FSC Monitoring and Evaluation Public Report 2021

Monitoring performances, evaluating outcomes and impacts, learning

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1. Monitoring and Evaluation system requirements

1.1. Scope and boundaries of FSC Monitoring and Evaluation system

1.1.1. Thematic boundaries

Since 2021, FSC Monitoring and Evaluation (M&E) system is divided into two main components that have different objectives and thematic scopes:

- The Monitoring & Evaluation Framework for the Global Strategy
- The Roadmap to Forest Certification Impacts

The M&E Framework for the Global Strategy aims at tracking organization progress made against the FSC Global Strategy 2021-2026. The Global Strategy, published in December 2020, defines high-level strategic objectives of the FSC system. It is structured with three strategies pertaining to creating forest solutions, transforming markets and catalysing change at the society level, respectively. Each of these strategies is divided into 4 Goals and 8 Intended Outcomes that all work towards achieving FSC 2026 Objective and 2050 Vision. This component has a general scope.

The roadmap aims at monitoring performances and impacts of forest management certification. It builds on the Principles & Crieria for forest stewardship and include explicit mention of social, environmental and economic aspects of forest management. This component has a much more detailed and specific scope.

1.1.2. Organizational boundaries

FSC M&E system is integrated into many departments at FSC International, as well as supported by the activities of FSC Network. It is an ongoing process to conclude FSC contribution to intended outcomes and impacts. It consists of a set of interconnected functions, processes, and activities, including a continuous collection of monitoring data and the implementation of outcome and impact evaluations.

Since October 2021, central functions of the M&E system are delegated to the general functions in FSC Policy and Performance Unit (P&P), while the complementary data collection and analytical functions are hosted by Program of Data Analytics, Evaluation

and Learning (DAEL) created in early 2019 in Technology and Information Unit. The Program Scope was further extended to become overall Analytics and Innovations hub of FSC and became Data and Innovation Program. Overall M&E deals with three (3) main work areas (Fig. 1):

- **Impact:** Covering the design of the monitoring system, the evaluation of the results and the compilation of evidence of outcomes and impacts of the FSC system, including through innovations and analytics that provide necessary data or solutions.

- **Analytics:** Covering the gathering and analyzing of data about system performance including internal and external data (traditional and spatial).

- **Innovations:** Covering new ways of organizing internal processes, acquiring new tools and methodologies to increase the effectiveness of monitoring and evaluation activities and the quality of evidence of outcomes and impacts.

Apart from core M&E functions in P&P and DI, the following departments at FSC cover significant functions related to monitoring, evaluation, and learning:

- **Other programs in Policy and Performance Unit (P&P):** Responsible for standard-setting processes and integrating learnings from the standard performance into revision processes (data comes from scientific findings, from collection and evaluation of feedback from stakeholders participating in standard-setting processes). The unit is also working on the risk-based approach to the normative requirements and the auditing that will be reflected in impact and performance monitoring.

  DAEL and P&P exchange information for evaluation and learning purposes, as well as information, is shared with senior management by P&P through established reporting lines (Global leadership, Board of Directors).

- **Global Network Unit (GNU, previously Global Alignment and Integrity) and FSC Network Partner around the globe**: Facilitating the development of FSC national standards for forest management and controlled wood risk assessments,

where the integration of learnings and monitoring of the performance takes place. The unit is also responsible for managing national stakeholders and support to other key functions of FSC on the ground.

M&E and GNU exchange information for evaluation and learning purposes, as well as information, is shared with senior management by GNU through established reporting lines (Global leadership, Board of Directors).
In the course of 2021, FSC Poland has conducted impact study on Polish certificate holders. Other studies have been conducted previously by other FSC network partners overseen by GIA.

- **Technology and Information Unit:** The TIU is responsible for handling disputes in FSC (previously with GNU), which are important for performance and impact evaluations because they reveal specific non-compliances with FSC requirements or concerns, and outcomes related to them. Disputes are regulated by normative requirements developed by the unit, for which elements of P&P work in the standard-setting above apply.

