



NATURAL
CAPITAL
COALITION



wbcscd forest solutions

Report on the Engagement Process for the Forest Products Sector Guide

7/27/2017

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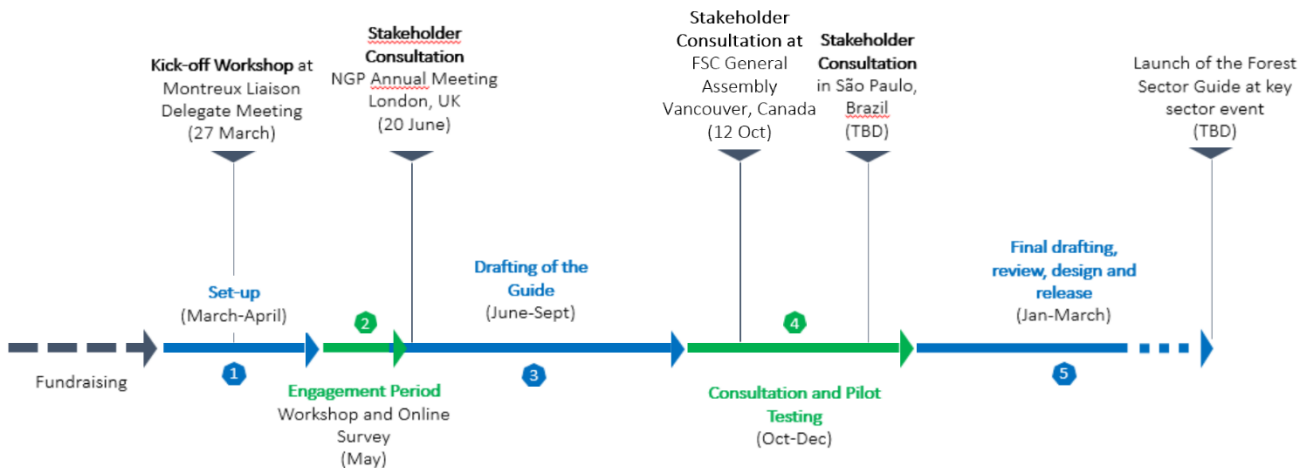
1 Introduction

The World Business Council for Sustainable Development’s Forest Solutions Group (WBCSD FSG) is leading the development of a ‘Forest Products Sector Guide’ on behalf of the Natural Capital Coalition (The Coalition). Technical support is provided by PwC.

The Forest Products Sector Guide will build on the existing Natural Capital Protocol, to provide a common framework for the forest sector to measure and value its impacts and dependencies on natural capital as a way to manage risks and opportunities across its full value chain. As a sector specific project, the Guide is able to offer more detailed guidance on the complex impact and dependency relationships that exist along the forest products value chain. The ultimate aim of the Guide is to better inform decision-making within the sector, and encourage more accurate disclosure where appropriate.

[Download the overview slide deck here](#)

The final publication for this work is intended for March 2018.



2 The engagement process

The engagement process is designed to help clarify the need and expectation for the Sector Guide, to provide input into its formulation, to raise awareness and to create shared ownership through a community of practice. The engagement process ran from 2 March – 20th June 2017.

