



**FSC® General Assembly
2021 -2022**

Virtual 25 – 29 October 2021

Rules of Procedures for the FSC Virtual General Assembly 2021



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FSC



RULES OF PROCEDURE FOR THE FSC VIRTUAL GA 2021

1 INTRODUCTION

Given the continued concerns around COVID-19, the FSC International Board of Directors made the decision to host the Members' Assembly in two parts. The idea to divide the Members' Assembly allows FSC to prioritize the health and safety of our community, while doing the business required by our Statutes in year 2021. In addition, this format will enable members who have proposed statutory motions to choose between having these voted on in a virtual setting in 2021, or having the vote happen at the in-person General Assembly to be held in year 2022. Members who have proposed policy motions that are prioritized by the membership will have the same opportunities.

- I. In year 2021, an electronic ballot process will take place, which will be implemented through a secured electronic application (App) that will enable all eligible members to participate, discuss, meet, and vote electronically. This process will be launched with a webinar on 25 August 2021, will include virtual discussion forums that will happen from 25-29 October 2021 and will close with a members' plenary session where the results of the electronic ballot will be announced. This process is defined in this document as the "Virtual GA 2021".
- II. At the end of year 2022 (or as soon as possible thereafter), an in-person General Assembly will take place in Bali, Indonesia.

In turn, the Virtual GA 2021, will be composed of the following parts:

- I. An electronic ballot which will be launched on 25 August 2021 and will close on 30 September 2021, for all eligible members to vote on the following statutory requirements:
 - a) Approval of Financial Report by the FSC Board of Directors (2018-2020).
 - b) Approval of the Membership's List, with the acceptance of new members and the destitution of members whose membership has elapsed
 - c) Approval of these Rules of Procedure and presentation of the Electoral Committee appointed by the FSC Board of Directors
- II. Virtual discussion forums that will take place from 25-29 October 2021, to deal with the following topics:
 - a) Presentation of the Business Report by the FSC Board of Directors
 - b) Presentation of the Report on the Motions adopted at the 2017 FSC GA
 - c) Presentation of the Report of the Motions Committee



- d) Presentation and ratification of the Presiding Officer appointed by the Board Chairperson
 - e) Chamber and cross chamber meetings to discuss motions and high priority topics
 - f) Discussion of statutory motions and opening of their voting period
 - g) Discussion of policy motions (previously prioritized by the membership) and opening of their voting period
- III. An electronic ballot to vote on the statutory and policy motions discussed during the above-mentioned virtual forums. The electronic ballot will open at the end of the debate of each motion and will close on 30 November 2021 (unless extended at the Secretariat's discretion, which shall be properly informed to the membership).
- IV. A virtual plenary session of all eligible members of FSC to announce the results of the electronic ballot and to close the Virtual GA 2021.

2 PURPOSE

The purpose of these Rules of Procedure is to provide a structure for conducting the discussions on statutory and prioritized policy motions during the Virtual GA 2021 and the electronic voting process of such motions. Particular attention is given to the procedures governing debate and voting on motions during the Virtual GA2021. These rules are designed to ensure the efficient and timely running of the Virtual GA 2021. Once approved by the members, the Chairperson of the FSC Board of Directors or the Presiding Officer is authorized to ensure the implementation of these Rules of Procedure, while respecting the authority of the members as the ultimate decision-making authority of the Organization.

Please note that a different set of Rules of Procedure will be designed and implemented for the physical General Assembly that will take place in Bali, Indonesia in year 2022.

This Rules of Procedure for the FSC Virtual GA 2021 covers the following:

- Motions
- Participation in the discussions on statutory and prioritized policy motions during the Virtual GA 2021
- Conduct of the Virtual GA 2021
- Conduct of the Virtual Forums to Discuss Statutory and Prioritized Policy Motions
- Status of the Motions Approved



3 MOTIONS

3.1. Submission of Proposed Motions. All motions proposed for consideration by the membership were submitted to the Motions Committee. The Motions Committee is appointed by the FSC Board of Directors and supported by a designated staff from FSC International.

Each proposed motion must contain the name and affiliation of the person proposing the motion (the proposer) and the name of two persons seconding the motion. Only individual members or the designated representative of an organizational member (who have no outstanding membership fees) can propose or second a motion. The proposer and seconders of a motion must include at least one member from each of the three FSC chambers.

Each proposed motion must be clearly identified as either an amendment to the Statutes or Principles & Criteria or as a proposal to amend a policy or operational procedure of the organization.

Proposed Motions to amend the Statutes or Principles & Criteria are called Statutory Motions. Proposed motions must clearly identify the specific title, section and paragraph to be amended. The proposed amendment shall first set forth the current language from the applicable document, and then set forth the proposed new language, additions or deletions.

Motions to change FSC policies or operational procedures are called Policy Motions. They reflect the right of members to submit initiatives related to the Organization's work, activities, mission and purpose.

