Organizations with MU below 20 hectares in size classified as either plantation, woodlot, or agroforestry (hereafter referred to as 'eligible Organization').
3. FSC National Representatives in India, Indonesia, Thailand, and Vietnam.
4. FSC International, specifically the Performance and Standard Unit (PSU), the Community and Family Forest program (hereafter CFF) and the Regional Policy Manager for Asia and Pacific.

## B. References

The following documents are relevant for the application of this document. For references without a version number, the latest edition of the referenced document (including any amendments) applies:

- FSC-POL-01-001, *FSC Policy for Pilot Tests of Draft FSC Standards*
- FSC-STD-RAP-01-2020, *FSC Regional Forest Stewardship Standard for Smallholders*
- FSC-STD-RAP-IDN-01-2022 Plantations, *The FSC Forest Stewardship Standard for Smallholders in Indonesia*
- FSC-STD-RAP-IND-01-2022 Plantations, *The FSC Forest Stewardship Standard for Smallholders in India*
- FSC-STD-RAP-VNM-01-2022 Plantations, *The FSC Forest Stewardship Standard for Smallholders in Vietnam*
- FSC-STD-20-007, *Forest Management Evaluations*
- FSC-STD-20-007a, *Forest management evaluations addendum – Forest certification reports*
- INT-STD-20-007\_53, *Interpretations of the normative framework (FOREST MANAGEMENT)*
- FSC-STD-30-005, *FSC Standard for Group Entities in Forest Management Groups*
- FSC-STD-IDN-02.1-2020, *The FSC National Forest Stewardship Standard of Indonesia*
- FSC-STD-VN-01-2018, *The FSC National Forest Stewardship Standard of Vietnam*
- FSC-STD-IND-01-2022, *The Forest Stewardship Standard of India*
- Standard Operating Procedure for the implementation of the FSC-STD-RAP-01-2020 V-1, *FSC Regional Forest Stewardship Standard for Smallholders, Part I – Approval Process*

## C. Effective date

The SOP Part II – Pilot Test Implementation is effective upon approval by the Director of PSU.

Approval date: 01 April 2022 (updated on 26 September 2022)

Period of validity: five years until 31 March 2027

## **D. Process**

The participation in the pilot test is voluntary.

Eligible Organizations participating in the pilot test will be audited against the nationally adapted AP RFSS. Organizations not participating in the pilot test will be audited against the National Forest Stewardship Standard (hereafter NFSS) of the respective country according to their scope of certification.

### **Exclusivity clause**

Eligible organizations participating in the pilot test cannot implement, and therefore be audited against, any other policy solution provided by FSC International in parallel, such as the Continuous Improvement Procedure, during the time of pilot participation or until further notice by FSC International.

The language in which the pilot test documents have to be prepared is English.

## **1. Preparatory phase**

### **Exploring the interest**

1.1. The FSC National Representative shall:

- a) translate the approved nationally adapted AP RFSS with its annexes to national / local language.
- b) reach out to potential participants, i.e., CB, CH and supporting organizations, to explore their interest in participating in the pilot test in the country.
- c) invite the interested parties to national workshops for informing on the nationally adapted AP RFSS and the pilot test, including the requirements for successful pilot test participation.

### **National Workshops**

1.2. The FSC National Representative shall implement national workshops (in person or virtual) for CB and eligible Organizations. The national workshops shall be organized in modules, having a general session for all participants (CB, CH and supporting organizations) focus on the pilot test, followed by a consecutive session, only for CB, focusing on detailed explanation and calibration on how forest management evaluation shall take place, including reporting requirements.

1.3. As a pre-condition for participating in the pilot test, CB and eligible Organizations shall attend one national workshop.

1.4. The CB and the eligible Organization shall agree on their mutual interest to participate in the pilot test, by submitting the filled in 'Registry Information' (see Annex I) to PSU, including the Declaration of Consent signed by the eligible Organizations, within thirty (30) business days after attending the workshop.

### **Registration with PSU**

1.5. Upon acceptance of the interest, PSU will:

- a) register the process together with the contact details of the interested parties.

- b) reach out to the interested CB to provide the legal agreement for the pilot test (see Clause 1.6).