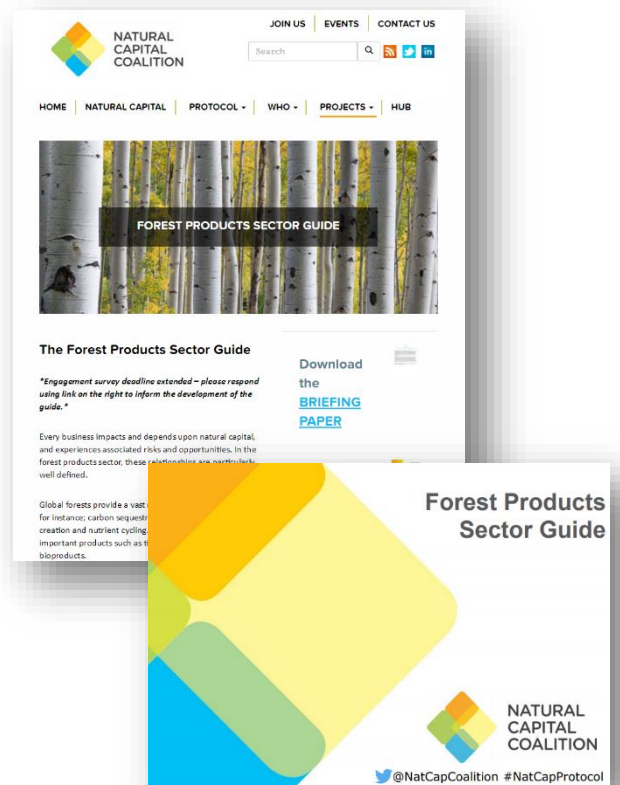
The intended audience for this engagement was intentionally very broad; including businesses and practitioners from along the forest product value chain, forestry certification bodies, government and policy, NGOs and civil society, research and academia, service providers and others.

The process involved circulating a slide pack and briefing paper, a kick-off workshop, an online survey, an online 'stay informed' mailing list, webinars, and a more technical scoping workshop.

2.1 Slide Pack and briefing paper

A slide pack and briefing paper were developed to help engage and introduce the proposed project to different stakeholders. These were both made publically available on the Natural Capital Coalition webpage for the Guide, from March onwards, and promoted via the Coalition's social media.

Since the launch of this webpage on 2 March 2017, it has been the seventh most clicked page on the Coalition's website. Furthermore, 44% of visitors to the project page were 'new' users (i.e. web users who had not visited the Coalition website before), therefore confirming that engagement on the Forest Products Guide is effectively bringing natural capital to a new audience.



2.2 Kick-off workshop: 27 March 2017, Montreux Switzerland

A kick-off workshop was held within the annual WBCSD Liaison Delegate meeting in Montreux, Switzerland.

For participants, the objectives of this workshop were to gain an understanding of both the Protocol and the proposed Sector Guide, to offer feedback and insight into which case studies might be most useful to illustrate the process and application of natural capital within a forestry context, and to understand the opportunity to pilot test later in the year.

For the delivery group (The Coalition secretariat, WBCSD FSG and PwC) the objectives were to gather suggestions for the most significant elements (such as impacts, dependencies, ecosystem services, risks, and opportunities) that should

be included within the Guide, to better understand which case studies would be most helpful to users, and to identify any additional stakeholders that should be included in the development process.

Participation in the workshop totaled approximately 30 individuals from approximately 20 organizations, and spanned business, NGO, service-providers, and certification bodies.

2.3 Online engagement survey

An online survey hosted on the Coalition website helped to collect feedback on the scope and expectations of the Guide in a systematic way. The survey was promoted via social media, the Coalition monthly newsletter and regular Natural Capital Operations Group calls. The survey was open from 26 April to 31 May 2017. A total of 36 people responded, from 35 organizations.

The results from this survey are discussed in more detail in the Section 3 of this document, and in the Annex.



2.4 Technical Scoping Workshop: 20 June 2017, London UK

This half day workshop in London gathered 27 experts and practitioners from the WBCSD FSG network, the Coalition network, and other interested groups, to brainstorm some scoping and structural elements of the Guide.



The workshop yielded some valuable feedback on the proposed typology of impacts and dependencies used within the draft, and the range of issues that should be included.

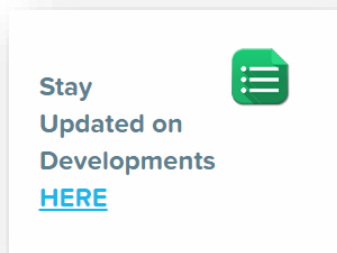
2.5 Advisory Group

Through engagement at workshop(s) and word of mouth, the Coalition and WBCSD FSG have gradually gathered an 'Advisory Group' of experts to help inform and steer the development of the Guide more closely. This Advisory Group can be called upon throughout the drafting process to review content, help with technical and strategic decisions, suggest other stakeholders to consult, and to help promote awareness of the project.