- **Marketing and Communications Unit (MCU):** Supporting key value chains in FSC chain of custody, monitoring consumer and media opinion of FSC, exploring new markets for potential expansion of FSC certification (therefore a potential increase of FSC impact). The unit is also conducting relevant standard-setting process (e.g. trademark standard), for which elements of P&P work above apply. These work areas relate to the systemic impact of FSC and impacts of CoC certification. DAEL and MCU exchange information for evaluation and learning purposes, as well as information, is shared with senior management by MCU through established reporting lines (Global leadership, Board of Directors).

- **Engagement:** Consisting of several programs and functions supports systemic impacts, integration of the newest trends and initiatives related to sustainability in the whole FSC system (e.g. climate change, landscape approach), and the engagement with the research community.

- The monitoring and evaluation program for Indigenous Foundation established in 2021: This program aims to monitor and evaluate the impacts and performance of the FSC system on Indigenous Peoples.

Other programs of the **Technology and information unit (TIU)** include supply chain integrity and IT systems. Collaboration with these departments take place daily to ensure the integrity of FSC data, as well as for learning and evaluation purposes.

1.2. Plan for expansion

FSC expanded its M&E from 2.5 to 4.5 FTE in early 2019 to intensify and strengthen monitoring, evaluation and learning system. This structure is expected to be sufficient to fullfil the objectives of the system. However, due to changes in the Technology and Information structure, the additional position of Data Applications Develper was added to the DAEL program to manage the project of a FSC requirements database. A new Data Manager position was also created. Therefore, the resource allocation in 2021 was planned to reach 6.5.

With the move of core M&E functions to P&P the allocation of resources in 2021 is not affecting overall FTE associated with the M&E.

1.3. Resources, roles, and responsibilities

The current M&E consist of the following key functions :

- Evaluation and Learning Manager: responsible for impact area, theory of change and organizational M&E set up (0.5 FTE, P&P (part-time parental leave)).
- Evaluation and Learning Officer (Parental leave replacement): responsible for integrating M&E learnings and development of research portal (0.5 FTE, P&P)
- System Performance Director: overseeing the M&E activities and leading on streamlining FSC requirements (including outcome orientation and strengthened M&E). This is new leadership position created in FSC, including dedicated senior oversight to M&E as-pects.

- GIS and Earth Observation Officer (1 FTE, DI).
- Data Manager (1 FTE, DI).
- Data Analyst (1 FTE, DI).
- Data Applications Developer (1 FTE, DI).

GIS, DA, and DAA are responsible for data gathering, management and analytics in the Program.

- Student Assistant: providing support to the Program (0,5 FTE, DI).
- Program Manager: responsible for the strategic development, management, and deliverables in the Program (1 FTE, DI).

1.4. Data management

The FSC Certificate Database is the system for storing, organizing, and facilitating analysis and use of performance monitoring data. It currently uses a Salesforce interface, where certification bodies upload reports from the certification process and other relevant information. Data from the Salesforce is exported to other formats for the analysis (e.g. excel), or a connection to reporting tools is made (e.g. Power BI).

The results of the analysis are stored outside of Salesforce in relevant folders, with relevant access rights. Additionally, several sets of qualitative and quantitative data on standard-setting processes, market and consumers are collected, analyzed, and stored by relevant units (P&P, MCU, GAI).

FSC is currently updating the key data infrastructure and migration to a more effective data management platform, allowing for a better integration of various databases and platforms under development. This process is planned to be completed by Q2 2022 (delayed due to COVID-19 consequences) and it involves tha revision of key data schemas towards improved data quality and increased analytical capability of FSC.

FSC has procedures to protect confidential and proprietary data. Transparency and data sharing aspects are also part of the Certification Body contracts with their clients.

