



CONVERSION & REMEDY

An in-depth look at **motions 37 and 45**



Introduction

Since its founding in 1994, FSC has worked against the conversion of natural forests to plantations with several strict standards and procedures in place. This is highlighted in FSC's *Principles and Criteria*.

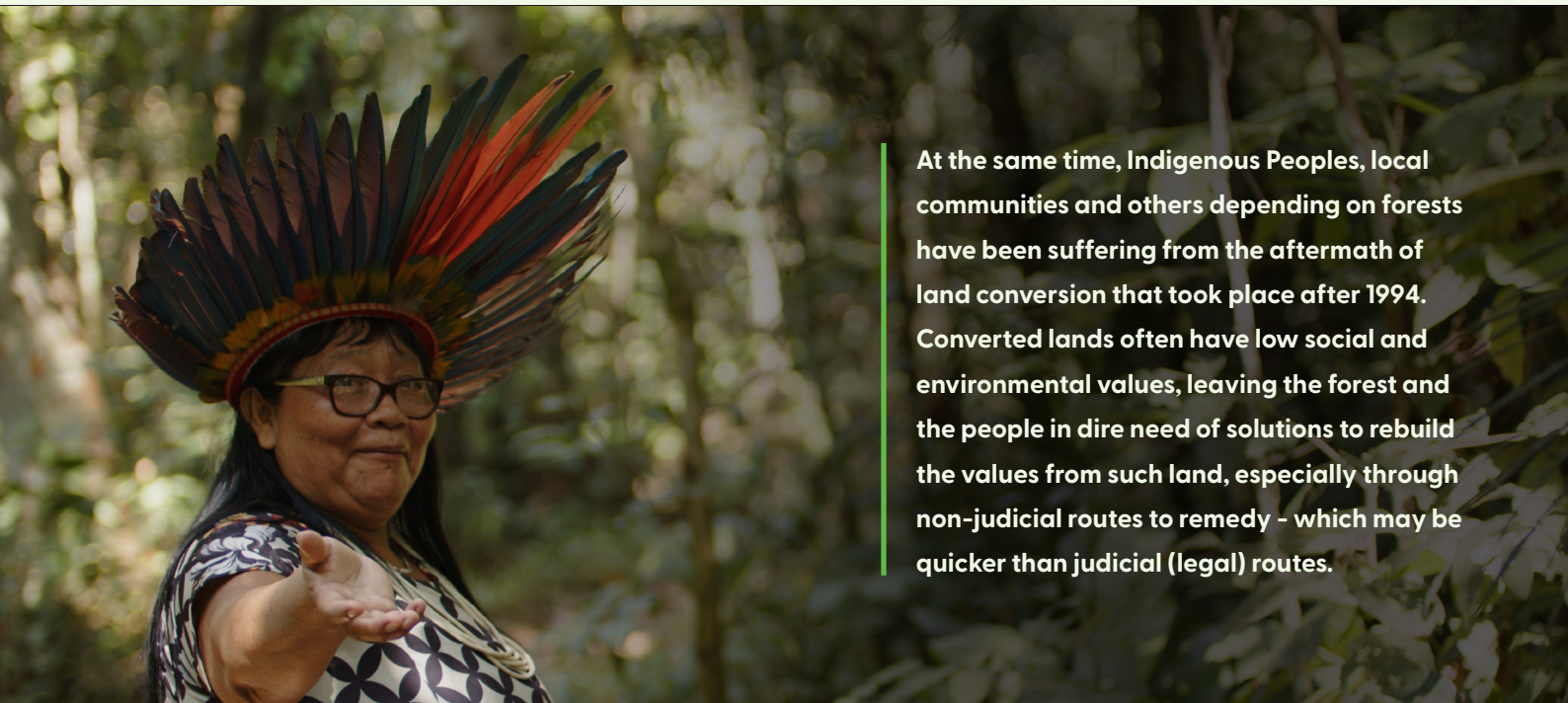
THE RULE:

Organizations that converted natural forests to plantations after 1994 cannot obtain FSC certification for these plantations. This rule was set up to discourage deforestation caused by the widespread development of forest plantations at that time.

Background

FSC certification requires organizations to demonstrate conservation and restoration benefits in managed forests, including plantation forests. Organizations and their affiliated corporate groups that wish to be associated with FSC also need to demonstrate that they are not converting natural forests and ecosystems whether it is for timber, pulp or any other forest-risk commodity such as palm oil.

This requirement stems from the Policy for Association (PfA), adopted in 2009 that includes thresholds for forest conversion, along with five other unacceptable activities that can lead to disassociation. The PfA enables FSC to expel companies and the affiliated corporate group(s) that are involved in conversion or in any of the other unacceptable activities, in any part of their operations, certified or not, from the FSC system.



At the same time, Indigenous Peoples, local communities and others depending on forests have been suffering from the aftermath of land conversion that took place after 1994. Converted lands often have low social and environmental values, leaving the forest and the people in dire need of solutions to rebuild the values from such land, especially through non-judicial routes to remedy - which may be quicker than judicial (legal) routes.

FSC members have been interested in developing a holistic approach to remedy for a number of years, more recently through a motion approved at the General Assembly in 2017. This motion called for a transparent and systematic approach to remedy for environmental and social harms on land converted after 1994 to allow organizations owning these lands to become eligible for FSC certification only if remedy was being provided.