The first call with the Advisory Group discussed the responses to the survey, and what this might imply for the proposed structure. Advisory Group calls will continue to run over the summer, to brainstorm and discuss other technical issues as they arise.

2.6 Online 'stay informed' mailing list

Over the duration of the project, the Coalition will host an open 'stay informed' sign-up list on the project webpage. This will allow any visitor to the webpage to register for regular updates at key points throughout the project timeline. The sign-up list also encourages the option to register interest in pilot testing. The data within this list includes analytics on the stakeholder group, and engagement within the forest products value chain.



This list serves to promote and maintain engagement in the project, over its duration. At time of writing (July 2017), 32 people from 32 organizations have registered to stay informed via this list. Of this number, 8 stated a potential interest in pilot testing.

3 Engagement feedback

This section presents a summary of the responses to key themes received during the engagement process and the decision taken by the delivery group to incorporate them into the development of the Forest Products sector guide.

3.1 Role of the Sector Guide

Responses: Supporting the integration of natural capital considerations into decision-making processes in a standardized way is considered the most important contribution of the Forest Products Sector Guide.

Decision: The Sector Guide will be drafted with that orientation.

3.2 Focus of the Supplement

Responses: The Sector Guide should not only focus on the production of wood-fiber products but also include the other non-wood fiber products.

Decision: The Sector Guide will primary focus on wood-fiber products but additional relevant guidance will also be provided for other non-wood fiber forest products, e.g. fruits, tree nuts, rubber.

3.3 Definitions

Response: Several comments indicated that the classification of forest types used in the survey was not precise enough.

Decision: It was decided that the different forest types (natural, semi-natural, plantation) and biomes (boreal, tropical, etc.) need to be defined closer to the FAO definitions and where necessary go into more detail.

3.4 Scope of the Supplement

Responses: Both naturally regenerating forest and plantations were considered important. In terms of stages of the value chain, while all production stages are considered relevant, tree production stands out as most important.

Decision: The Sector Guide will have a broad and inclusive scope. In terms of forest types, it will have a focus on productive forests but it could be applicable to conservation forests. In terms of stages of the value chain, the Sector Guide will focus on tree production but will touch on other value chain stages where they are specific to forest products i.e. re-use, recycling of wood fiber.

3.5 Inclusion of management practices

Responses: The survey questions did not include any question in this regard but the inclusion of management practices emerged from the discussions with the Advisory Group and the members of the Forest Solutions Group as to 'how to deal with different forest types'. This approach was confirmed in the Stakeholder Consultation Event in London. In fact at the event, we receive additional input that management practices should cover those listed in ISO 14000/ FSC/ PEFC/ SFI documentation.

Decision: The classification of management practices will be used in the Sector Guide, especially to identify significant/relevant impacts and dependencies.

3.6 Structure of the Supplement

Response: The majority did not find it useful to have hypothetical case studies running through the sector guide, and suggested that a more comprehensive approach that could be relevant for all companies should be used instead.

Decision: Compared to other sector guides, the Sector Guide will include the hypothetical cases in the annexes. The hypothetical case studies will try to address key natural capital issues that have been identified as significant during the

impacts and dependencies mapping. As experience in the sector builds over time, we can also start to populate an online resource of these real life examples.

3.7 Content of the Supplement

Response: There are some consequences of impacts/ dependencies that are specific to the forest products sector that should be highlighted, including particularly potential positive impacts around the provision of ecosystem services and carbon sequestration. The Guide should highlight business case for undertaking a natural capital assessment.

Decision: These aspects will be incorporated and described in the Frame and the Measure and Value stages.

