

FSC® General Assembly 2017

Vancouver, Canada, 8-13 October

September 2017

Ecosystem Services Tools

Background

FSC is creating incentives for the preservation of valuable ecosystem services in responsibly managed forests.

Through certification, the Forest Stewardship Council (FSC) ensures forests and their ecosystem services are responsibly managed. We are now developing new tools that will show businesses and investors that these natural benefits are being preserved, and will reward participating FSC certificate holders for doing so.

This work is directly relevant to Motion 47 (ecosystem services standard) and provides solutions that can be used to support Motions 7 (addressing past conversion), 19 (tools for forest restoration), 20 (protected areas and conservation zones), 21(climate motion) and 28 (fundraising platform).

What are ecosystem services?

Ecosystem services are the benefits that we obtain from nature. They provide society with a wide range of services from reliable flows of clean water to productive soil and carbon sequestration. People, companies, and societies rely on these services for raw material inputs, production processes, and climate stability. FSC's ecosystem services tools focus on carbon sequestration and storage, biodiversity conservation, watershed services, soil conservation and recreational services.

How will FSC ecosystem services tools work?

The ultimate goal of the FSC ecosystem services programme is to develop new tools for certificate holders to access emerging markets for ecosystem services.

Building on existing world-renowned certification, these tools will be designed to strengthen incentives for responsible forest management, forest conservation, and forest restoration; and to deliver greater value for certificate holders, forest communities, and other actors along the supply chain.

These new tools will also help governments and businesses demonstrate the impact their purchases, payments, and investments have on preserving ecosystem services, and their commitment to sustainability, and to reducing deforestation and forest degradation.



What are the FSC ecosystem services tools?

The first tool is a globally applicable seven-step approach that FSC certificate holders can use to demonstrate the impact of their forest management activities on ecosystem services. Certification bodies will use the tool to verify both conservation and restoration impacts.

The market tools under consideration include:

- The use of FSC trademarks for on-product and off-product promotion of verified ecosystem services impacts.
- The ability to bundle verified ecosystem service impacts with existing environmental instruments, such as carbon credits.
- A new FSC ecosystem service asset, which can be directly purchased by a third party as a means to demonstrate their support of conservation, restoration and/or sustainability.

FSC's new ecosystem services procedure (FSC-PRO-30-006) is the primary vehicle for establishing these tools.

Current Status

In its Global Strategic Plan 2015–2020, FSC commits to offering new tools to certificate holders so that they can access ecosystem services markets that result in increased net revenue for forest owners (Critical Result Area 2.3.1). This commitment is part of a broader strategy to increase the market value of FSC.

FSC's work to deliver on this goal has three main areas:

1. Finalizing the FSC policy framework for ecosystem services:

The process to develop the ecosystem services procedure (FSC-PRO-30-006) was launched in March 2015 and is scheduled for completion by March 2018. One round of stakeholder consultation has occurred, with a second round scheduled for November, 2017. The procedure has been tested at eleven sites around the world.

2. Finalizing the development of FSC ecosystem services market tools:

Ecosystem service market tools are being developed as part of the ecosystem services procedure. A registry to support the creation of a new FSC ecosystem services asset could be complete by the end of 2018.

3. Finalizing a business model, and developing a market development strategy for FSC ecosystem services tools:

An organizational business model and a market development strategy for ecosystem services tools is under development and will be completed by March 2018.

Once these activities are complete, FSC will be ready to support the implementation of these tools and promote their use with potential buyers.

GA 2017 Activities

Please come to our side event, " $\underline{\mathsf{FSC}}$ Tools for $\underline{\mathsf{Ecosystem}}$ Services $\underline{\mathsf{Markets}}$ " on 9 October, form 4:30-6:00pm.

Additional information

https://ic.fsc.org/en/what-is-fsc/what-we-do/preserving-ecosystem-services https://ic.fsc.org/en/what-is-fsc-certification/consultations/current-processes/fsc-pro-30-006