2012 Annual General Meeting  
November 21, 2012, Vancouver, BC  
MINUTES draft

Attendees:  
- Bradley Young, National Aboriginal Forestry Association, Aboriginal Peoples Chamber  
- Wade Cachagee, Aboriginal Peoples Chamber  
- Chief Harry St. Denis, Wolf Lake First Nation, Aboriginal Peoples Chamber  
- Chris McDonell, Tembec, Economic Chamber (Co-Chair)  
- Henry Sauvagnat, Cascades Canada Inc., Economic Chamber  
- Dick Kowenhoven, Economic Chamber  
- Chris Henschel, CPAWS, Environmental Chamber (Secretary)  
- John Cathro, Environmental Chamber  
- Karen Tam Wu, Environmental Chamber  
- Valerie Courtios, Social Chamber (Co-Chair)  
- Orrin Quinn, Ecotrust Canada, Social Chamber (Treasurer)  
- Arnold Bercov, Pulp, Paper and Woodworkers of Canada, Social Chamber  
- Jessica Clogg, West Coast Environmental Law, Social Chamber

FSC Staff:  
Francois Dufresne, President, FSC Canada  
Monika Patel, Director of Programs, FSC Canada  
Bryce Denton, Financial Manager, FSC Canada  
Gemma Boetekees, FSC International

CALL TO ORDER

The Co-Chairs (Chris McDonell and Valerie Cortois) of the Board of Directors of the Forest Stewardship Council (FSC) Canada call the 2012 Annual General Meeting to order at 3:20 pm on November 21, 2012 in Vancouver, British Columbia.

The Co-Chair (Chris McDonell) notes that additional motions may be raised by members from the floor during the “Other Business” portion of the Agenda; at which point they will be discussed, and if passed they will serve as information for further action by the Board.

NOTICE, PROXIES AND ADOPTION OF AGENDA

The Secretary confirms that notice of the meeting was served in accordance with the FSC Canada By-laws. The Secretary notes that zero requests for the presentation of motions has been received at the FSC Canada office within the specified period.

The FSC Canada Secretary confirms that all attendees have received a copy of the Agenda. A total of 9 proxies have been received and posted, all of which are held by members in attendance. The Secretary explains the voting process whereby the FSC weighting system applies. Therefore, in any vote,
the Individual member votes shall not make up more than 10% of the total number of votes registered on a chamber-by-chamber basis. Organizational votes shall make up the remaining 90% of the vote in that chamber. In addition, each Chamber will have an equal 25% share of votes.

Members in attendance:

| Aboriginal Peoples | 2 ORGANIZATIONAL | 1 INDIVIDUAL |
| Economic           | 2 ORGANIZATIONAL | 1 INDIVIDUAL |
| Environmental      | 1 ORGANIZATIONAL | 3 INDIVIDUAL |
| Social             | 3 ORGANIZATIONAL | 1 INDIVIDUAL |

Members in attendance by proxy:

| Aboriginal Peoples | 0 ORGANIZATIONAL | 0 INDIVIDUAL |
| Economic           | 6 ORGANIZATIONAL | 1 INDIVIDUAL |
| Environmental      | 4 ORGANIZATIONAL | 1 INDIVIDUAL |
| Social             | 0 ORGANIZATIONAL | 0 INDIVIDUAL |

- **MOTION** to approve the Agenda.
  Moved by: Chris Henschel
  Seconded by: National Aboriginal Forestry Association (Brad Young)
  None opposed. **MOTION PASSED**

**MINUTES OF THE 2011 Annual General Meeting**

The Secretary notes that the draft minutes of the meeting of the 2011 Annual General Meeting, held in Toronto, Ontario on October 5th, 2011 have been posted on the FSC Canada website. No comments on the draft minutes have been received.

- **MOTION** to approve the 2011 AGM Minutes.
  Moved by: Chris Henschel
  Seconded by: Cascades Canada Inc. (Henry Sauvagnat)
  None opposed. **MOTION PASSED**

**CO-CHAIR’S REPORT**

The Co-Chairs draw the membership’s attention to the 2011-2012 Annual Report distributed at the meeting, and notes that it will be made publicly available on the FSC Canada website.

