CLIMATE FORESTRY

FOREST MANAGEMENT PLANNING
CERTIFICATION, LEGALITY ASSURANCE
FINANCIAL STRATEGY, CAPITAL RAISING
INTERNATIONAL CONVENTIONS

20 December 2021

CFL-017-003c

**ALLIANCE FOR RESPONSIBLE FOREST MANAGEMENT:
ORDINARY- AND SUPPORTER- MEMBER REQUEST**

The *Alliance for Responsible Forest Management (ARFM)* is a new international not-for-profit non-governmental organisation with the goal to accelerate the implementation of responsible forest management across the tropical world. The aim is to accelerate the implementation of responsible forest management across the tropical world by applying over 30 years of peer-reviewed research and applied knowledge to create an effective knowledge management system, integrating **regionally-appropriate best practice manuals,** classroom-based (virtual and/or in-person), and on-site practical training in **regional training centres** in Africa, Asia-Pacific and Latin America. The ARFM will train practitioners, Certification Bodies, auditors, government agencies and private sector forest organisations on best management practices in responsible forestry and contribute to reducing greenhouse gas emissions from entering the atmosphere from the forest sector. All efforts will be undertaken to develop the necessary capacity to remove the current barriers to practicing responsible forest management.

The Rationale for a New Organisation

- **Global forests are critical to the Earth's environmental health** - The Earth's forests host a large portion of natural ecosystems, containing a vast diversity of habitats with unique compositions of increasingly threatened flora and fauna. In addition, their carbon absorption and storage functions contribute to global climate stabilisation.

- **Deforestation will continue if action is not taken** - Despite all efforts in forest conservation global losses in forest cover have occurred at the rate of about 5.2 million hectares (ha) per annum over the 2000-2010 period. The rate of forest loss over the last three decades since 1990 has accumulated to an incredible 178 million ha or 5.9 million ha per annum.

- **The number of countries in support of forestry protection is growing** - International Conventions, agreements and resulting national forest policies of most nations recognise and support the need for forest conservation and responsible management for environmental conservation, community livelihood and sustainability.

- **Certification organisations can ensure forests are protected without eliminating the demand for timber products** - Since the establishment of Forest Stewardship Council (1994) and the Programme for the Endorsement of Forest Certification (PEFC) (1999), 533 million ha has been certified, representing 13% of the estimated 4 billion ha of the world's forests. With approximately 200 million ha tropical forests globally designated for commercial production, only 30 million are certified, indicating **170 million ha, or 85% of commercial tropical forests are without employing responsible forest management standards**, and at harvesting rates frequently beyond sustainable levels.

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Defining Best Management Practices

The ARFM aims to integrate previous work into a series of regionally specific best-practice manuals addressing core elements of forest sustainability. Wherever possible, the documents shall incorporate quantifiable research metrics to integrate statistical analyses and gap identification, enabling a constant improvement of practices over-time. All manuals will be translated into in major languages used in each region and in the field, i.e., Bahasa Indonesia, Bahasa Melayu, English, French, Mandarin, Portuguese and Spanish. Manuals shall be updated every 5 years to incorporate changes in policies, regulatory framework, technologies, and practices to ensure they effectively quantify indicators to analyse best management practices and are supportive to users.