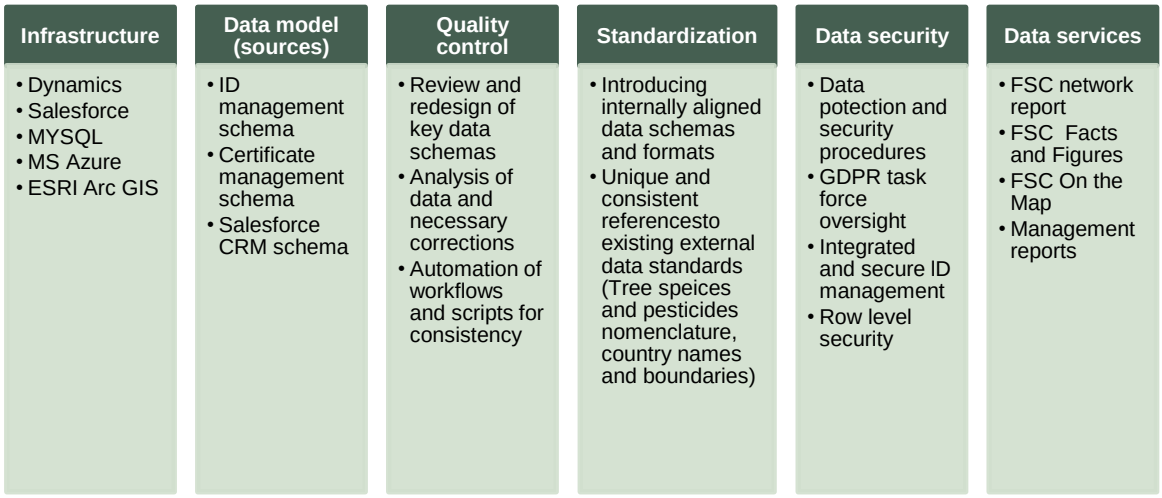
Besides the certification data, FSC established different confidentiality agreements with different partners, according to the legislative framework. Confidentiality agreements are part of nearly every project and every contractual engagement (e.g. funding or services). All confidentiality agreements are overseen by FSC Legal Department. When publicizing the data, FSC searches and obtains the consent from relevant parties, as applicable. Upon introduction of General Data Protection Regulation by the European Union (GDPR), FSC has revised and adapted the procedures for handling personal data.

The legal barriers to the use of data for the implementation of the M&E system are addressed by the existing procedures for data protection. Additionally, when barriers are identified, FSC is engaging with the data holders via its Legal Department to come to a solution.

Data and knowledge are the key digital asset of FSC, that provides transparency for stakeholders, ensures credibility of the certification scheme and enables monitoring of FSC's performances and evaluation of FSC's impact.

FSC Technology and Information Unit takes overall responsibility of data management covering a broad scope of activities including data management infrastructure, data model, metadata management, data standardization, data quality control, storage and distribution of data, data security and data service. The components of data management, as well as respective infrastructure and projects, can be illustrated in Fig. 1.

Fig. 1. Data management components



The goal of FSC's data management is to develop a data management strategy, to ensure data security of both business and privacy data, and to promote the data and knowledge across units. FSC is working on a series of a data-related project on tackling the challenges of data management, sharing and exposure, which include (compare Fig. 1):

- Data migration.
- Information and Data Standard for Sustainability: ISEAL – funded project to develop a common data schema for exposure of key data relevant across certification schemes.
- FM Digital Reporting project to align and collect data from FM certification reports.
- FSC on the Map exposing the voluntarily provided geospatial representation of FSC certified areas.

FSC is continuously working on reviewing and improving the consistency of various resources combined with the retirement of unnecessary intermediary data storage and systems.

Regarding geospatial data management, FSC is using ESRI tools and services to process and publish information and applications.

FSC provides data service across units, network partners, ASI, FSC management and interested stakeholders via business intelligence tools such as Microsoft Power BI and Tableau. Reports and dashboards are designed and refreshed regularly, provided access with credential control with active directory identity management. The use of BI tools ensures the consistent, one source data is shared via a user-friendly interface and graphic visuals, which enables insights inspiration, analytics and decision making by a good organizational data sharing culture.

2. Stakeholder engagement in M&E system design

2.1. Stakeholder mapping and engagement

2.1.1. Stakeholder identification

Categories of stakeholders relevant for FSC Monitoring and Evaluation system are revised on an annual basis, as part of the revision of this document. The identification of stakeholder categories was done in 2020 by DAEL Team. Additionally, relevant stakeholders are consulted for specific projects/events.

