Sustainability Standard Setting Bodies

Relevant Green Bond Market Information on Sustainability Standards

Form

Forms filled in by standard setters should be sent back to greenbonds@icmagroup.org, for publication on the Green Bond Principles Resource Centre.

Section 1. Basic Information

Organization name: Forest Stewardship Council (FSC)

Name of sustainability standard:

- FSC Principles and Criteria for Forest Stewardship   FSC-STD-01-001 V5-2 EN
- FSC Chain of Custody Standard   FSC-STD-40-004
- FSC Project certification Standard   FSC-STD-40-006
- FSC Procedure for Ecosystem Services   FSC-PRO-30-006

Completion date of this form: 28/11/2020

Publication date of the standard: [where appropriate, specify if it is an update and add reference to earlier relevant standard]

- FSC Principles and Criteria for Forest Stewardship   FSC-STD-01-001 V5-2 EN
  Published: 22 July 2015 (latest review)
- FSC Chain of custody standard   FSC-STD-40-004
  Published: 1 April 2017 (latest review)
- FSC Ecosystem services procedure FSC-PRO-30-006
  Published: 21 August 2018
- FSC Standard for project certification
  Published: 20 February 2020 (latest review)

1 The Form follows the characterisations of Environmental Labelling and Information Schemes as set out in OECD Environment Working Papers No.62 – A characterisation of Environmental Labelling and Information Schemes
Section 2. Detailed review

Standard setters are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. Green Bond Principles (GBP) project categories relevant to the standard

Overall comment on section (if applicable):

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GBP2 Project categories that the standard applies to (for additional information on the GBP see appendix 1):

☐ Renewable energy
☐ Pollution prevention and control
☒ Terrestrial and aquatic biodiversity conservation
☐ Sustainable water and wastewater management
☐ Eco-efficient and/or circular economy adapted products, production technologies and processes
☒ Other (please specify):

If applicable please specify the environmental taxonomy or category, if other than GBPs:
Ecosystem services certification (Carbon, biodiversity, soil, water, recreational services)

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2. Alignment with relevant international targets, thresholds and guidelines for sustainability

Please explain how alignment with international targets, thresholds and guidelines for sustainability are

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built into your governance frameworks and standard setting process. A non-exhaustive list of examples includes: ISEAL code compliant, alignment with EU Taxonomy for sustainable activities, Paris Climate Agreement, UN Global Compact, etc.

Please explain (if applicable):
ISEAL code compliant
Alignment with EU Taxonomy
Paris Climate Agreement

3. Main Characteristics (please choose all options that apply to the standard)

Governance

a. Leadership or ownership (What type of institution runs the standard?)

☐ For-profit
☒ Non-profit
☐ Public
☒ Hybrid (please provide more details below)
☒ Non-governmental
☐ Membership based
☒ Multistakeholder
☐ Other (please specify):

b. Standard scheme management

☒ The scheme owner has a sustainability-oriented mission or vision
☒ The scheme owner has defined and makes publicly available its desired long-term sustainability impacts and strategy for achieving those impacts

☒ Stakeholders have an opportunity to provide input on the intended sustainability impacts and possible unintended effects of the standards system
☒ On a regular basis, the scheme owner monitors and evaluates progress towards its sustainability impacts and accurately and publicly communicates the results

☒ The scheme owner applies adaptive management by using the learning from monitoring and evaluation to improve its standard and supporting strategies
☒ The scheme owner carries out internal or external audits of its management system and operations at least annually and incorporates the findings

☒ The scheme owner makes information on the governance structure and income sources or financing structure of the scheme publicly available
☒ Stakeholders have the possibility to participate in or provide formal input on the governance of the scheme

☒ The scheme is registered under ISEAL membership

☒ Other (please specify):
c. Standard-setting characteristics

☑ Documented procedures for the process under which each standard is developed or revised form the basis of the standard setting process

☑ Documented procedures for the process under which each standard is developed or revised shall be made available to stakeholders, at a minimum through the organisation’s website

☑ A regular review of the standard setting procedures is conducted (at least every 5 years)

☑ A regular review of the standard is conducted (at least every 5 years)

☑ Participation in governance bodies making decisions on the content of the standard are constituted by a balance of key stakeholders

☑ Participation in governance bodies making decisions on the content of the standard are open to all stakeholders

☐ Other (Please specify):

Participation in governance bodies making decisions on the content of the standard are limited to members, but the procedure for becoming a member is transparent and non-discriminatory

Sustainability Claims and Communications

a. Communication Channel (Who is using the standard to communicate, and who is the target of that communication?)