Training and Outreach

The ARFM shall offer objective and structured technical training for managers, practitioners, Certification Bodies (CBs), and forest auditors. Training will consist of both theory and practical components, with theoretical aspects administered through either virtual or in-person participation, and practical in the field. Training and outreach will be administered on-site **at a specific forest area,** when a licensee requests ARFM to travel to their concession to provide licensee-specific training; and, at a **Regional Headquarters and Regional Training Centre**, where ARFM will coordinate ~20 participants at a time to learn from each other in a formal, international setting.
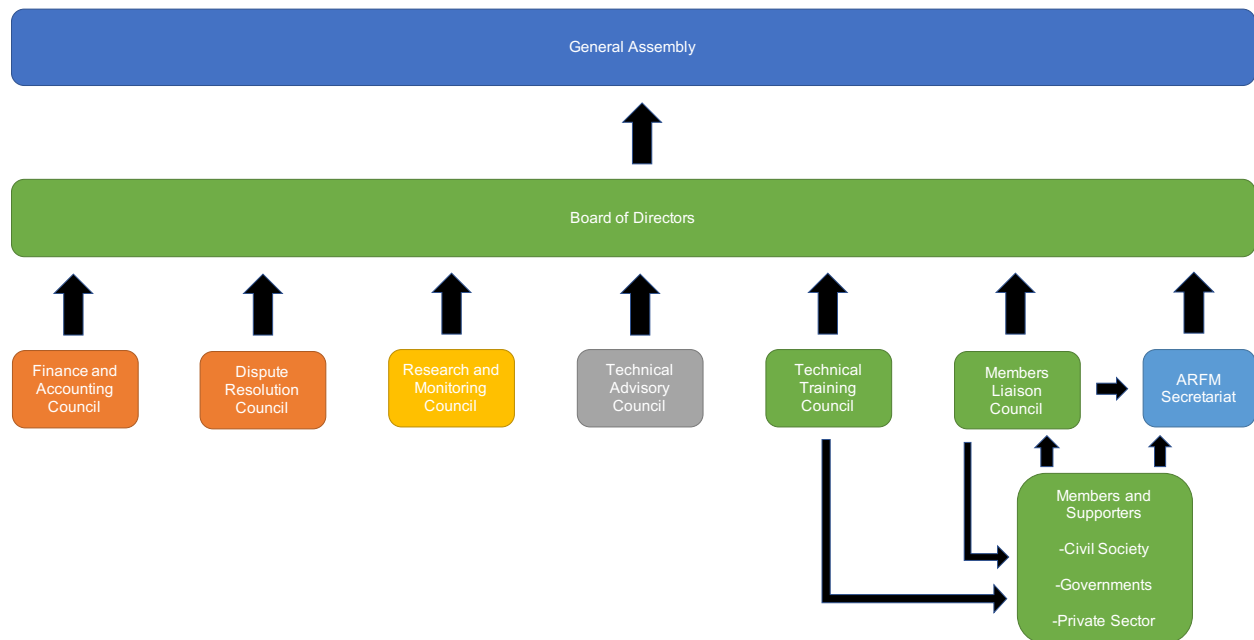
Overview and duration of training modules.

Module	Description	Duration (days)
A	Responsible forestry, conventions, agreements, and policies	3
B	Stakeholders in forestry and environment	3
C	Forest management planning	8
D	Forest operations	15
E	Forest monitoring, auditing and evaluation	3
F	Forestry technologies, systems, and tools	3
Total		**35**

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Organisational Structure

The structure of the ARFM will consist of a Members and Supporters model, with the aim of using a General Assembly for reporting and decision making at the highest level. The core of the work will be facilitated through a dedicated Secretariat, and various Councils will be formed to support the Organisation. Statutes and other regulatory requirements shall be drawn-up once the formal formation of ARFM begins. Members are defined as those paying to participate in the General Assembly and vote on various issues, i.e., forest licensees, NGOs, practitioners, etc. Supporters are defined as those that wish to support ARFM without voting rights, i.e., downstream wood manufacturing, distribution companies, consumers, individuals, etc. Members and Supporters are divided into non-profit and for-profit categories and defined by the Gross National Income of the country where they are resident, using World Bank groupings.

Draft Organisation Chart of the Alliance for Responsible Forest Management.

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Income Generation and Financial Projections

The majority of the income is expected to be generated from training courses. As a first step, ARFM shall request CBs accredited to FSC/PEFC to undergo training to improve their capacity in identifying critical issues in certified concessions. The threshold to recommend a certified company for training will be decided by the Technical Advisory Panel/Board, in conjunction with FSC/PEFC. Initial costs are related to the registration, technical review and development of the best practice manuals, conducting the international stakeholder review, opening Regional Training Centres and communication. The ARFM aims to secure at least five Members, each willing to grant ≥ USD 150,000 in seed funding. All current projections are based on a set of assumptions and may require adjustment upon refinement.