Core stakeholder categories for the FSC Monitoring and Evaluation system are:

- External academic researchers and consultants
- FSC Global leadership forum
    - Directors of FSC Units
    - Regional directors and chosen Network representatives
- FSC program areas relevant for monitoring and evaluation
    - Forest Management
    - Chain of Custody
    - Controlled Wood
    - Ecosystem Services
    - Quality and Assurance
    - Value Chain Development

- Marketing
- Trademark
- Communications
- Indigenous peoples
- New approaches (smallholders)
- Engagement (FSC Membership and partnerships)
- Dispute Resolution
- All programs at the Technology and Information Unit

- Stakeholders were actively engaged in 2020 and the M&E Advisory Group was established in January 2020 consisting of representatives across the above program and bodies.
- In the course of 2022 (postponed from 2021 due to continuing COVID-19 challenges and capacity issues with ongoing recruitment processes), FSC plans to expand the M&E Advisory Group to include external partners.

2.1.2. Stakeholder consultation

In 2021, FSC staff and the management was consulted to receive feedback on the general design of the M&E on the organizational level to track the progress against the implementation of FSC Global Strategy 2021-2026, including:

- Progress indicators to be reported on,
- Data sources (existing and planned) for monitoring in 2021 and 2022,
- Development of the reporting tool.
- Additionally, the senior management was consulted on the topic for the impact evaluation planned n 2022, which, due to budget limitation was cancelled.

FSC welcomes the feedback on the above at any point of time at impacts@fsc.org.

Apart from the above, FSC is collecting feedback on system performance as part of standard-setting and revision processes. This feedback is collected and managed by relevant departments and shared with M&E as relevant.

3. Intended and unintended impacts and outcomes

In 2021, the intended and unintended impacts and outcomes of FSC have been revised and are currently defined at two complementary levels:

- High-level strategic intended impacts and outcomes have been defined as part of the development of FSC Global Strategy 2021-2026 by the Board of Directors and following a Theory of Change process. These intended changes concern most units composing the FSC International secretariat and its Network Partners across the planet, and the different activities that are being implemented through them.
- More detailed forest-level intended impacts and outcomes have been defined as part of the development of the Roadmap to Forest Certification Impacts.

The above components replaced The Theory of Change developed in 2015.

4. Performance monitoring and outcome and impact evaluations

Historically monitoring, evaluation and learning have been focusing mainly on the forest management certification, being in the core of FSC mission and vision.

Forest management certification is a vehicle of FSC and therefore is at the core of the Monitoring and Evaluation system. Other system areas (chain of custody, controlled wood, systemic impacts) may intensify or decrease the impact of forest management certification; therefore, these are not treated as a priority.

The key projects described below are included in the scope of the DAEL program (prior to ex-panding the M&E activities into P&P) in 2021:

4.1. Performance monitoring

The key aspect in performance monitoring is the data collected through the certification process and included in the certification reports. With the introduction of DAEL in 2019, FSC has

invested in developing the capacity to access and analyze such data more efficiently. Instead of manual extraction and analysis of the certification data, we initiated the **FM Digital Reporting** project. This project consists of developing an online platform for systematic and efficient collection of audit data from forest management certification. Its main goal is to to enable data standardization, collection, and automatic transfer to FSC databases, which will significantly increase the scope of possible analytics.

The online platform for systematic and efficient collection of audit data from forest management certification (FM Online project) standardizes and transforms the traditional forest management audit reports from unstructured documents to structured and standardized online relational database. The online reports will enable FSC to access audit data directly, aggregate them, and identify trends, outcomes, and risk areas to evaluate and improve the FSC system.

The FM Online will work with a technical sound solution and multi-stakeholder participation process which will ease the current duplicated processes for data entries and reports, facilitate automation of data validation, transfer, and public summary generation. It will provide machine facilitated translation to reduce the workload of certificate bodies.

The project will enhance the transparency of the overall FSC system, provide data access to general stakeholders, and the FM online provides the starting point of traceability of FSC certified products. It will reduce the workload for certification bodies by streamlining report and data processing steps.

