

Forest Stewardship Council (FSC) International is revising the [FSC-PRO-30-006 V1-2 -Ecosystem Services Procedure: Impact Demonstration and Market Tools](#) (hereafter referred to as Ecosystem Services Procedure). This revision is being conducted in two phases. Phase 1 is guided by M48/2021, titled "Streamline the Ecosystem Services Procedure, include more services, and maximize its potential." Phase 2 runs concurrently with Phase 1 and is partially guided by Motion 53/2021, titled "Policy Motion to Incorporate Cultural Services and Practices into Ecosystem Services to Strengthen the Enduring Interconnection of Indigenous and Traditional Peoples." In 2022, the FSC General Assembly voted to pass Motion 53/2021. This motion mandates the FSC to expand the Ecosystem Services Procedure by developing additional services and market claims specifically for Indigenous and Traditional Peoples through Cultural Ecosystem Services Claims. These services aim to protect and maintain cultural and ancestral knowledge and practices, preserve cultural sites, and enhance the social benefits of forests, including the health and well-being of these communities. Motion 53/2021 also considers the inclusion of additional cultural practices and claims. To achieve these goals, Motion 53/2021 recommends the Ecosystem Services Procedure to facilitate Indigenous and traditional peoples' access to these services, allowing them to bundle impacts and claims. It emphasizes that Indigenous and traditional peoples will retain ownership and intellectual property rights over these impacts and claims.

As part of the conceptual phase of this second revision, FSC hired a consultant, Dr. Priscila Matta, a senior anthropologist with over 20 years of experience in field research, the bioeconomy market, and governance strategy, particularly with Indigenous and traditional peoples in the Amazon region. The consultant was tasked with conducting comprehensive market research and a literature review on Cultural Ecosystem Services. The market research assessed the potential of Payment for Ecosystem Services (PES) projects involving Indigenous and traditional peoples worldwide and provided an overview of regulatory scenarios in various countries. Similar projects were used as case studies to highlight the benefits of including Indigenous and traditional peoples in land management projects. The literature review underscored the importance of Cultural Ecosystem Services and the emerging scholarship on integrating Indigenous and traditional peoples' cultural values and practices into ecosystem services projects and territory management.

Additionally, the consultant supported FSC in conducting stakeholder interviews, which were a key component of the conceptual phase of Motion 53/2021. The interviews were carried out in three stages:

1. Twelve field interviews with FSC ES-certified Indigenous communities in San Gerónimo de Zacapexco, Mexico, and three interviews with representatives from an NGO in Peru.
2. Fourteen field interviews with FSC-certified Indigenous communities around Oaxaca, Mexico.
3. Fifteen online interviews with selected stakeholders, including five members of the FSC Permanent Indigenous Peoples Committee (PIPC), two FSC International staff members, two FSC National Partners, two NGOs, one Indigenous government authority, one private company, one certification body (CB), and one FSC auditor.

Stakeholders were selected based on an FSC stakeholder management plan, prioritizing individuals with relevant knowledge of Motion 53 and the FSC system. The motion proposers were also included in the interviews. The research, conducted between April and September 2024, used a semi-structured qualitative questionnaire designed to capture stakeholder opinions, concerns, confirmations of FSC's approach, and

suggestions for improvement. All interviews with Indigenous and traditional peoples adhered to the Free, Prior, and Informed Consent (FPIC) process.

Some of the main findings from the research and interviews were as follows, which, along with the technical analysis, also served as a basis for developing the proposals/questions for the public consultation.

Importance and Endorsements:

- Reinforces FSC's commitment to conserving Indigenous Cultural Landscapes, recognizing High Conservation Values, and integrating Indigenous sociocultural values into FSC certification.
- Positions Indigenous and traditional peoples as central to the certification process, creating a market opportunity for recognizing Indigenous and traditional cultures in forest conservation projects.
- Emphasizes the intrinsic value of Indigenous and traditional peoples and their cultures beyond their utilitarian role in forest preservation, advocating for FSC to communicate this ethical perspective and call for action.
- Offers an opportunity to preserve cultural elements of Indigenous and traditional peoples within communities at risk of losing their traditions.
- Reinforces principles of self-determination, socio-environmental justice, and Indigenous and traditional peoples' land use tenure.

Great Potential

- No similar initiative exists worldwide, positioning FSC as a pioneer.
- Approximately 65% of the world's total land area is owned or managed by Indigenous Peoples and Local Communities (IPLC) through land tenure and community agreements.
- About 80% of global biodiversity is found on Indigenous and traditional peoples' lands.
- Significant opportunity to align with organizations and governments committed to meeting international socio-environmental goals and agendas.
- Cultural ES could complement carbon and biodiversity claims (focus of the ES market).

Adaptations and Improvements Needed:

- Foster an integrated approach in Indigenous and traditional peoples' projects that connects cultural, supporting, regulating, and provisioning ecosystem services. – Culture as a cross-cutting element.
- Increase visibility and differentiation of cultural claims involving cultural values and practices.
- Strengthen safeguards to protect Indigenous and traditional peoples, especially in the FPIC process and intellectual property rights in the communication of cultural claims.
- Ensure a participatory community approach in project design and implementation.
- Allow culturally and locally adapted methods of verifying Ecosystem Services Procedure impacts.

For the next steps in the conceptual phase, FSC will conduct a public consultation from December 2024 to February 2025. During this period, FSC will host four webinars, including sessions for PIPC members and Indigenous and traditional peoples. Following the consultation, FSC will analyze the feedback alongside the consultant's Technical Analysis Report and White Paper to develop Terms of Reference (TOR) for the next revision phase. The TOR will guide the work scope of the Technical Working Group and will be submitted to the FSC Board of Directors for approval. Once approved, FSC will proceed with the work to implement the proposals in the ES PRO V2.