

## **Terms of Reference of the SBP Stakeholder Committee**

(Approved by the SBP Board day/month/year)

### **1 Introduction**

1.1 The terms of reference (ToR) set herein provide a process in addition to the Articles of Association (AoA) to which each of the Stakeholder Committee members (SC members) hereby agree in relation to the operation of the Stakeholder Committee (the Committee) of the Sustainable Biomass Program (SBP).

### **2 Objectives**

2.1 The Committee is a representation of SBP stakeholders.

2.2 The role of the Committee is to make decisions concerning certification system standard setting and to provide a wide range of views, advice, recommendations and options from a variety of informed perspectives about the operations of SBP in pursuit of its mission to the Board of Directors (Board) and other SBP committees as set by the Directors and according to these ToR.

2.3 The Committee's members reflect diverse experiences, geographies and interests in relation to the work of the SBP. The Committee is comprised of two (2) Stakeholder Groups (being Public Interest and Commercial Interest) each with a Co-Chair. The Co-Chairs jointly lead the Committee.

### **3 Mandate**

3.1 The Committee's main functions are:

3.1.1 to make decisions on and approve new and amended SBP certification system standards;

3.1.2 to provide views, advice, recommendations and informed opinions to the Board on the SBP standards and their implementation and application through the program;

3.1.3 to review and provide advice and guidance on SBP's processes and tools including the SBP standards, process and consultation documents and procedures;

3.1.4 to contribute to the ongoing development of the SBP standards by providing advice on best practice;

3.1.5 to provide strategic and tactical advice on other functions of the organisation;

3.1.6 to provide advice and views on existing and emerging issues which may affect the ability of the SBP to implement the program and achieve its strategic goals;

- 3.1.7 to bring new issues that may affect the program's ability to achieve its mission to the attention of the SBP for consideration;
- 3.1.8 to propose topics for the establishment of subject-related SBP working groups and working group membership composition;
- 3.1.9 to review and provide advice and guidance on the work and output from SBP working groups; and
- 3.1.10 to address and give views on specific matters on which the Board, the Technical Committee or the CEO requests advice.

#### 4 **Composition**

- 4.1 The Committee comprises of a maximum of ten (10) SC members.
- 4.2 There shall be two (2) Stakeholder Groups within the Committee, each with up to five (5) SC members.
- 4.3 The commercial interest group shall be made up of representatives from, for example forest owners / managers, biomass producers / traders, biomass end-users, associations and other relevant commercial interest groups.
- 4.4 The public interest group shall be made up of representatives from, for example science, social NGOs, unions, environmental / conservation NGOs and other relevant public interest groups.
- 4.5 SC membership should seek to ensure a representative balance from across regional geographies.

#### 5 **Co-Chairs**

- 5.1 Each of the Stakeholder Groups shall nominate one (1) Co-Chair from amongst their number, following an open call for nominations and a formal vote by SC members of that Stakeholder Group. Nominations shall be endorsed by the Board prior to appointment.
- 5.2 SC members must be notified at least one (1) month in advance of the formal consideration of appointment or re-appointment of a Co-Chair. Formal nominations for the position of Co-Chair should be submitted to the Committee Manager at least one (1) week in advance of the meeting at which consideration of the appointment or re-appointment of a Co-Chair is made.
- 5.3 A Co-Chair shall be appointed by a simple majority of the votes of a Stakeholder Group, either at a duly convened meeting of the Committee or conducted electronically as needed.
- 5.4 Co-Chairs shall be appointed for an initial period of two (2) years, serving on a staggered basis. The initial Co-Chair of the Commercial Interest Group serves for one (1) year first. On the termination of the period of office of one (1) Co-Chair each year, the respective Stakeholder Group shall appoint a new Co-Chair such that at all times there are two (2) Co-Chairs.

- 5.5 Upon expiration of this term, the Co-Chair shall be required to seek formal re-election from the Committee if s/he wishes to be reappointed, subject to the provisions on SC membership such that each SC member may serve a maximum of two (2) consecutive two (2) year terms, upon conclusion of which they may not serve on the Committee for at least one (1) year.
- 5.6 Upon vacancy of the position of a Co-Chair, a replacement shall be nominated in accordance with these ToR.
- 5.7 The Co-Chairs shall lead the Committee and shall engage SC members on issues arising for Board, Technical Committee and CEO consideration. The Committee may also submit views directly to the Board and the Board must consider them.
- 5.8 The Co-Chairs shall be responsible for chairing meetings of the Committee and reporting to the Board on the work of the Committee.

## 6 **SC members Role**

- 6.1 SC members shall be invited as individual expert advisers, nominated in a personal capacity (the individual is appointed to represent an interest group, for example end-users, producers and not the employer of the person) and chosen for their knowledge, integrity, expertise and basic support for SBP's objective.