3.8 Summary of decisions

Theme	Decision
Role	Support the integration of natural capital considerations into decision-making processes in the sector through a standardized way.
Focus	Primarily focused on wood-fiber products but additional guidance for other non-wood fiber forest products will also be provided.
Definitions	Definitions of forest types and biomes will be closer to the FAO definitions.
Scope	The Sector Guide will have a broad and inclusive scope. It will focus on productive forests but applicable to conservation forests too. It will focus on tree production but will touch on other value chain stages as well.
Management practices	Classification of management practices by tree production stage will be used in the Sector Guide to identify significant/relevant impacts and dependencies for each practice.
Structure	Case studies will be presented in the annexes.
Content	Some consequences of impacts/ dependencies specific to the sector will be highlighted in the Frame and Measure and Value Stage, as well as the business case for the forest products sector to undertake natural capital assessments.

4 Conclusion

The feedback received through the engagement process clearly supports the development of a Forest Products Sector Guide to the Natural Capital Protocol.

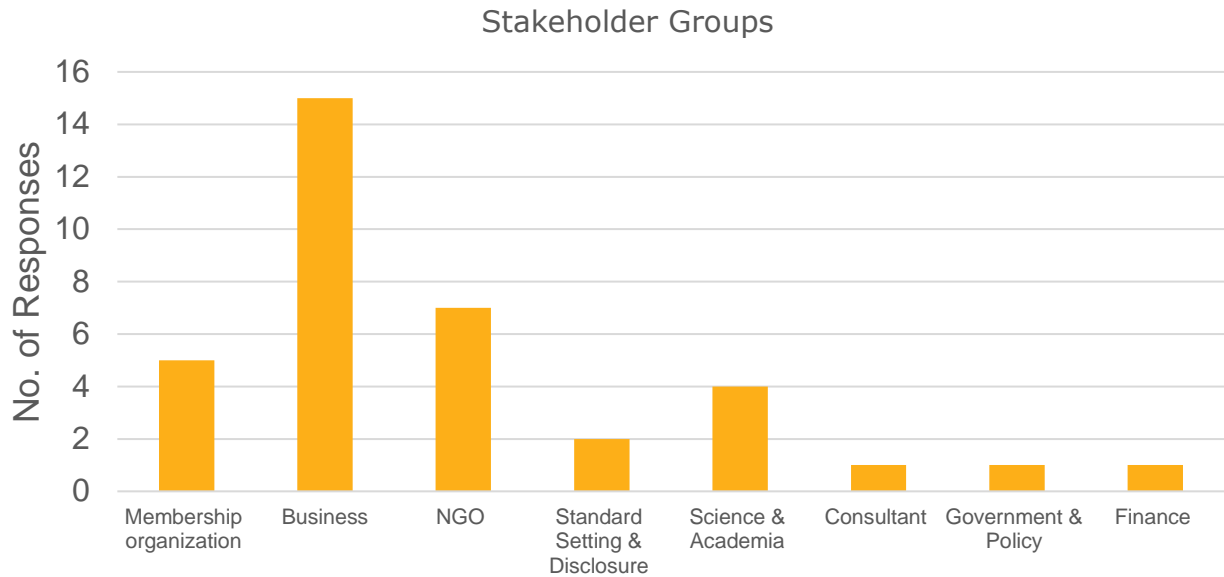
This process has established the need and expectation of the community; help to identify the focus, scope, structure and content useful for the community; provided high valuable input into the drafting; and broadened the awareness and interest in the project.

The delivery group (Coalition secretariat, WBCSD FDG, PwC) would like to thank all individuals and organizations who took part for their time and valuable input.

Annex 1: Detailed feedback from the online-survey

Survey Respondents

Out of 36 survey responses in total, 42% of respondents are from Business and 19% from the Non-Profit Sector.