This resulted in the development of the Policy to Address Conversion and the remedy requirements for conversion, which are included in the FSC Remedy Framework. This framework establishes a standardized process and a set of requirements to remedy social and environmental harms arising from past conversion, if an organization decides to pursue certification of the lands.

The FSC Remedy Framework is however not just relevant for organizations that wish to certify converted land after remedy. It also includes a set of additional requirements which provide a route to remedy towards association with FSC for organizations currently disassociated or were unable to associate with FSC in the past. These additional requirements address remedy for any other unacceptable activities, in addition to conversion.



Why were FSC members calling for change?

Since FSC was founded in 1994, the world has changed both in terms of continued pressure on global ecosystems posed by conversion, and increased awareness of the urgency to act to promote forest conservation and restoration, and to fight and adapt to climate change and biodiversity loss.

According to FSC's Principles and Criteria, plantations resulting from the conversion of natural forests after 1994 were excluded from the FSC system, often leading to their poor management, and leaving people with reduced access to ecosystem services while also neglecting biodiversity. And FSC had no incentives or rules enabling it to engage with organizations that manage these areas to improve the situation.

Similarly, conversion levels have been high in many places in the global south over the last decades due to the more recent development of economies, including plantations, whereas levels have been low in the global north where economic development and corresponding establishment of plantations started long before 1994. Some have therefore seen FSC's policy as unbalanced and not serving all regions equally.

What needed to be changed?

To enable the new Policy to Address Conversion to be implemented, FSC members needed to agree to changes in FSC's Principles and Criteria. This was the reason for **Motion 37** proposed for the 2022 General Assembly. Requested changes included but were not limited to:

- Changing the November 1994 cut-off date to December 2020 for when plantations converted from natural forests are excluded from FSC certification.
- Reflecting the new definition of conversion in the Policy to Address Conversion by including conversion of High Conservation Value (HCV) areas
- Requiring remedy of past harms caused by conversion
- Revising the definition of restoration/ecological restoration to be more comprehensive.

With FSC certification available to organizations that have in some way been connected to past environmental and social harms, a very important and relevant aspect of the dialogue was to ensure that remedy for past harms (for conversion and/or other unacceptable activities) is credible through stringent requirements in the FSC Remedy Framework.



The discussion on how stringent the FSC Remedy Framework should be, without diminishing the incentives to pursue association or certification, was an intense one in the FSC membership, and **Motion 45** called for specific changes before the finalization and implementation of the FSC Remedy Framework to 'Enhance and Improve the Conversion and Remedy Package to Protect FSC's Credibility'.

Enabling change: motions passed

After lots of discussion, FSC's members voted **83% in favour of Motion 37** at the General Assembly held in Bali, Indonesia in October 2022 – which requires change to FSC's Principles and Criteria to address conversion.

This means that a new conversion cut-off date of 31 December 2020 will replace the previous 1994 date, and must be complemented by a new system ensuring remedy for social and environmental damage on land converted between 1 December 1994 and 31 December 2020.

With the new cut-off date FSC will not certify any land that has been converted from natural forests or where there has been destruction of High Conservation Values after 31 December 2020.

Motion 45 also passed at the General Assembly 2022, where **74%** of FSC's membership voted 'Yes' to changes to be made to the final version of the FSC Remedy Framework to improve its credibility before being submitted to the FSC International Board for approval in December 2022.

FSC will now have a Remedy Framework for both Certification and Association outcomes for organizations, whilst delivering a consistent approach to remedy for Social and Environmental stakeholders.



What this means for forests

Millions of hectares of currently degraded forestland can, through remedy and restoration, adopt the FSC Principles and Criteria and be managed in a responsible manner according to certification standards. This will re-instate the ecological and social values of these forests and ultimately benefit people and nature in many countries all over the world.

Remedy measures related to ecological restoration will have a well-defined role in bringing converted areas back to a state closer to their natural form. This will happen through forest regrowth, paying special attention to restoration of the habitat and the ecological effects of past deforestation and degradation activities.



What this means for people

Through the FSC remedy pathway, forest dependent people now have access to a non-judicial route to remedy and can benefit from financial and non-financial compensation for social harms caused by conversion.

Implementing the Principles and Criteria and the Remedy Framework will also provide justice and access to certification and hence responsible forest management in all parts of the world, especially those areas where land conversion played a role in economic development after 1994, such as Latin America, South East Asia, and Africa.



What this means for organizations, companies, and value chains

Organizations with land converted between 1994 and 2020 will have access to adopting FSC's rules for responsible forest management, after remedy. This can help responsible development of emerging economies with strong forest value chain potential by supporting FSC certification efforts in these countries.

Many companies that could not previously certify some of their lands due to the 1994 cut-off date would now be eligible to apply for certification of such land provided they remedy the harm caused by conversion. For instance, 50 per cent of rubber plantations in Asia were established after 1994 which has been a barrier to them from obtaining FSC certification and entering the system.

With the new cut-off date FSC will not certify any land that has been converted from natural forests or where there has been destruction of High Conservation Values after 31 December 2020.

Any company found guilty of unacceptable activities – including conversion - in the past and seeking to end disassociation or associate with FSC must also first go through the standardized remedy process focusing on the additional requirements in the new Remedy Framework, which will become effective from the middle of 2023 and made available before that date.