



## FSC-US Proposed Land Sales Policy

Draft v5. December 14, 2009 (following Stakeholder comment period 2)

### Preamble

This policy addresses the sale of forested land included in an active FSC Forest Management (FM) certificate in the United States. This policy is referenced in Indicator 1.6A in the Draft FSC-US Forest Management Standard which states:

***Indicator 1.6.a** The forest owner or manager demonstrates a long-term commitment to adhere to the FSC Principles and Criteria and FSC and FSC-US policies, including the FSC-US Land Sales Policy, and has a publicly available statement of commitment to manage the FMU in conformance with FSC standards and policies.*

FSC-US recognizes that land sales are a central component of some forest management operations, and that in some cases land sales can result in net social and environmental benefits (e.g., through reinvestment and improved management); and that land sales do not categorically result in nonconformance with FSC standards and policies. FSC-US also recognizes that Certificate Holders may sell land without knowledge of its future use and may have no control over its future use. However, given the potential consequences for critical forest values, the appropriateness of individual land sales should be evaluated by considering certain economic, environmental and social impacts resulting from the sale and the actions of the subsequent owners.

### Guidance for Demonstrating Commitment to the FSC Principles and Criteria

FSC FM Certificate Holders engaged in selling forested lands that are in the scope of their FSC certificate must demonstrate compliance with this policy.

In most cases, the sale of forested lands to a third party is not subject to the numeric limitations and requirements in Criterion 6.10 of the Draft FSC-US Forest Management Standard. However, forested land sales that result in an imminent conversion to non-forest land uses or plantations may be considered to represent a lack of commitment to FSC Principles and Criteria (Criterion 1.6). In cases where the FSC FM Certificate Holder possesses specific knowledge of imminent conversion of forested lands planned by a subsequent landowner, the Certificate Holder should subject such land sales to the limitations and requirements of Criterion 6.10.

Concerning the majority of forested land sales, where the Certificate Holder does not possess specific knowledge of the purchaser's intentions for the land, the Certificate Holder must demonstrate adherence to the FSC Principles and Criteria by evaluating such land sales for the following possible economic, environmental and social effects.

### ***Economic Effects***

- FSC FM Certificate Holders have a stated commitment to strive toward economic viability and ensure the investments necessary to maintain the ecological productivity of the forest (e.g., Criterion 5.1). In some cases, land sales may be the most effective way for a Certificate Holder to raise the capital necessary to invest in the remaining certified lands. Additionally, land sales may allow the Certificate Holder to purchase more strategic lands for forest management or to purchase lands of higher conservation value. Sales of land are acceptable when:
  - the revenue generated by the land sales is necessary for or enables effective management of the remaining land within the scope of the FSC FM certificate, and the revenue is reinvested in management of that land (e.g., to pay investors, reduce debt, hire staff, purchase equipment, improve roads), or;
  - the revenue generated by land sales is used to purchase similar, equal, or greater amounts of additional lands, most of which are expected to be enrolled into FSC FM certification, or;
  - the revenue generated by land sales is used to purchase lands of higher conservation value (e.g., HCVF) than the sold land, or;
  - costs for operating/maintaining the land exceed the long-term revenue potential for the land.

### ***Environmental Effects***

- FSC FM Certificate Holders have a stated commitment to establish safeguards to protect threatened and endangered species (Criterion 6.2). Sales of land involving populations of threatened and endangered species and their habitats are acceptable when:
  - there exists a legal obligation on the purchaser to conserve the threatened and endangered species habitat (e.g., conservation easement), or;
  - the purchaser has clear and stated organizational goals for conservation and protection of forests and the land will be maintained or enhanced by the new owner (e.g., a nonprofit environmental organization), or;
  - the purchaser has an FSC FM certificate and land will be enrolled into the FSC-certified lands of the purchaser, or;
  - at a minimum, in cases where the Certificate Holder has exhibited good faith in trying (and failing) to secure conservation-oriented purchasers for the land that contains state or federally-protected threatened and endangered species, the Certificate Holder must convey the presence and locations of these species on the property to the purchasers and to the appropriate government agencies.

- FSC FM Certificate Holders have a stated commitment to maintain or enhance High Conservation Value Forests (Principle 9). Sales of land involving identified HCVF are acceptable when:
  - there exists a legal obligation on the purchaser to provide long-term protection of the HCVF (e.g., conservation easement), or;
  - the purchaser has clear and stated organizational goals for conservation and protection of forests and the HCVF can be demonstrated to be maintained or enhanced by the new owner (e.g., nonprofit environmental organization), or;
  - the purchaser has an FSC FM certificate and the HCVF will be enrolled into the FSC-certified lands of the purchaser as HCVF.

### ***Social Effects***

- FSC Forest Management Certificate Holders have a stated commitment to incorporate evaluations of social impact in their management planning and operations (including planned sales) (Criterion 4.4). Thus, land sales involving areas of exceptional social value are acceptable when:
  - known significant archeological sites and sites of cultural, historical, or community significance are not present on the sold property or are protected by the next owner through legal mechanisms or contractual components of the sale agreement; or
  - at a minimum, in cases where the Certificate Holder has exhibited good faith in trying (and failing) to find socially and culturally oriented purchasers of land that contains significant archeological sites and sites of cultural, historical, or community significance, the Certificate Holder must convey the presence and locations of these sites to the purchasers.
- FSC FM Certificate Holders have a stated commitment to maintain or enhance High Conservation Value Forests. HCVF include social components, and these components (services of nature in critical situations, protection of basic needs and/or cultural identity of local communities) are addressed during land sales as outlined in Environmental Effects (to HCVF) above.

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