On the heels of the Annual General Meeting in October 2011, the FSC Canada board recognized the need to move purposefully to meet the expectations of members, certified companies and partners. Many shared the observation that while the success of the FSC brand in the marketplace was evident and impressive, there was not an equivalent financial capacity or stability to nurture and grow the organization in Canada. Staff, consultants and the board set to work to address this challenge.

Under the initial leadership of Lorne Johnson President/CEO (interim) and continued by new President/CEO Francois Dufresne, FSC Canada tackled the objective of diversifying its revenue sources. Accessing funding from FSC Canada partners and competing aggressively for a fair share of FSC International Centre (FSC IC) funding were two strategic goals. The Co-Chairs are pleased to be able to report significant accomplishments in the transition towards revenue self-sufficiency and capacity growth. Through two
competitive processes undertaken over several months, FSC Canada was awarded the largest amount granted to a FSC National Office in 2012. We take this outcome as a tangible indication by FSC IC of the leadership role that FSC Canada can play and in the global FSC context going forward.

This funding over the next 12 to 18 months provides the opportunity for FSC Canada to address significant challenges head-on. Key program areas include the planning and implementation of a Forest Management Standard revision process at a national scale, Canadian Controlled Wood risk assessment, development of a strategic partner program and overseeing an efficient and successful FSC certificate transfer process in Quebec. Receiving specific funding to strengthen our Aboriginal programming with First Nation and Métis communities and organizations is an exciting development.

On the second objective of engaging our strategic partners directly, FSC Canada is grateful for the financial support of The Richard Ivey Foundation and many forest product companies across Canada. These contributions are invaluable to our organization as we plan for an expanded service footprint across Canada to meet our member and partner needs.

While addressing the financial future of the organization is an important first step, engaging our members and partners in how FSC can grow in impact and effectiveness, is the next.

**PRESIDENT’S REPORT**

The President welcomes the Members and guests to FSC Canada Annual Meeting and highlights that there are over 52 million hectares of FSC-certified forests in Canada (162 million worldwide) and thousands of products are produced using FSC certified fibre and carrying the FSC trademark, representing the gold standard of sustainable forest management practice.

Currently, FSC operates through a growing network of National Initiatives in more than 50 countries, located throughout the five continents, in the north as well as in the south hemisphere.

One third of FSC certified forests in the world are located here in Canada, making this country a leader in sustainable health and wealth of the forest.

This year has been characterized by some major changes for FSC Canada with the opening of a new office in Montreal and the hiring of the new President.

In order to rebuild, FSC Canada has updated its five year strategic plan focusing on transitioning to a business model that supports core service delivery. This includes an increased presence in Eastern and Western Canada, increase demand for FSC-certified solid wood products and engage First Nations support for FSC.

Globally, FSC passed some exciting milestones as FSC members approved the revised Principles and Criteria and the development of the new international Generic Indicators which will serve as the basis for all FSC Standards, including Canada’s Forest Management Standards.

These milestones mark the beginning of an important next phase in FSC’s work. In parallel to the revision, FSC Canada will engage stakeholders in revising and aligning the Forest Management Standards with the new Principles & Criteria and has also embarked in developing a National Controlled Wood Risk Assessment.
FSC Canada is uniquely valued within the global FSC supply chain resulting in a growing supply of visible FSC products in the marketplace. The President thanks FSC Canada’s Members and stakeholders for their support.

TREASURER’S REPORT

The Treasurer (Orrin Quinn) presents the financial report of the organization.

The audited financial statement has been finalized and the revenue and a summary of expenses for the organization have been presented on the last page of the Annual Report (2011-2012). During the past fiscal year, FSC Canada’s total revenues were $485,678 against total expenses of $285,370, with a deficit of $200,308.

The Treasurer formally acknowledges the following financial supporters: Alberta Pacific Forest Industries, Cascades Canada Inc., Domtar Inc., Eastern Ontario Model Forest, FSC A.C., Kruger Forest Products, Resolute Forest Products, The Ivey Foundation, and Tembec Inc., as they have been instrumental in ensuring the continued operation and success of FSC Canada.

- **MOTION** to approve the 2011-2012 Audited Financial Report.
  Moved by: Ecotrust Canada (Orrin Quinn)
  Seconded by: CPAWS (Chris Henschel)
  Non Opposed. MOTION PASSED

RESOLUTIONS

The Co-Chair (Chris McDonell) notes that there haven’t been any requests for the presentation of RESOLUTIONS has been received at the FSC Canada office within the specified period. Additional motions may be raised from the floor during the “Other Business” portion of the Agenda.