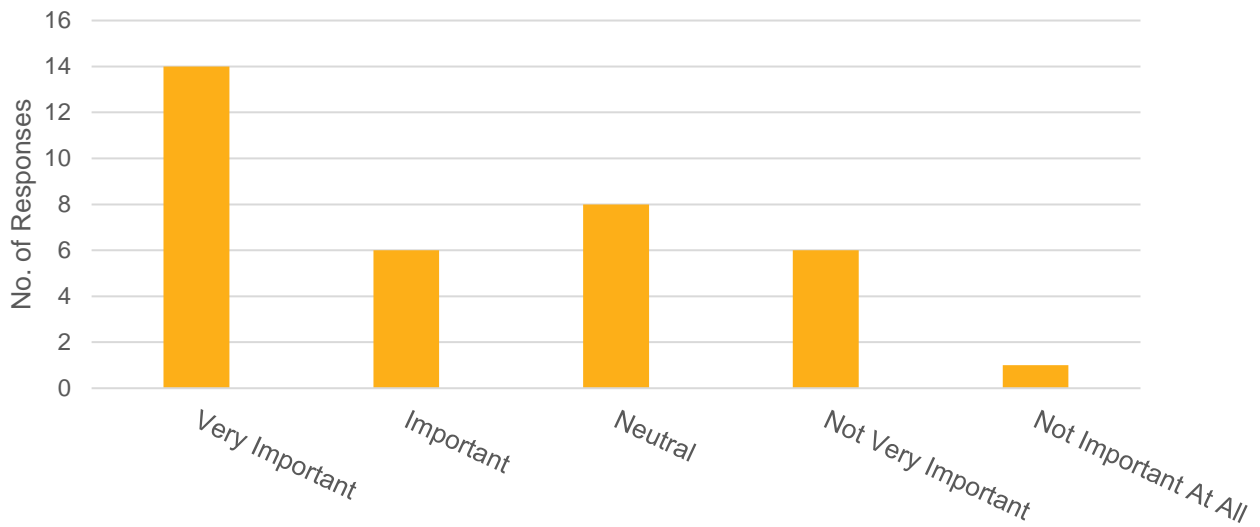
Q: Have there been/are there any existing efforts within your organization to include natural capital within decision making?

A: 71% of survey respondents say that there have been/ are existing efforts within their organization to include natural capital within decision making.

Q: How important is Natural Capital in your organization's Decision-Making processes currently?

A: 57% of companies rate Natural Capital as very important or important in their decision making processes currently.

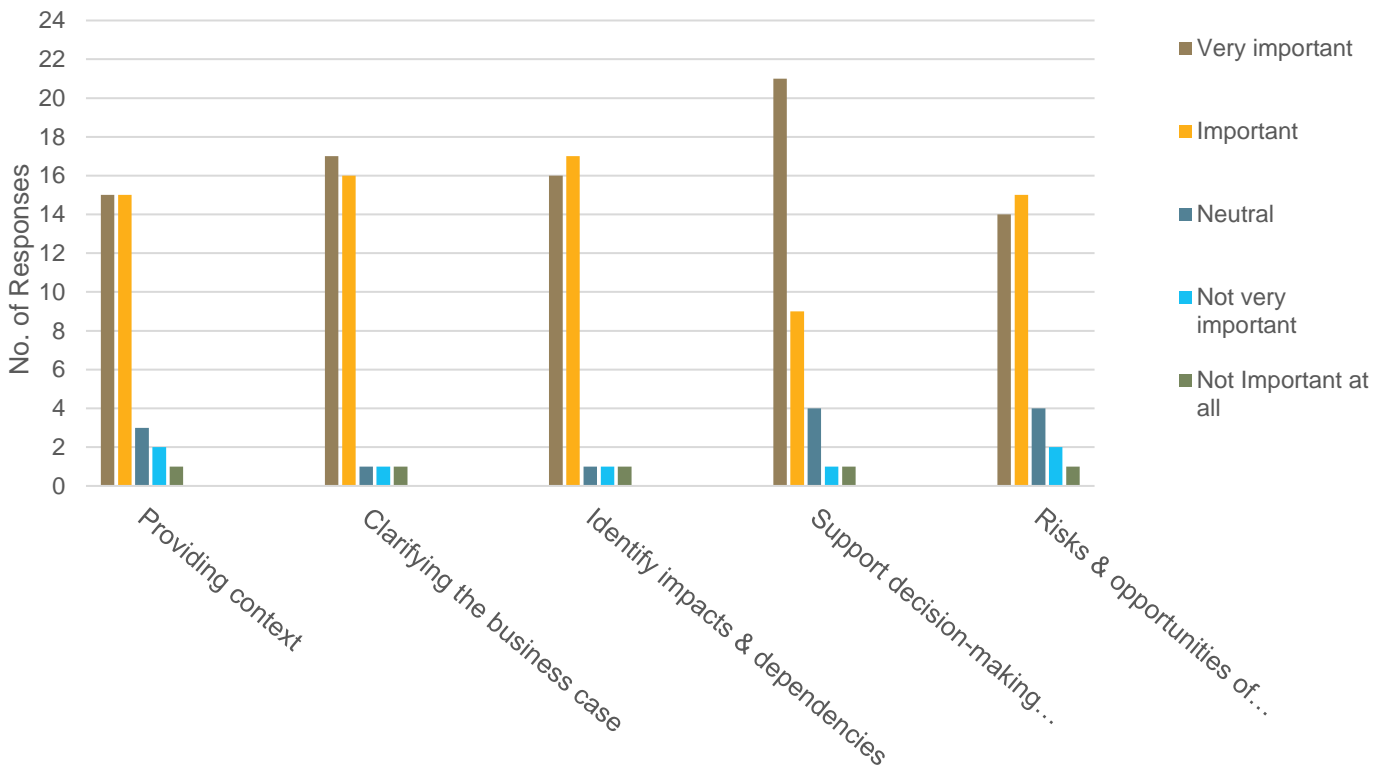
How important is Natural Capital in your organization's decision-making processes currently?