In order to aid the membership when considering a motion, the person making the motion should include a brief paragraph which explains the purpose of the motion, or which supplies additional information, in addition to the actual language of the proposed motion.

The proposer should include an estimate of the costs of implementing the motion. The Motions Committee asks the Secretariat to prepare an estimate of the legal and financial implications. The estimates may be presented to FSC Members, to enable them to take account of these implications when making their decisions.

Board members can take part in discussions about Motions or other proposals in their own chambers, voicing their own views and being clear that they do not speak on behalf of the Board. Board members can also actively engage inside meetings and cross-chamber discussions, although they will be clear that they do not speak on behalf of the board, and they will act only with the purpose of contributing to constructive solutions. Board members will not take part in the motion discussions in plenary sessions.

3.2. Preparation and Publication of Motions. All statutory and policy motions proposed for consideration by the membership were submitted to the Motions Committee via the Secretariat with at least six months before the scheduled date of the Virtual GA 2021. The Motions Committee reviews the proposals for compliance with these Rules of Procedure and reviews the Secretariat's estimate of the financial and legal implications of the proposal. Any motion not in compliance with the rules for submission of proposed motions is returned to the proposer within three weeks of the deadline for submitting proposals. Revised motions must be resubmitted to the Committee within two weeks of being returned by the Motions Committee.



Not later than 30 September 2021, the Motions Committee will submit its final report to the FSC Board of Directors. The report shall include the complete text, in both Spanish and English, of each proposed motion and any supporting information, as well as the name and affiliation of each proposer and seconder. The proposed motions shall be divided into three sections in the report, the first dealing with motions amending the Statutes; second dealing with motions related to the Principles and Criteria and third, motions dealing with policy issues. Each motion set forth in the report shall be given a number, so that it may be easily identified.

The final report shall be made available promptly to all members of the FSC and to other registered participants of the General Assembly.

3.3 Amendments to motions. The proposers of motions are expected to seek suggestions, improvements and support for their motions. FSC members who wish to see changes made to the proposed motions are expected to negotiate these changes with the proposers. For these purposes, proposed changes can be sent directly to the proposers of the motions or to the following email address motions2020@fsc.org and the Secretariat will forward such communications to the motions' proposers. Time will be made available for these purposes during preparatory meetings. The proposers of motions to be debated and voted on in the Virtual GA 2021 may submit amendments at any time up to 31 August 2021 (this deadline will enable the Motions Committee to prepare and submit its final report to the FSC Board of Directors as described in the above Section). The newly amended motion must be seconded by two others as specified in section 3.1 above; seconders need not be the same people as seconded the original motion. Further amendments to motions or withdrawal of previous amendments to motions will not be accepted after 31 August 2021.

4 PARTICIPATION IN THE DISCUSSIONS ON STATUTORY AND PRIORITIZED POLICY MOTIONS

4.1. Participants. The discussions on statutory and prioritized policy motions that will take place during the virtual forums and the electronic voting of such motions, is open to all members of the Forest Stewardship Council, A.C. that are in good standing (who have no outstanding membership fees).

4.2. Proxies. Members of FSC may designate another member as their proxy to represent them in the debate to take place during the virtual forums that will take place from 25 October to 29 October 2021 and to vote on their behalf on the policy and statutory motions discussed therein. All designations must be made in writing, before two witnesses, and be signed by the member or the designated representative of an organizational member. Once signed by the member before two witnesses, the letter containing the designation must be scanned and sent to the Secretariat to the following email address: motions2020@fsc.org. In terms of paragraph 9. Of Clause Twenty-Third of the Statutes, a member can only represent a maximum of five organizational members that can be part of any of the three chambers, and a member can represent an unlimited number of individual members who again can be part of any of the three chambers. All proxy nominations and signatures must be received in advance of the opening of the virtual discussion forums happening from 25 October to 29 October 2021 and will be authenticated by



the Secretariat. All members who are designated as proxies for another member shall have voice during the virtual forums and will be entitled to vote on behalf of the members they represent. All requests to designate another member as a proxy during the week of the virtual forums shall be considered by the Electoral Committee.

4.3. Observers. The discussions on statutory and prioritized policy motions will be open to observers, subject to prior registration and to any limitations of numbers agreed by the FSC Board of Directors. Observers are those individuals who are neither individual members of FSC, nor designated representatives of an organizational member. Individuals who are affiliated with an organizational member and who are not the designated representative of that organization are deemed to be observers. Observers shall have neither voice nor vote, but may participate in all formal sessions of the Virtual GA 2021 and in other events as agreed by the FSC Board of Directors.