ELECTION OF DIRECTORS

The Secretary (Chris Henschel) states that, as per FSC Canada by-laws, the Board of Directors is made up of eight individuals, with two representatives from each of the four Chambers (Aboriginal Peoples, Economic, Environmental, Social). While Board members are typically elected for a two-year term (with half of the Board seats up for election each year), due to the extension of terms in 2010 and the expiration of 2011 terms for existing Directors, exceptionally during the 2011 elections there were eight vacancies.

In order for the Board terms to be re-aligned so that half the Board is up for re-election each year, during the 2011 election process Board members elected within a Chamber were elected for either a 3-year or a 2-year term. The Board member that received the most votes in their Chamber was elected for a 3-year term and the Board member that received the second most votes in their Chamber was elected for a 2-year term. If there is a tie within a Chamber, the term for those members was decided by the Board of Directors.

Those directors listed first (per chamber) will be in place for a three-year term, the other director for a two-year term.
ABORIGINAL PEOPLES Chamber
Bradley Young, National Aboriginal Forestry Association (NAFA)
Wade Cachagee

ECONOMIC Chamber
Chris McDonell, Tembec Inc. (Co-Chair)
Henry Sauvagnat, Cascades Inc.

ENVIRONMENTAL Chamber
Chris Henschel, Canadian Parks and Wilderness Society (CPAWS) (Secretary)
John Cathro

SOCIAL Chamber
Valerie Courtois (Co-Chair)
Orrin Quinn, Ecotrust Canada (Treasurer)

The Secretary welcomes members to ask questions or provide comments on the election process or results. None received.

OTHER BUSINESS

The Co-Chair (Chris McDonell) invites members to introduce other business or other issues or items of information for consideration by the Board.

Presentation from FSC International
Gemma Boetekees from FSC International Provided an update to the FSC membership on the on going developments at FSC.

Forest Management Standard Revision
In an effort to create a stable and broadly supported Standard Revision Process, FSC Canada launched an online survey (September 14, 2012) for stakeholders to share their thoughts on the design of the standards revision process.

Based on the survey results, the FSC Canada Board of Directors will move to approve a strategic approach for the FSC Canada Standards Revision Process. Prior to the approval, the Board of Directors plan to discuss the proposed motion at the 2012 Annual General Meeting.

The Proposed Motion was developed by the FSC Canada Standards Board Committee and staff. The Motion was informed by input collected from a Standards Revision Process Survey (closing October 9, 2012). The FSC Canada Board of Directors (BoD) will vote on the below Motion following the FSC Canada AGM on November 21, 2012. FSC Canada Directors welcome comments on the Proposed Motion.
Motion:
The strategic approach of FSC Canada’s Standards Revision Process will proceed as follows:

1. **FSC Canada will establish national common indicators that will be applied in all regions.** FSC Canada will assess the similarities and differences between regional standards with the goal of developing national common indicators.

2. **FSC Canada will identify and develop region specific indicators.** FSC Canada understands that ecological and social differences in a region may justify the development of region specific indicators for some criteria. Taking into account feedback from the Standards Development Group and Regional Standards Groups, FSC Canada will develop and approve criteria used to determine circumstances when region specific indicators should be developed.

3. **FSC Canada will develop one National Standard.** One National Standard that includes national common indicators and region specific indicators, where warranted, will replace existing regional standards.

4. **FSC Canada will support and encourage meaningful national and regional participation.** FSC Canada understands that chamber balance and regional representation is required to ensure the development of National Standards

- Members voice their concern that the harmonized standard will become less stringent than the current regional standards.
- The Presenter clarifies that the intention behind the harmonized process will include regional variations and aims to maintain FSC’s high standards and credibility.
- Members express concern that without regional specific standards and regional working groups, stakeholders may lose the sense of ownership and engagement in the standards development process.
- The presenter notes that an engagement/participation process will be developed to ensure that all regional perspectives are heard.

**NEXT MEETING**

The Co-Chair confirms that next year’s AGM will be held at a time and place to be decided by the Board and announced to members as per the By-laws.

**ADJOURNMENT**

With no further business, the Co-Chair declares the 2012 AGM adjourned at 5:00 pm.