



# Minutes

PEFC Council, Geneva Switzerland  
Tuesday 25 Wednesday 26 April 2017

## PEFC Council

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## PEFC Council Board Meeting

### *Present:*

- Peter Latham (Chair)
- Natalie Hufnagl-Jovy (1<sup>st</sup> Vice Chair)
- Sheam Satkuru-Granzella (2<sup>nd</sup> Vice Chair)
- Geneviève Chua
- Joseph Lawson
- Hervé LeBouler
- Juan-Carlos Jintiach
- Riikka Joukio
- Brian Kernohan
- David Ford
- Fermin Olabe Velasco
- Eduardo Rojas y Briaies
- Peter Crook

### *Apologies:*

- Mike Rose

### *In attendance:*

- Ben Gunneberg , PEFC CEO and Secretary General
- Michael Berger, PEFC Deputy Secretary General
- Ms Gill Parker, PEFC Finance Manager - Item 6.1
- Xavier Hafner, Accountant Branded – Item 6.1
- Xavier Noyon, PEFC EU Affairs - Item 4.3
- Ian Ross, Strategy Consultant
- Kit Prins, Nominations Committee – Item 9

## 1. AGENDA

BOD/1/2017 Unanimously agreed :

- To approve the Agenda

## 2. MINUTES OF LAST BOARD MEETING

BOD/2/2017 Unanimously agreed :

- To approve the minutes of the November 2016 Board meeting
- To approve and recommend the draft minutes of the 21<sup>st</sup> PEFC General Assembly held on 16 November 2016 for presentation to members at the 22<sup>nd</sup> General assembly in Helsinki.

## 3. MATTERS ARISING

**Scheme Endorsement – Revised schemes of: PEFC Sweden, PEFC France, PEFC Italy**

- Postal Ballot Re-endorsement of Italy Sweden and France – Mr Hervé Le Boulter absented himself from the meeting whilst this was voted on.
- Ms Joukio reported on the recent visit by herself and the Secretary General to the member and stakeholders in Russia

BOD/3/2017 Unanimously agreed :

- To recommend the endorsement of the revised schemes of PEFC Sweden, PEFC France and PEFC Italy to the PEFC General Assembly for a postal ballot, subject to the resolution of identified minor non-conformities within six months after endorsement.
- To extend PEFC Italy current scheme endorsement by 30 days (June 3, 2017) to ensure continuity of scheme endorsement.

## 4. STRATEGIC DISCUSSIONS

**4.1 Strategy Survey results and PEFC overview of performance towards current strategy**

Mr Ian Ross's presented the survey results and the Board considered the results which were presented to members at the members meeting later that week.

There was a lengthy discussion of the results and the issues raised and in particular the Board wanted it noted that the indigenous people representative Mr Juan Carlos had stressed the need to get the language right to ensure the effective engagement of indigenous peoples in the future work of PEFC.

It was determined that in addition to being regularly informed and inputting into the process as appropriate over the next few months, the Board should set aside a full day at its next meeting dedicated to the PEFC strategy review.

### 4.2 Actions hampering PEFC's expansion

The Chairman and Secretary General presented the discussion paper (Paper 4.2) concerning external factors hampering the rate of expansion of PEFC's work. Following a discussion and review of the situation, the Board made recommendations for the secretariat on the way ahead in addressing this issue.

### 4.3 EU Regulation on Biomass

The Board considered an update paper on the EU regulations on biomass and recommended that PEFC should engage more proactively in development process to improve the regulations by ensuring that PEFC is looking after its customers and members interests.

## 5. OPERATIONAL ITEMS

### 5.1 Secretariat Progress Report 1<sup>st</sup> Quarter 2017

BOD/4/2017 Unanimously agreed:

- To note the 1<sup>st</sup> quarter report (1<sup>st</sup> Jan – 31<sup>st</sup> March 2017).

### 5.2 Review of Board Charter and Board policies

As part of its governance work, the board periodically reviews, and updates its charter and board policies. Some additional clarifications were proposed and the Secretary General was charged to amend the policies accordingly.

BOD/5/2017 Unanimously agreed:

- To approve the revised Board charter and Board policies as amended.
- To provide PEFC members with the draft agenda as information prior to board meetings.

### 5.3 Review of Board Self Assessment

The vice chair (Ms Sheam Satkuru Granzella) reported on the collective results of the self-assessment that the Board members had undertaken. Following discussion, it was deemed expedient by the Board that this exercise be undertaken annually.

### 5.4 Framework for preparing the PEFC Risk Register

The Board regularly reviews the PEFC Council's risks and as part of this considered a proposal to develop and maintain an organisational risk register to assist in this process.

BOD/6/2017 Unanimously agreed:

- To agree the proposed framework for the PEFC risk register as outlined in paper 5.4
- That Board members should provide further advice to the Chairman, Vice Chairs and the CEO on the categories and types of risk that the Board requires to be included for its consideration of a completed draft register at the October 2017 Board meeting.

### 5.5 Financing PEFC Working Group

Following the discussions at the last General Assembly in Bali it was agreed that a working group should be established to consider the issue of financing both the centre and the

members with a view to ensuring sustainable organisations at all levels.

BOD/7/2017 Unanimously agreed:

- To approve the PEFC Financing Working Group Project Proposal, membership and Remit.

### 5.6 Members meeting preparation

The Board noted the timetable and prepared the joint board / members' session in afternoon of Wednesday 26<sup>th</sup> April 2017.