5 CONDUCT OF THE VIRTUAL GA 2021

5.1. Technological Platform & App. As mentioned in the Introduction section of this document, the Virtual GA 2021 will be managed and implemented through a secured technological platform and an App that will enable the members, and other participants of the Virtual GA 2021, to participate, discuss, meet and vote (only eligible members) electronically. All participants must have internet access in a computer or a smart phone and download the corresponding App. Additional details and instructions for the use of the App will be provided in advance to all the participants of the Virtual GA 2021.

5.2. Presiding Officer. The Virtual GA 2021 shall be presided over by the duly elected Chairperson of the FSC Board of Directors. The Chairperson may delegate the task of facilitating the meetings that will take place through virtual forums to another qualified individual as Presiding Officer who is ratified by the membership. The Chairperson of the FSC Board of Directors will remain as the person with ultimate authority for the conduct of the Virtual GA 2021, even when not acting as the Presiding Officer.

5.3. Reports. The membership will be presented with verbal reports from the Chairperson of the FSC Board of Directors, the Director General, the Treasurer of the FSC Board of Directors, and a representative of the Motions Committee.

5.4. Agenda. The Agenda for the Virtual GA 2021 will be sent out in advance to all members and registered observers, specifying the time assigned for discussion on each motion and to other events that will be part of the Virtual GA 2021.

5.5. Electoral Committee. The Electoral Committee is appointed by the FSC Board of Directors. The election by the FSC Board of Directors shall be carried out prior to the opening of the Virtual GA 2021, and presented to the membership during the electronic ballot to deal with statutory requirements (Part I. of the Virtual GA 2021). Members of the committee shall form part of the quorum, and may choose to nominate a proxy to vote on their behalf.



The Electoral Committee will be granted with remote access to the technology platform hosting the App and will be able to evaluate the recorded quorum and the results of the voting on all discussed matters and motions. The members of the Electoral Committee shall also be present (virtually) when the results of the voting on each matter and motion are certified by a qualified external attorney.

5.6. Quorums. The quorum required to adopt resolutions will be calculated based on the number of votes actually cast. In other words, the quorum will be considered when the members vote. FSC members participating in the Virtual GA 2021 and that vote, plus members represented by proxies, contribute to the quorum.

The Quorum for an electronic ballot is the same as for a valid General Assembly: it consists of more than 50% of the voting power of the members of each of the chambers referred to in the Statutes of the Organization. The Statutes of the Organization provide for the manner in which such voting power will be calculated.

5.7. Abstentions. Abstentions duly registered as such during the electronic voting shall count towards the quorum but shall not count in the calculation of the share of votes cast 'YES' and 'NO' on a motion.

6 CONDUCT OF THE VIRTUAL FORUMS TO DISCUSS STATUTORY AND PRIORITIZED MOTIONS

Before consideration of any of the motions, a designated representative of the Motions Committee shall present its report to the General Assembly. Following the presentation of the report mentioned in Section 3.2 related to the Virtual GA2021, the work of the Motions Committee will cease (except that the Presiding Officer may ask for clarification from the representative of the Motions Committee if this becomes necessary). The Motions Committee's responsibilities in relation to the preparation and holding of the in-person General Assembly 2022 will continue until such Assembly takes place.

Each proposed motion shall be taken up one at a time, in the order and schedule that has been determined in advance. Specific time will be assigned to each motion, which will be informed to the members through the Agenda of the Virtual GA 2021. All statutory motions will be debated and voted on first and policy motions will follow in the order previously prioritized by the members.

To deal with time differences, identical sessions will take place in the morning (CET) and in the afternoon (CET). Recordings and summaries of all sessions will be available to all members.

6.1. Procedure for considering motions. As mentioned, specific time will be assigned to each motion. At the beginning of each virtual session, the Presiding Officer will invite the proposer to speak to the Assembly for three (3) minutes on the merits of his/her motion. The proposer may ask a seconder of the motion or another member to speak to the motion. Following the presentation by the proposer, the Presiding Officer shall ask those members wishing to speak to the motion to identify themselves through the electronic mechanisms available in the App.



Each speaker will in turn have two (2) minutes to speak to the motion. The motion seconders may speak during this period as ordinary members if they wish. At the end of the debate of the members, the proposer of the motion shall have two (2) minutes for any closing comments. The Presiding Officer will make use of the electronic tools available in the App to conduct each session in an orderly manner.

The Presiding Officer may at any time suspend the debate to call on one or more participants, and/or staff of the FSC Secretariat, and/or members of the FSC Board of Directors to provide clarifying comments on particular aspects of the motion debated (e.g. relation of a motion to other motions, impacts of a motion on strategic, tactical, operational aspects of FSC, etc.).

At the end of each virtual session, the Presiding Officer shall call for the vote. At that time all members eligible shall be invited to vote according to the voting procedure described in Section 6.4. below.