## **Legal Agreement**

- 1.6. A multiyear Framework Agreement with annual Terms of Reference (hereafter ToR) will be set up between the CB and PSU.
- 1.7. PSU will remunerate the additional efforts for auditing and reporting. The default remuneration rate is 300 USD per diem and auditor.
- 1.8. PSU will set up the annual ToR, listing the eligible Organizations to be audited, the planned timeline for auditing, the type of audit and the estimated per diems. Deliveries to the ToR are described in the Clauses 2.6 – 2.11 below.
- 1.9. New eligible Organizations can be added to the pilot test by the CB upon demand to PSU. PSU shall amend the existing ToR.
- 1.10. The CB shall not charge the eligible Organization any extra costs for participating in the pilot test, other than the regular audit costs.

## **2. Implementation phase**

### **General requirements**

- 2.1 Pilot test participants shall conform with this SOP including its annexes.
- 2.2 FSC reserves the right to:
  - a) attend any part of the pilot test as an observer.
  - b) nominate its representative to observe the pilot test.
  - c) publish a report on the aggregated results of the pilot tests, which may include observations about the cost of implementation of the nationally adapted AP RFSS, as well as details about the ease or difficulty of implementation.
- 2.3 The CB shall participate in an annual meeting, coordinated by PSU, on monitoring and evaluation of the pilot test to share the experience on the ground and contribute to review and improve the set up and process, as well as to flag relevant findings and results.

### **Evaluating conformity with the AP RFSS**

- 2.4 The CB shall conduct the evaluation and make the certification decision in accordance with the applicable requirements in FSC-STD-20-007.

NOTE: In case of surveillance evaluation, interpretation INT-STD-20-007\_53<sup>\*1</sup> applies in respect to FSC-STD-20-007a, *Forest management evaluations addendum – Forest certification reports*, section 7, Box 2., clause 2.1<sup>\*2</sup>, as required under FSC-STD-20-007, *Forest management evaluations*, clause 6.3.7<sup>\*3</sup>.

- 2.4.1 The CB shall evaluate individual eligible Organizations and forest management groups solely comprised of MU below 20 ha against the nationally adapted AP RFSS by applying the auditing requirements for SLIMF as outlined in FSC-STD-20-007.

**Endnotes \*1, \*2 and \*3, see Annex I**

- 2.4.2 The CB shall evaluate forest management groups consisting of eligible Organizations and MU larger than 20 hectares as follows:
- a) classify the MU included in the scope of certification as sets of 'like' MU by size class according to b) - d) (below).
  - b) the class with MU below 20 hectares shall be evaluated against the nationally adapted AP RFSS by applying the auditing requirements for SLIMF as outlined in FSC-STD-20-007.
  - c) the class with MU between 20 hectares and the national SLIMF size threshold shall be evaluated against the SLIMF indicators of the NFSS by applying the auditing requirements for SLIMF as outlined in FSC-STD-20-007.
  - d) the class with MU above the national SLIMF size thresholds shall be evaluated against the applicable requirements as stated in the NFSS.

NOTE: SLIMF requirements of FSC-STD-30-005 equally apply to eligible Organizations.

### **Data collection and reporting**

2.5 The CB shall provide the following information to PSU:

- a) Evidence on robustness of the nationally adapted AP RFSS including its annexes to deliver on the FSC Principles and Criteria by comparing national requirements.
- b) Evidence showcasing impacts (positive and/or unintended impacts) to eligible Organizations (e.g., complexity of standard conformity or audit related costs), assessing non-conformities and resulting Corrective Action Requests, time, and financial resource intensiveness.
- c) Evidence on increasing certified area, number of certificates and/or number of group members due to AP RFSS.
- d) Evidence showcasing the transferability to other countries within the region and beyond.

2.6 For each evaluation, the CB shall collect the data according to the template in Annex II and Annex III 'Evaluation of indicator performance and audit cost – data collection for CB' to assess standard conformity and comparing the nationally adapted AP RFSS with the NFSS requirements.

NOTE: This data collection is only required for eligible Organizations.

2.7 The CB shall submit the evaluation report and the filled in templates to PSU within the foreseen timeline required in FSC-STD-20-007.

### **Cost-benefit analysis**

2.8 PSU will conduct a socio-economic cost-benefit study. Terms and conditions and further details will be agreed upon by Year 3 of the pilot test.

2.9 As input into this study, the CB and the eligible Organizations shall collect the data and provide these data to PSU, or any third party, commissioned by PSU, as specified below.