FM Online will also ensure that public summaries are automatically created in a standardized format, making it much easier for researchers and stakeholders to use and analyze the data from the ground.

The project has experienced sitbacks in 2021 due to technical development and the technical solution is currently being revised.

In 2021, we have introduced an online mapping platform **(FSC GIS Portal)** using GIS and Remote Sensing technologies to identify and detect forest dynamics and improve the auditing process by corroborating and expanding evidence for (in)compliance with FSC standards. FSC

interactive maps constitute an example of initial GIS functionality and its added value to traditional data analysis (visualization, geo-component, time series, automatic selection etc.).

One of the key components of FSC's digital transformation is to start using Geographic Information Systems and Remote Sensing technologies to support a digital verification system and provide an assessment of validations and claims. Thus, DAEL developed an innovative, interoperable, and user-friendly online platform – GIS Portal - that will allow all those involved in the auditing process the access and use of reliable and up-to-date geospatial data. The deployment of the tool took place in February 2021 and improves the auditing process, the forest certification, and the FSC operation as follows:

- Objectivity: unbiased satellite-derived data provide reliable measurements, giving the auditor a full picture and an objective assessment of the whole area of interest.
- Transparency: access to global-scale geospatial datasets from reliable sources. Workflows of analysis integrated into built-in widgets based on automated spatial operations using the available datasets
- Efficiency: providing access to data before field evaluation, enabling better planning of more adequate, targeted and risk-based field visits based on the concentration of potential non-conformities
- Traceability: constantly identify differences in the state of the forest by leveraging the availability of satellite imagery. The monitoring over time gives a better understanding of how the land has evolved instead of giving a snapshot of one specific moment without including the temporal dimension.

In addition to the deployed version of the GIS Portal, FSC continues to work on it to include new functionalities.

In 2021, FSC has also continued the maintenance of a workflow for geospatial data (detailed boundaries) contribution, and online visualization of FSC certified forests on web maps (**FSC on the Map** project), and the maintenance and creation of new maps in a gallery of map-based dashboards to display FSC data on certification, membership, and locations in a user-friendly way.Another project (**Database of Normative Requirements**) has recently started that aims at developing a relational database of all FSC requirements, in which the normative requirements

traditionally stored in PDF documents (standards, procedures, policies etc.) will be migrated to a database allowing to manage consistency and dependencies of the requirements across the whole system, as well as enabling building user-friendly interfaces for querying requirements and filtering them by relevant stakeholders.

FSC analyzes certification status in real-time using interactive reports (FSC Map of Facts and Figures, Internal Power BI dashboards). On a semi-annual basis, FSC has been compiling the data originating from certification reports for analytical purposes. This process will be replaced with the FM online project.

Additionally, future annual revision of the systemic report of monitoring and evaluation brings a compiled summary of the performance monitoring.

Various performance monitoring elements have been traditionally conducted by many departments within FSC, which will continue in close collaboration with M&E/DI:

- **Policy and Performance Unit (P&P):** analyzing the performance of the interna-tional FSC standards and introducing improvements based on evaluation of standard implementation. Through the standard-setting processes and the oversight of their implementation, we also monitor the performance indirectly, implementing necessary amendments to the system as relevant.

- **Marketing and Communication Unit (MCU):** analyzing market-related data and adjusting work areas accordingly (e.g. prioritization of value chains, revision of the relevant standards, communication strategies).

- **Technology and Information Unit (TIU):** analyzing the contents and frequency of disputes, standard revision processes (including relevant international procedures and support to national FSC normative frameworks).

- **Global Network Unit (GNU):** there are different initiatives within GIA and the FSC Network that collect and systematize FSC-relevant country information.

The processes of data collection by certification bodies are detailed in accreditation standards and data quality is monitored in the Salesforce. Data submission and quality by certification bodies (CBs) are part of the regular evaluation of certification bodies by ASI. Data quality is monitored while data is used. In case data quality issues are discovered, data is corrected .

4.2. Outcome and impact evaluations

Complementary to performance monitoring are outcomes and impacts evaluations. These are undertaken as part of internal outcomes evaluations, and external in-depth evaluations.