## 7 **SC members Nominations**

- 7.1 New SC members to the Committee shall be selected through a nominations procedure that shall be directed and managed by the Co-Chairs. The Co-Chairs shall establish a nominations committee consisting of a group of SC members and the Co-Chairs.
- 7.2 From time to time as needed to maintain and renew the Committee, the nominations committee shall solicit nominations from among current SC members, and may also receive nominations from other places, including the Board, the Technical Committee, the CEO and other stakeholders. The nominations committee shall ask relevant biomass producer associations to nominate candidates for appointment as a SC member to represent biomass producers in the commercial interest group.
- 7.3 Nominations for re-appointment shall be reviewed with regards to performance of SC members in terms of attendance at meetings and involvement in the business of the Committee between meetings, and shall require a positive affirmation from the SC member about their willingness and interest in continuing to serve.

## 8 **SC members Appointment and Term**

- 8.1 Candidates for appointment as a SC member are identified by a nominations committee and appointed by the acting Committee.
- 8.2 The candidate(s) shall be appointed by a simple majority of the votes, with a minimum requirement that at least one (1) SC member from each of the two (2) Stakeholder Groups is in favour, at a duly convened meeting of the Committee, except that where a Stakeholder Group has two (2) or less SC members then an appointment of an additional

SC member to that Stakeholder Group may be made by the simple majority of SC members representing that Stakeholder Group.

8.3 If more candidates are nominated for appointment and/or offer themselves for re-appointment than there are member vacancies and the SC members are unable to reach agreement by applying the voting procedure on which candidates shall be appointed and/or re-appointed the procedure for appointing and/or re appointing such SC members shall be as follows:

8.3.1 if the voting is to be for the appointment of one (1) SC member only from more than one (1) candidate, the voting procedure to be used shall be Instant Runoff Voting;

8.3.2 if the voting is to be for the appointment than there are SC member vacancies of more than one (1) SC member from more candidates than there are SC member vacancies, the voting procedure to be used will be the Single Transferable Vote;

8.3.3 the Instant Runoff Voting procedure and the Single Transferable Vote procedure shall be applied substantially in accordance with the appropriate rules for such procedures published from time to time by the Center for Voting and Democracy which is a non-profit organisation located in Maryland, USA. If the Center for Voting and Democracy shall cease to publish rules for the required voting procedures referred to above, the Co-Chairs shall be entitled to adopt substantially similar voting procedures published by a different entity, which is qualified in such matters and of good reputation. The Co-Chairs shall, in consultation with the CEO, prepare and distribute to all SC members and candidates for appointment as SC members a definitive set of rules for any particular occasion when one (1) or more SC members are to be appointed by one (1) or other of the above procedures, and such rules shall be binding on all parties. The Co-Chairs shall be entitled to appoint, if they deem necessary, a suitably qualified organisation/expert to oversee, manage, operate, count, and announce the outcome of the voting on any particular occasion.

8.4 No person shall be appointed as a SC member:

8.4.1 unless s/he has attained the age of eighteen years;

8.4.2 if his/her appointment would cause the number of SC members to exceed any number defined as the maximum number of SC members in the AoA and/or these ToR (both in total and per Stakeholder Group).

8.5 No person shall be appointed or reappointed a SC member unless s/he has executed an appointment letter addressed to the Co-Chairs stating that he/she is willing to be appointed or re-appointed as a SC member, will comply with these ToR and applicable policies of SBP and applying to become a SC member.

8.6 For each Stakeholder Group, three (3) SC members shall initially be appointed for a two (2) year term and two (2) SC members shall be initially appointed for a one (1) year term. After that all appointments shall be for two (2) years and SC members are eligible for re-

appointment for a subsequent period of two (2) years, upon conclusion of which they may not serve on the Committee for at least one (1) year.

8.7 Prior to appointment, all potential SC members shall advise the Co-Chairs of any potential conflicts of interest including those of a commercial nature.

8.8 SC members shall not appoint alternates.

8.9 SC members shall not be a member of the Board or a member of the SBP Technical committee.

## 9 **SC members Removal**

9.1 A SC member may be removed by the Co-Chairs of the Committee or by the Board for any of the following reasons:

9.1.1 s/he becomes incapable by reason of mental disorder, illness or injury of managing and administering his/her own affairs;

9.1.2 s/he resigns his/her office by notice to the Co-Chairs;

9.1.3 s/he is absent without permission of the responsible stakeholder group Co-Chair from more than one (1) in-person meeting of the Committee;

9.1.4 s/he, through a change in employment or other, no longer falls within one (1) of the qualifying categories within a Stakeholder Group;

9.1.5 s/he takes up employment with the SBP, an accreditation body or a certification body or becomes a Director/ Board member or a member of the Technical Committee; or;

9.1.6 failure to perform (or likely failure based on reasonable evidence) as a SC member or due to a conflict of interest that is antagonistic to the interests of the SBP, or to a violation of the confidentiality rules.