2.10 The CB shall calculate the difference in audit time auditing the nationally adapted AP RFSS compared to auditing the NFSS. Data from former audits shall be considered as

baseline for comparison. The results shall be provided to PSU together with each audit using the template provided in Annex II.

2.11 The eligible Organizations shall:

- a) collect information on direct audit costs, such as travel expenses for the auditors. The data shall be compared with audit costs from former audits and the difference shall be provided in a percentage (aggregated information). This information shall be collected in the respective template (see Annex III 'Audit cost – data collection for CH') after each audit.
- b) collect information on costs related to standard conformity on annual base (see Annex IV 'Standard conformity costs'). Difference shall be provided in percentage compared to regular NFSS costs (aggregated information). This information shall be updated after every evaluation.



**Figure I: Flow chart organogram on pilot test implementation phases and actions**

Process	Implementation						Documentation (required)	Time
	FSC-PSU	FSC-CFF	NR	CB	CH			
<b>Preparatory phase</b> Confirm readiness to run pilot test							Confirmation letter Translation RFSS Availability resources	
National workshops							Training modules Participants list	annually (+ on demand)
Registration for pilot test							CH Declaration of Consent Registration	30 business days
Establish legal framework FSC-CB							Terms of Reference Framework Agreement	
<b>Implementation phase</b> <u>Standard performance</u>								
Conducting audit AP RFSS and data collection								
AP RFSS reporting & certification decision							Audit report	
Comparing AP RFSS vs NFSS								
Reporting comparison AP RFSS vs NFSS							Performance & robustness AP RFSS	
<b>Cost &amp; benefit analysis</b>								
Time comparison								per audit
Collect audit cost comparison								annually
Collect fulfilling requirement cost comparison								annually
Reporting cost & benefit analysis							Cost & benefit of AP RFSS	After year 2
Publishing performance & benefit analysis							Performance & benefit of AP RFSS	After year 3

## ANNEXES

- **Annex I** – Endnotes referencing to section 2.4 ‘Evaluating conformity with the AP RFSS’

### a. Endnote <sup>\*1</sup> - Interpretations of the normative framework (FOREST MANAGEMENT)

<b>Code</b>	INT-STD-20-007_53
<b>Requirement (s)</b>	Clause 6.3.7
<b>Publication date</b>	03. December 2018
<p><b>With the implementation of the National Forest Stewardship Standards (NFSS) based on version 5 of the FSC-STD-01-001 FSC Principles and Criteria, the number of criteria to be monitored during the period of validity of the certificate as required by FSC-STD-20-007 Clause 6.3.7 has increased significantly. For a certificate that has one or two surveillances left; it will be difficult to monitor all of them in the remaining period. How should certification bodies proceed in this situation?</b></p> <p>The certification bodies shall make a best attempt to cover the remaining criteria in the remaining period of validity of the certificate.</p> <p>If this is not feasible and there are just one or two surveillance evaluations left, a risk-based approach shall be taken focusing on the most relevant issues in the management unit. The approach taken shall be justified in the certification report.</p> <p>In the next certification cycle, the certification body shall monitor all aspects of the Forest Stewardship Standards (NFSS) according to FSC-STD-20-007 Clause 6.3.7.</p>	

### b. Endnote <sup>\*2</sup> - FSC-STD-20-007a *Forest management evaluations addendum – Forest certification reports*

#### 7 Surveillance

7.1 The results of all surveillance evaluations shall be documented in surveillance evaluation reports.

Box 2:

#### 2 Standards

2.1 A clear explanation of any changes to the Forest Stewardship Standard used in the previous evaluation. The certificate holder shall be assessed against any elements of the standard that have changed since the previous evaluation.

**c. Endnote <sup>\*3</sup> - FSC-STD-20-007 *Forest management evaluations***

6.3.7 Surveillance shall include:

- a) evaluation of the certificate holder's compliance with all conditions (corrective actions) on which certification is based;
- b) review of any complaints or allegations of non-conformity with any aspect of the applicable Forest Stewardship Standards;
- c) evaluation of a sample of sites and records, and interviews with affected stakeholders sufficient to verify that management systems (documented or undocumented) are working effectively and consistently in practice, in the full range of management conditions present in the area under evaluation.

NOTE: The certification body may focus its surveillance during a particular annual surveillance evaluation on specific elements of the applicable Forest Stewardship Standard (e.g. those pertaining to particular FSC Principles or to particular aspects of management) with the provision that all aspects of the Forest Stewardship Standard are monitored during the period of validity of the certificate. Certification bodies may therefore focus on particular aspects of the forest management system reducing the time and cost of surveillance.