Q: What do you see as the primary contribution(s) of a Forest Products Sector Guide?

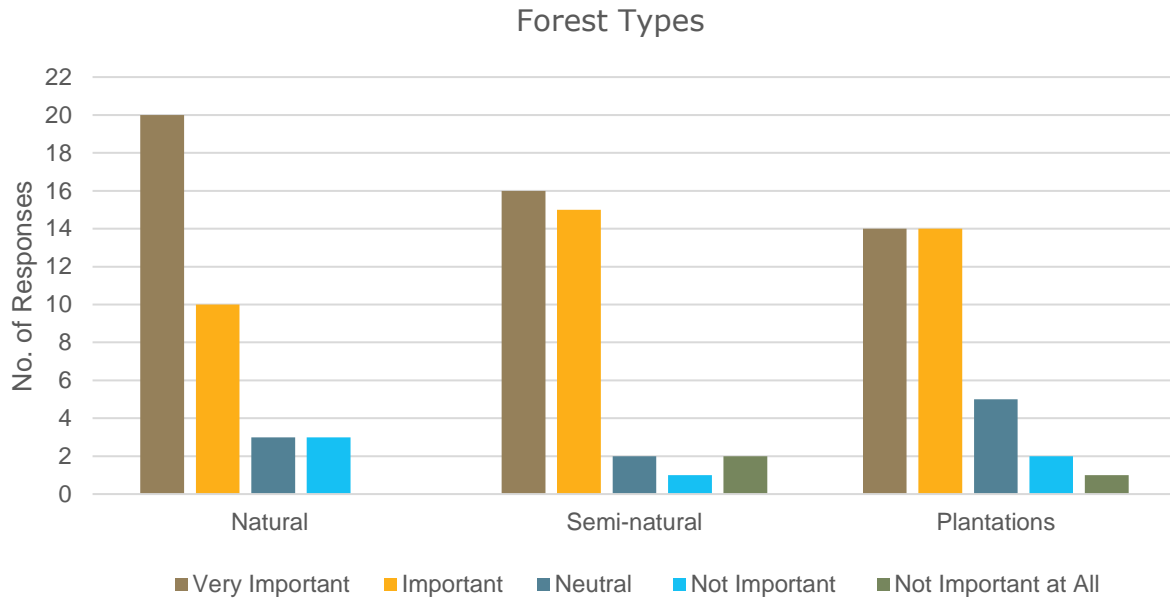
A: Survey respondents rate 'support the integration of natural capital considerations into decision-making processes in a standardised way' as the most important contribution for the Forest Products Sector Guide.