Communication from:
☑ Business (excluding financial institutions)
☑ Government
☑ Bank
☐ Insurance Company
☑ Development Bank
☑ Investor
☑ Asset owner (e.g. Building)
☑ NGO
☑ Other (please specify):
   land managers
   Industry – forest related
   Retail

Communication to:
☑ Business (excluding financial institutions)
☑ Government
☑ Bank
☐ Insurance Company
☑ Development Bank
☑ Investor
☑ Asset manager (e.g. Building)
☑ Consumer
☐ Other (please specify):

b. Means of communication (What is the mode of communication to the target audience?)

☑ Seal/logo
☑ Declaration
☑ Certificate

☑ Trademark
☐ Exception
☐ Other (please specify):
c. **Communication scope** *(What activities are covered by the communication?)*

- ☐ Agriculture and food
- ☒ Textile products
- ☒ Furniture
- ☐ Energy
- ☒ Timber forest products
- ☒ Non-timber forest products (rubber, cork, bamboo)
- ☒ Tourism
- ☒ Paper, packaging
- ☒ Transportation
- ☒ Cleaning products
- ☒ Non-timber forest products (rubber, cork, bamboo)
- ☒ Tourism
- ☒ Biofuels
- ☐ Paper, packaging
- ☒ Luxury Products
- ☒ Building materials
- ☒ Sustainable Sites & Locations
- ☒ Waste
- ☒ Forest products
- ☘ Water
- ☐ Transportation
- ☐ Other (please specify):

**Standard Characteristics**

a. **Monitoring and auditing** *(Who has the ability to determine whether the standard is met and what degree of independence exists?)*

- ☐ Standard setter
- ☐ External certifier
- ☐ Self-assessment
- ☐ Second party verifier
- ☒ Accredited third party certifier/verifier
- ☐ Other (please specify):

b. **Adoption of the standard** *(To what extent are relevant organizations required to apply the standard?)*

- ☒ Voluntary
- ☐ Mandatory (please explain):
- ☐ Other (please specify):

c. **Sustainability characteristics**

- ☒ Environmental outcomes are clearly and explicitly defined in the standards
- ☒ The standard exceeds regulatory requirements
- ☒ The standard references relevant, existing national and/or international laws and regulations
- ☐ Other (please specify):

d. **Transparency** *(To what extent is relevant information publicly available?)*

- ☒ Final versions of the standard available to the public
- ☒ Draft version of the standard available to the public
- ☐ Other (please specify):

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3 *Whom has the ability to determine whether the standard is applied?*
☒ Public disclosure on standard setting process
☒ Public disclosure on assessments of compliance with the standard
☒ Public disclosure of compliance by standard user
☒ Public disclosure on those complying with the standard (organizations and the level/type of compliance achieved)
☐ Final versions of the standard in additional languages are available to the public
 ☐ Other (please specify):

e. **Methods of environmental assessment** *(How comprehensive is the standard in accounting for environmental impact?)*
☐ Life cycle approach (please specify which environmental goals)
☐ Operating/process/practice approach (please specify which environmental goals):
☒ Performance based or impact approach (please specify which environmental goals)
☐ Other (please specify method and which environmental goals it applies to):

Please explain any requirements to embed mechanisms/tools for future reporting, requirements to report on selected criteria and reporting scope, as well as the environmental goals being assessed:

Maintenance of biodiversity values
Verification of positive impacts on ecosystem services
Conservation of watershed services
Soil protection
Prevention against fires

f. **Resolving complaints**
☒ The standard-setting organization shall make impartial and documented efforts to resolve procedural complaints related to standard-setting, based on a publicly document complaints resolution mechanism
☒ The standard-setting organization shall disclose, at least to interested parties, decisions taken on procedural complaints
☐ Other (please specify):

g. **Standard focus** *(To what type of processes do the standards apply?)*
☒ Product related process and production methods (please specify):
☒ Non product related processes and production methods (please specify):
☒ Services (please specify):
☐ Other (please specify):

h. **Standard scope:**
☒ International  ☐ Regional
☒ National  ☐ Jurisdictional
☐ Other (Please specify):

i. Activities beyond certification:
☒ Platform for discussion and collaboration amongst members and certified entities
☒ Platform for discussion and collaboration amongst other standards addressing the same sector/activity/topic

4. Alignment with Sustainable Development Goals (please choose all options that apply to the standard)

Overall comment on section (please rank the SDGs by level of contribution of the standard and specify the scale of contribution to each of the relevant SDGs):

☒ SDG 15
☒ SDG 12
☒ SDG 13
☒ SDG 8
☒ SDG 5
☒ SDG 17
☒ SDG 1
☒ SDG 9

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