- **Annex II – Registry Information** (*This is a model, please fill in the EXCEL file ‘Comparison AP RFSS to NFSS for CBs’*)

<b>Base data for CBs to fill in for registry and Framework Agreement and Terms of Reference</b>	
<b>I. Registry information – To be filled in upon registry for pilot test participation.</b>	
	– Please forward the information to FSC International, Email: <a href="mailto:communityfamilyforests@fsc.org">communityfamilyforests@fsc.org</a>
1	<p style="text-align: center;"><b>Certification body</b></p> <p><i>Please include here the name of the legally registered name of the CB.</i></p> <p><i>Physical address:</i></p> <p><i>Contact person</i></p> <p><i>Email address:</i></p>
2	<p style="text-align: center;"><b>Information on Certificate Holder</b></p> <p><i>Please include here the name of the legally registered name of the organization.</i></p> <p><i>Physical address:</i></p> <p><i>Contact person</i></p> <p><i>Email address:</i></p>
3	<p><b>Certificate Code</b> (if existent)</p> <p><i>Please include here the Certificate Code.</i></p>
4	<p><b>Location of the certificate holder/ applicant</b></p> <p><i>Please fill in the physical address of the organization (e.g. group entity).</i></p>
5	<p><b>Year within the certification cycle</b> in 202X</p> <p><i>Please select the year of the certification cycle (x):</i></p> <p>Year 0 - Main evaluation/certification [ ]</p> <p>Year 1 [ ]</p> <p>Year 2 [ ]</p> <p>Year 3 [ ]</p> <p>Year 4 [ ]</p> <p>Year 5 - Re-evaluation [ ]</p>
6	<p><b>Type of evaluation</b> for the calendar year 202X</p> <p><i>Please select the evaluation carried out (x):</i></p> <p>Main evaluation/certification [ ]</p> <p>Surveillance audit [ ]</p> <p>Annual documentation audit [ ]</p> <p>Re-evaluation [ ]</p>
7	<p><b>Timeline for audit for 202X</b></p> <p><i>Please indicate when the evaluation will be carried out:</i></p> <p>Date: [ ]</p>
8	<p><b>Characteristics</b> of the FSC certificate holder/ applica</p> <p><i>Please include here the following information:</i></p> <p>Number of members: [ ]</p> <p>Number of members with MUs below 20 hectares: [ ]</p> <p>Area total (in hectares): [ ]</p> <p>Area total of MUs below 20 hectares: [ ]</p> <p>Mean area of MUs below 20 hectares: [ ]</p> <p>FSC Certification Code: [ ]</p> <p>First Issue Date: [ ]</p> <p>Last Issue Date: [ ]</p> <p>Expiry Date: [ ]</p>
9	<p><b>Scope</b> (Product)</p> <p><i>Please select the evaluation carried out:</i></p> <p>Timber [ ]</p> <p>Non-timber forest products (NTFPs) [ ]</p> <p>Ecosystem Services [ ]</p>
10	<p><b>Declaration of consent</b></p> <p><i>Please attach the declaration of consent by the CH to voluntarily participate in the pilot test and to agree on the terms and conditions outlined in the declaration.</i></p>
11	<p><b>Data for auditing</b></p> <p><i>Please fill in the estimate of per diems for one audit, as outlined above.</i></p> <p>Number of auditors:</p> <p>Type of auditor (Lead, social expert, etc.):</p> <p>Number of per diems, estimated for the audit :</p> <p>Number of per diemss estimated for the pilot test :</p>
	<p><b>NOTE: Per diems include:</b></p> <p>8 hours of working time (man day) plus any related expenses (travel costs, acomodation and food, if outside the country of residence/office)</p>

- **Annex III** – Evaluation of indicators performance and Audit cost – data collection for CB  
(This is a model, please fill in the EXCEL file ‘Comparison AP RFSS to NFSS for CBs’)