Primary contributions of the Forest Products Sector Guide



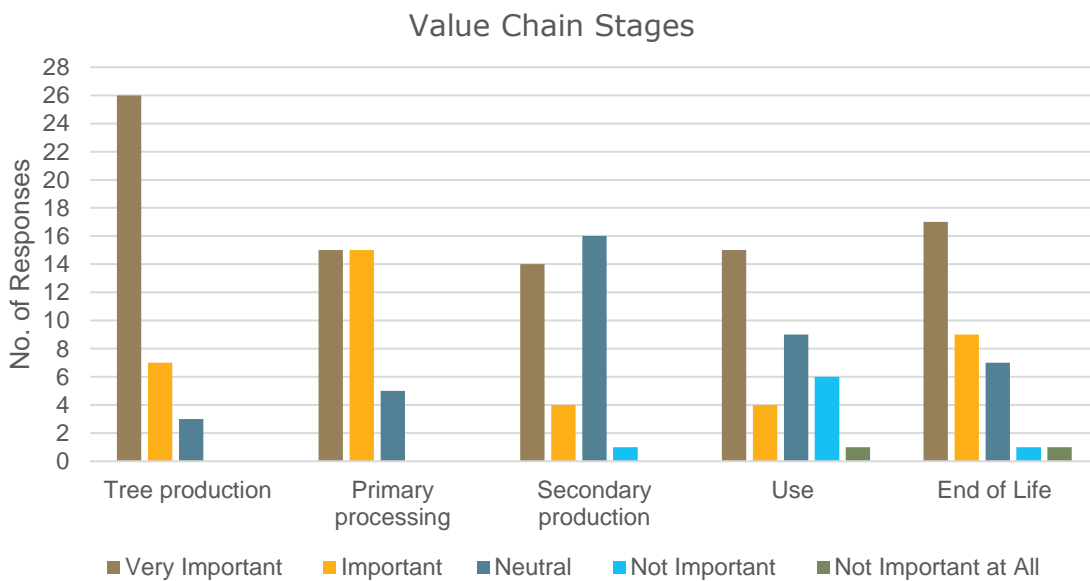
Q: Thinking about how the Guide might be useful to you, and bearing in mind the objectives of the Guide, please value the forest types below on a scale of 'not important at all' to 'very important'.

A: For the forest types, natural forests are rated as most relevant.



Q: Thinking about how the Guide might be useful to you, and bearing in mind the objectives of the Guide, please value the stages of the value chain below on a scale of 'not important at all' to 'very important'.

A: While all production stages are considered relevant, tree production stands out as most important. 55% of companies do not think there are any other forest types or stages of the value chain that should be considered.



Q: Are there any natural capital considerations that are unique to the forest products value chain, or particularly material for the forest products value chain, and therefore need to be clearly addressed?

A: The sector guide should include a broad perspective of the value chain, such as the inclusion of biomass for energy, bio-based products (fungi, hunt, fruits, other products), re-use, and recycling of wood fibre.

The sector guide should also include broad reference to forest products management practices and alternative forest types. For example, different forest types (natural, semi-natural, plantation) and biomes (boreal, tropical etc.) need to be defined closer to the FAO definitions. The guide should also include restoration, averted deforestation, the potential for agro-forestry, and catchment forests.

Q: What do you see as the most important component(s) of this work?

A: While proposed components were highlighted as very important, illustrative hypothetical case studies were not. 72% do not think other components should be considered, while other respondents suggested additional components.

Additional suggestions include:

- Several best cases evaluated by concrete methodologies would be more helpful.
- Examples/ guidance on how to gain internal buy-in, both to signing-up to the Protocol and in implementing it and potentially changing strategies and/ or practices.
- Clarify the role for forest certification in supporting natural capital implementation or valuation.