In 2021, we have leveraged our internal GIS and remote-sensing capacity (see section 4.1 above) that allows new internal outcomes evaluations. The **Forest health analysis** project aims at monitoring the health of forests based on satellite images. The activity consists of analysing the photosynthetic activity of trees, which reflects they overall health, using satellite images and remote sensing technologies. This allows exploring trends over time, for example to verify that forests are regrowing following harvests and associated disturbances, in FSC-certified forests. In 2021, we have started such analysis for a sample of certified forests located in different countries. The results are currently being analysed.

As far as independent evaluations are concerned, In 2021, the DAEL program developed and shared among pre-selected relevant consultants a request for proposals for an independent project to be commissioned by FSC. The project aimed at evaluating the effects of FSC certification on biodiversity conservation in Gabon using the environmental DNA (eDNA) methodology. Two consultants have been selected and the project is to start by the end of 2021 and exten to 2022.

To stimulate the production of external impact evaluations and to increase their relevance and scientific robustness, FSC engages with researchers. The engagement includes participation in research projects, compilation, and distribution of the list of the main research topics interesting for FSC, and participation in scientific conferences (not possible in 2020 and 2021 due to the pandemic). Engagement with research community gives FSC a chance to address questions

relevant for monitoring and evaluation, to support robust methodology or take measures that help to achieve accurate, reliable, and relevant findings.

In addition to these evaluations directly conducted or led by FSC, we have continued to work on the FSC Research Portal which aims at to fostering the communication of scientific information among FSC stakeholders through an online platform, including evidence of outcomes and impacts. More information is provided in section 5.1 below.

5. Learning and improving

5.1. Learning from the Monitoring and Evaluation system

In 2021, the main highlights of the DAEL program for fostering institutional learning have been:

- The involvement of various colleagues at FSC International to define indicators to track progress against intended outcomes of the FSC Global Strategy. This work has led to reflect on which data are necessary to track progress, and explore which data are readily available or not. This has proven to be an empowering and useful exercise that allowed colleagues to learn about how to implement an M&E system.

- The continuation of the development of **the FSC Research Portal** a platform compiling scientific literature directly related to the impact of FSC or relevant to the activities of FSC. The primary goal of this public repository is to make scientific findings more easily accessible and digestible to all stakeholders, and therefore fostering insight-driven decision making and relevant and impactful development of the FSC system. So far, the development of the Research Portal has involved the definition of metadata to characterize scientific studies and their key findings and make them easily searchable and accessible. In 2021, the curation of metadata and information about scientific studies have continued. Also, the design of the user interface is completed and the functional specifications have been defined. The production will start in 2022, when the launch of the beta version is planned. Until the portal is launched, the interested public can access some of the key scientific references about FSC here, as well as on the "Sustainability

Impacts Learning Platform" (maintained in collaboration between the Food Lab, ISEAL, and WWF) and the Evidensia platform.

With the establishment of DAEL and the recent changes to the M&E structures, FSC is further investing in learning from its Monitoring and Evaluation system. Throughout 2021 DAEL has communicated on a regular basis on the development and status of performance and monitoring related projects and data initiatives to a variety of stakeholders (including online sessions with FSC Members, management and staff).

Furthermore, various aspects of the Monitoring and Evaluation system are reported to the FSC Global Leadership Forum (GLF) regularly, including through in-person sessions at the GLF meetings, or existing reporting tools (e.g. Power BI dashboards, GIS dashboards).

6. Transparency and public information

6.1. Publicly available information about monitoring and evaluation

FSC provides information on its Monitoring and Evaluation system on the FSC website. and in the present report. This publicly available information encompasses:

- A contact point for submission of any comments, questions, or complaints about the M&E activities.
- A description of the current scope and boundaries of the Monitoring and Evaluation system, and if appropriate, the plan for expansion.
- An explanation of the scheme's strategies intended outcomes and impacts, and the most significant unintended effects.
- A list of all indicators being used in the Monitoring and Evaluation system.
- Links to the most relevant independent impact evaluations.