## 6. FINANCE

### 6.1 Balance Sheet as at 31 December 2016 and Profit & Loss account for the period 01-12.2016

Mr Hafner presented the unaudited annual accounts for the year ending 31<sup>st</sup> December 2016 and answered questions by the Board. A final audited set of accounts will be prepared for the Board to consider at its meeting in October

BOD/8/2017 Unanimously agreed:

- To note the draft year end accounts for 31<sup>st</sup> December 2016
- To consider the audited final version at the next meeting of the Board.

### 6.2 Requests for subscription reductions

The Board considered and agreed write offs for 2016, and made recommendations for approval by members at the General Assembly for reductions outlined in Paper 6.2 for the subscription element of the membership fee for the members and potential new members in Ireland, New Zealand, Nepal, Bulgaria, Republic of Congo, South Africa, Ghana, Hungary, Macedonia, and Spain. Members will be informed accordingly.

### 6.3 Update on Membership fees

The Board considered the paper outlining the current state of play concerning outstanding membership fee arrears and noted that all but 9 members had made their allotted payments.

BOD/9/2017 Unanimously agreed:

- To note the current situation regarding membership fee payments and that a first official reminder will be sent to all members in arrears.

## 7. MEMBERSHIP

### 7.1 National Governing Body Application for South Africa, Bulgaria Republic of Congo

- 7.1.1 South African Forestry Assurance Scheme (SAFAS).
- 7.1.2 The Council for Sustainable Forest Management and Certification in Bulgaria.
- 7.1.3 PAFC Congo.

BOD/10/2017 Unanimously agreed:

To recommend to the General Assembly (GA) by postal ballot, the approval of:

- The application of the “South African Forestry Assurance Scheme” (SAFAS) as the PEFC NGB member for South Africa.
- The “Council for Sustainable Forest Management and Certification in Bulgaria” as the PEFC NGB member for Bulgaria
- “PAFC Congo” as the PEFC NGB member for the Republic of Congo.

### 7.1.4 Membership application – Nepal

BOD/11/2017 Unanimously agreed:

- To recommend to the General Assembly (GA) by postal ballot, the approval of the application of “Green Foundation Nepal” as the PEFC NGB member for Nepal once the revised charter has been received and verified by PEFC.

### 7.2 Chairman’s report on recent SFI/PEFC joint Chairs / CEOs meeting.

The Chairman reported on a meeting that he and the Secretary General had had with Craig

Blair, Chairman, and Kathy Abusow, CEO, of SFI.

BOD/12/2017 Agreed (one abstention):

- To recognise that SFI represents 60% of forest certification in Canada and noted SFI’s agreement to contribute to the Canadian subscription fee.

## 8. TECHNICAL ISSUES

### 8.1 Update on Standards Revision Process (presentation by Michael Berger)

Michael Berger presented the work of all the working groups in the standards revision process and highlighted the areas requiring most work and attention. It was noted that not all standards would be ready for the General Assembly in Helsinki in November and that in some cases there were issues which would need the strategic input and guidance of the board before they could be completed. It was determined therefore that the board would find ways and means including conference calls and in person meetings as required to provide the necessary input over the next half year to allow the standards development and revision process to proceed as smoothly as possible.

### 8.2 Scheme Endorsement – Hungarian Forest Certification Scheme (HFCS)

Board members considered the assessor’s report on this first endorsement of the new HFCS.

BOD/13/2017 Unanimously agreed:

- To recommend the endorsement of the HFCS to the General Assembly by postal ballot, with the condition that issues classified by the assessor as minor non-conformities are resolved and verified as such by the PEFC Secretariat within six months after endorsement. .

### 8.3 Scheme Assessment Belarus

The Board considered an application concerning the extension of the current

validity of the Belarussian Forest Certification scheme (BFCS) whilst remaining issues with respect to the revised scheme were addressed

BOD/14/2017 Unanimously agreed:

- To extend the validity of the endorsement of the BFCS by six months until 31st January 2018
- To mandate the PEFC Council Secretariat to actively work with the Republican Association of Forest Certification System (RAFCS) on solving the remaining issues.

#### 8.4 Scheme Endorsement extension – Uruguay Forest Certification Scheme (UFCS)

The Board considered a request to extend the current validity of the endorsement of the UFCS whilst the revision and assessment process of the revised scheme is being completed.

BOD/15/2017 Unanimously agreed:

- To extend the endorsement validity of the UFCS until 28 February 2018.

#### 8.5 Amendment to “Chain of Custody of Forest-Based Products –Guidance for Use” - PEFC GD 2001:2014

The Board considered paper 8.5 outlining the consultation process on an amendment to the guide to add the SFI 2015-2019 Fiber Sourcing Standard as covering all elements of PEFC’s definition of controversial sources allowing it to be accepted as an indicator for negligible risk.

BOD/16/2017 Unanimously agreed:

- To approve the amended PEFC “Chain of Custody of Forest-Based Products – Guidance for Use” (PEFC GD 2001:2014).

### 9. COMMITTEE UPDATES

Branding Working Group - This update was provided to both the Board and members and at the members meeting in the afternoon

Nominations Committee - Mr Kit Prins (member of the PEFC Nominations Committee 2017) provided an update of the work of the committee for the extraordinary nominations undertaken since the last General Assembly to fill vacancies which had occurred due to changes of positions and jobs of two board members, and also the proposals for the normal call for nominations for the board for 2017. Members were briefed on this at the members meeting that afternoon. In addition it was agreed that the nominations committee prepare a report for the Board on challenges and ways to overcome these to ensuring wider geographical stakeholder representation and also more gender balance.

### 10. AOB

There was none

### 11. DATES OF NEXT MEETINGS

- Thursday 5 and Friday 6 October 2017

Signed:

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Peter Latham, Chair

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Ben Gunneberg, CEO & Secretary General