Item	2022	2023	2024	2025	2026
Benefit					
Anchor Member grants	450,000	150,000	150,000	0	0
Members	48,325	45,200	28,025	11,000	5,325
Supporters	1,450	3,400	4,200	2,300	2,450
Training	0	260,000	660,000	1,170,000	1,430,000
Sub-total	*499,775*	*458,600*	*842,225*	*1,183,300*	*1,437,775*
Costs					
Headquarters and office	100,300	436,500	434,500	434,500	434,500
Development of Best-Practice Manual and training modules	251,000	10,000	0	0	0
Training	0	182,640	426,600	751,880	894,520
Sub-total	*351,300*	*629,140*	*861,100*	*1,186,380*	*1,329,020*
Net revenue before tax	**148,475**	**(170,540)**	**(18,875)**	**(3,080)**	**108,775**

Engaging with the Alliance for Responsible Forest Management:

Many organisations in the forest sector work independently of each other, i.e., forest restoration organisations are not engaged in commercial timber harvesting, and vice-versa. The ARFM can bridge this by integrating essential theory and practice on holistic approaches into the best practice manuals to ensure responsibility and sustainability are integrated into the curriculum. Regionally applicable, the ARFM will integrate aspects such as forest restoration, community integration, agro-forestry and other key components to ensure commercial operators understand, value and implement responsible forest management.

By supporting best practice and knowledge sharing, all organisations regardless of industry, can 'make a difference' in the implementation of responsible forest management. The ARFM is engaging with several organisations that are not 'perfectly' aligned per se, rather they understand that education and training are fundamental to bring about change and positive impacts in the day-to-day management of our forest resources, as well as reducing emissions into the atmosphere. This arrangement allows them to support commercial forestry without having to change their business model.

The ARFM Membership

The ARFM has two Membership types:

Ordinary Members   Annual membership with voting rights in the General Assembly.

The ARFM welcomes Ordinary Members interested to provide grant monies to help develop the ARFM, each with a financial contribution of ≥ USD 150,000.

Supporting Members Annual membership without voting rights in the General Assembly.

Category	Annual turnover (USD million)	Annual fee based on country of residence income category (USD)			
		Low	Low-middle	Upper-middle	High
Non-profit Member					
Very large	>100	1,200	2,400	3,600	4,800
Large	25-100	600	1,200	1,800	2,400
Medium	5-25	300	600	900	1,200
Small	1-5	150	300	450	600
Micro	< 1	75	150	225	300
For-profit Member					
Very large	>100	3,200	6,400	9,600	12,800
Large	25-100	1,600	3,200	4,800	6,400
Medium	5-25	800	1,600	2,400	3,200
Small	1-5	400	800	1,200	1,600
Micro	< 1	200	400	600	800
Supporters					
Government	N.A.	150	200	250	300
NGO	N.A.				
Private company	N.A.				
Individual	N.A.				

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Call to Action

- Promote the implementation of regional-specific best practice manuals based on over 30 years of peer-reviewed research and applied knowledge in commercial tropical forest management.

- Foster holistic, continuous, and responsible forest management on the ground by capturing proven, localised best practice approaches for all types and scales of commercial forestry.

- Provide forestry education to the private, civil, and public sectors, which includes multidisciplinary topics and holistic management of forests, including sustainable yield, forest restoration and conservation, community forestry and rights-based approaches, and forest management at the landscape level.

- Support continuing education and extension training to practitioners, Certification Bodies, auditors, government agencies and private sector forest organisations, including upper management and Directorship.

- Nurture stakeholder engagement and partnerships through the dissemination of information, facilitating networking and fostering collaborative action amongst stakeholders and communities.

- Support international environmental Conventions, Agreements, and commitments through education and training, including the recent decisions at COP 26 to halt and reverse deforestation by 2030, and safeguard biological diversity in tropical forests.

Next steps

We need your support to develop the ARFM into a global forest education initiative. Please take the time to **review the attached Membership Application** to consider how to engage with the ARFM and support the implementation of responsible forest management across the tropical world. Kindly write to us at the following and advise a suitable day and time to discuss how you can support the development of the ARFM (info@climateforestry.com).

Sincerely

CLIMATE FORESTRY LIMITED

Dr Michael Galante

Director