Standard AP RFSS Indonesia		Auditing						
Label	P&C VS-2 and AP RFSS Indicator	Date of audit	Type of audit	Non conformity	Corrective Action Request	Observation	Time needed to check on AP RFSS indicator(s) (minutes)	Time needed to compare AP RFSS with NFSS indicator(s) (minutes)
		Please fill in (criterion level)	Please fill in (criterion level)	Please fill in (indicator level)	Please fill in (indicator level)	Please fill in (indicator level)	Please fill in (indicator level)	Please fill in (indicator level)
Principle	<b>PRINCIPLE 1: COMPLIANCE WITH LAWS</b> The Organization* shall* comply with all applicable laws*, regulations and nationally ratified* international treaties, conventions and agreements.							
Criterion	<b>Criterion 1.1</b> The Organization* shall* be a legally defined entity with clear, documented and unchallenged legal registration*, with written authorization from the legally competent* authority for specific activities.							
Indicator	1.1.1 The smallholder has appropriate evidence that confirms the smallholder's undisputed right to manage the forest and use the resources within the scope of the certificate.							
Criterion	<b>1.2</b> The Organization* shall* demonstrate that the legal* status of the Management Unit*, including tenure* and use rights*, and its boundaries, are clearly defined.							
Indicator	1.2.1 The smallholder clearly shows the boundaries of his or her forest using maps, documents or other appropriate means on the ground and shows that the smallholder has the rights to all forest products produced on the smallholder's forest. Explanatory Note: This Indicator refers to the boundaries of the forest for which FSC certification is sought. The only products that can claim FSC certification are the timber and non-timber forest products from that forest.							

Standard NFSS Indonesia	Pilot appraisal						
NFSS Indicator	What would you evaluate differently, using NFSS indicator versus AP RFSS indicator??	What is a potential risk, that can occur, using AP RFSS indicator versus NFSS indicator??	How probable is that risk to occur if the indicator(s) of RFSS versus NFSS are applied?	How severe is that risk?	What is the implication on the criterion level	What else would you like to tell us?	Time needed to reply to appraisal (minutes)
to compare with AP RFSS Indicators	Please explain	Please explain	(Rate on a scale from 1 to 5, where 1 is low and 5 is high)	(Rate on a scale from 1 to 5, where 1 is low and 5 is high)	Please explain	Please explain	Please fill in (indicator level)
1.1.1 Legal registration* to carry out all activities within the scope of the certificate is documented and unchallenged.							
1.1.2 Legal registration* is granted by an authorized authority according to legally prescribed processes.							
1.2.1 Legal* tenure* to manage and use resources within the scope of the certificate is documented.							
1.2.2 Legal* tenure* is granted by an authorized authority according to legally prescribed processes.							
1.2.3 The boundaries of all Management Units* within the scope of the certificate are clearly marked or documented and clearly shown on maps.							

- **Annex IV** – Audit cost – data collection for CB

(This is a model, please fill in the EXCEL file ‘Comparison AP RFSS to NFSS for CBs’)

Cost comparison					
I. Cost related information – To be filled in upon auditing and pilot test reporting					
Cost items	Date	Principle	Real time need	Net value for appraisal and reporting (in USD)	Comment
	Please fill in by following the example		Automatic fill		
1 Time needs for AP RFSS-cost for auditing (to be carried by CH)	01.01.2022	Principle 1	275		
		Principle 2			
		Principle 3			
		Principle 4			
		Principle 5			
		Principle 6			
		Principle 7			
		Principle 8			
		Principle 9			
		Principle 10			
2 Additional time needs for auditing NFSS	01.01.2022	Principle 1	385		
		Principle 2			
		Principle 3			
		Principle 4			
		Principle 5			
		Principle 6			
		Principle 7			
		Principle 8			
		Principle 9			
		Principle 10			
3 Time needs for pilot analysis/reporting	01.01.2022	Principle 1	126		
		Principle 2			
		Principle 3			
		Principle 4			
		Principle 5			
		Principle 6			
		Principle 7			
		Principle 8			
		Principle 9			
		Principle 10			
4 Overall time needed for AP RFSS: (in minutes per date)	01.01.2022		275		
Overall per diems needed for AP RFSS Auditing: (in days, per date)	01.01.2022		0.57		
5 Overall time needed for NFSS: (in minutes per date)	01.01.2022		385		
6 Time difference between auditing AP RFSS versus NFSS (in minutes per date)	01.01.2022		-110		
7 Overall time needed for pilot appraisal: (in minutes per date)	01.01.2022		126		
8 Overall per diems needed: (in days, per date)	01.01.2022		1.06	\$319.38	

- **Annex IV** – Standard conformity – data collection for CH (under development)
- **Annex V** – Standard conformity – data collection for CH (under development)