6.2. Restriction to make amendments or present new motions. With a view to guaranteeing the correct functioning of the virtual forums that will take place during the week of 25-29 October, amendments to a motion or withdrawal of previous amendments to a motion will only be accepted until 31 August 2021 (see Section 3.3.). No amendments to a motion or the presentation of new motions will be accepted during the week of 25-29 October, when the virtual forums to discuss and vote on the motions will take place.

6.3. Informal feedback mechanism. All eligible members will be able to demonstrate their reactions by using the informal feedback mechanism that will be available in the App. The details and instructions on the use of such mechanism will also be provided in advance to all the participants of the Virtual GA 2021.

6.4. Voting Procedures. The FSC Statutes establish that:

- ⇒ “General Assembly shall strive to adopt decision by consensus”.
- ⇒ Consensus is defined as the absence of sustained opposition but does not require unanimity.
- ⇒ The FSC Statutes allow members to make decisions through electronic means (see paragraph 11. of Clause Twenty-Third). Decisions made electronically shall have the same validity as if approved during an in-person General Assembly.
- ⇒ In case of a vote, either in-person or electronically, a decision is made when:
 - a quorum of more than 50% of the voting power of the members of each of the chambers referred to in the Statutes of the Organization is present (either personally or by proxy), and when
 - the affirmative vote of a simple majority of the voting power registered by members in good standing less votes abstaining in each chamber, and when
 - the affirmative vote of two thirds of the voting power of all members in good standing less votes abstaining is reached
- ⇒ And this constitutes the absence of sustained opposition.”
- ⇒ The Statutes of the Organization provide for the manner in which such voting power will be calculated



- ⇒ The quorum and voting powers necessary to validly adopt resolutions through electronic means are the same as if approved during an in-person General Assembly, in the understanding that in an electronic ballot (such as the ones used for the Virtual GA 2021) the above-mentioned thresholds are calculated based on the number of votes actually cast; this is, of members that cast their vote (see section g) of paragraph 11. of Clause Twenty-Third of the Statutes of the Organization).
- ⇒ Furthermore, the Statutes of the Organization mandate that the Secretariat gather and maintain evidence of the electronic votes and to determine, with the assent of the Electoral Committee, if the motions are approved or not. The results are also certified by a qualified external attorney.

6.4.1. When a motion is put to the vote, the Presiding Officer will invite members to vote to indicate support or opposition to a motion, or their abstention. Participants will vote through the electronic tools available in the App.

6.4.2. Members will have the possibility to vote at the time the motion is put to vote by the Presiding Officer, or in a later stage, but only while the voting period is open. The voting period will be open from the moment in which a motion is put to a vote by the Presiding Officer and until 30 November 2021 (unless extended at the Secretariat's discretion under its statutory faculty contained in Clause Twenty-Third paragraph c) 11 of the Statute, which shall be properly informed to the membership). Once a member cast his/her vote he/she cannot change it, even if the voting period is still open.

6.4.3. The initial voting period could be extended in one or more occasions and such circumstances will be properly informed to the membership.

6.4.4. As mandated by the Organization's Statutes, once the voting period closes the Secretariat will gather and maintain evidence of the electronic votes and will determine, with the assent of the Electoral Committee, if the motions are, or not, approved.

6.4.5. If the electronically computed results show that there is a 66.6% overall majority, and a simple majority in every chamber, and a sufficient quorum overall and in each chamber a motion is approved. If not, the motion fails.

6.4.6. In a plenary session of all members the Electoral Committee will present tabulated results of all motions to the members.

6.5. Motions not considered by the General Assembly. All motions presented to the Virtual GA 2021 (contained in the report of the motions committee), which are not considered by the FSC Virtual GA 2021, will be brought for consideration at the in-person General Assembly to be held in Bali, Indonesia in year 2022.



7 STATUS OF MOTIONS APPROVED

In accordance to FSC Statutes as quoted below, Statutory Motions approved by the members will become valid and legally binding at the close of the Virtual GA 2021, subject to legal confirmation.

TWENTY-EIGHTH. Decision and motions approved by the General Assembly, the supreme Authority of FSC, and resolutions of the Membership as per Clause Twenty-Third numeral 11 of these Statutes, have the highest standing in the hierarchy of decision-making of the organization. Once a decision, motion or resolution has been accepted by the Members, it cannot be modified by the Board of Directors or the Secretariat. The operationalization of a motion shall respect its objective and/or intent of the decision. It is the responsibility of the Board of Directors to make sure it is implemented in a reasonable timeframe. The Board shall report periodically to the members regarding the implementation, including timeline and status of implementation of the motions.

Actions and/or measures, policies, guidance notes, regulations, memoranda, or similar documentation in contradiction with the spirit, objective and/or intent of the decision, motion or resolution cannot be undertaken or issued by anybody of the organization.

If the implementation of a decision, motion or resolution appears to be impossible or to have undesired side effects, the Board of Directors shall report this to the membership.