9.1.7 s/he is involved in the establishment or management or promotion of a competing certification system to SBP.

## 10 **Representing SBP**

10.1 Members of the Committee shall not, unless expressly authorised by SBP, represent SBP to external stakeholders. All representation of SBP to external stakeholders is the responsibility of the Chair of the Board, the CEO and the SBP Secretariat.

## 11 **Commitment of Committee Members**

11.1 All SC members are required to work openly and constructively in furthering the aims of SBP.

11.2 The Committee shall work with the Chair to establish guidelines and materials enabling clear and consistent communications regarding SBP, as well as to position SBP in the public domain.

11.3 Committee members are required to ensure that any external communications conform with guidelines so established.

## 12 **Scope of Meetings**

12.1 The Committee shall select relevant issues and topics for its focus and discussion in pursuit of its objectives. The Co-Chair shall consult with the SBP Board, SBP Technical Committee and the SBP Secretariat to also suggest topics for the Committee's consideration.

12.2 Only SC members have the right to attend Committee meetings. The Chair of the Board and the CEO shall be invited to attend for all or part of any meeting as considered appropriate, but have no right to vote. Others such as the Chair(s) of any working groups, committees, advisory bodies or similar may be invited to attend for all or part of any meeting, as and when appropriate.

## 13 **Frequency of Meetings**

13.1 The Committee shall meet three (3) times a year. The Co-Chairs, in consultation with the SC members shall set meeting dates at least twelve (12) months in advance. If circumstances require it, additional or virtual meetings of the Committee may be called by the Co-Chairs.

## 14 **Observers & Experts**

14.1 At the Co-Chair's discretion and following notification to the Committee, technical experts or others who can help take forward the work of the Committee may be invited to attend meetings as non-voting, participating observers.

14.2 Requests for observer status must be submitted at least two (2) weeks prior to the meeting to the Co-Chairs.

14.3 Observers shall be provided specified opportunities to make statements in the meetings.

14.4 Observers shall not participate in the discussion otherwise unless expressly invited to do so by the Co-Chairs.

14.5 Permanent observer status may be granted to particular organizations or individuals with an on-going interest in the work of the SBP, such as representatives of accreditation and certification bodies. Permanent observer status must be requested in writing and may be revoked by the Co-Chairs.

## 15 **Meeting Management**

15.1 The Co-Chairs shall determine the agenda for meetings after inviting input at least two (2) weeks before the agenda is finalised. The Co-Chairs shall co-ordinate but not censor topics they receive. The Co-Chairs will also consult with the Chair of the Board, the Chair of the Technical Committee and the CEO for agenda topics from which they desire Committee input.

15.2 Any SC member may have any matter which is relevant to the function of the Committee as set out herein for discussion at the meeting. This must be by notice to the Co-Chairs,

and must be received at least twenty-one (21) days prior to the date on which the meeting of the Committee is to be held. The Co-Chairs may in his/her absolute discretion determine whether a matter so notified to him/her is relevant.

- 15.3 No business shall be discussed at any formal meeting of Committee unless a quorum is present. Six (6) SC members (including at least one (1) from each Stakeholder Group) shall constitute a quorum.
- 15.4 Any issue may be determined by a simple majority of the votes cast at a meeting, with a minimum requirement, that at least one (1) SC member from each Stakeholder Group is in favour.
- 15.5 If neither of the Co-Chairs is present within fifteen (15) minutes after the time elected for holding the formal meeting, any other SC member selected by a majority of SC members present may serve as temporary Chair.
- 15.6 Communication from SC members between meetings should be directed to the relevant Co-Chair, who will then in consultation with the other Co-Chair, determine how best to approach the issue. All communication to the CEO concerning Committee issues should therefore be directed to the relevant Co-Chair, who will then deal directly with the relevant persons to address the issue.
- 15.7 Meetings of the Committee shall be summoned by the SBP Secretariat at the request of the Co-Chairs.
- 15.8 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each SC member no later than five (5) working days before the date of the meeting. Supporting papers shall be sent to SC members and to other attendees as appropriate, at the same time. Agendas shall identify agenda items, responsibilities, indicative timings and shall cross-reference to supporting papers, where appropriate.
- 15.9 The Co-Chairs shall ensure that minutes are taken of proceedings and decisions of all meetings, including the names of those present and in attendance.
- 15.10 Draft minutes of meeting shall be made available to the Co-Chairs for approval. Following approval, the draft minutes of meeting shall be circulated promptly to all SC members and approved at the next Committee meeting. If any SC member disagrees with the content of the minutes of the meeting the concern must be communicated to all SC members by email. However, once circulated, minutes of the meeting may only be amended by consensus agreement at the next meeting of the Committee.

## 16 **Honorarium, travel and subsistence expenses**

- 16.1 SC members are not eligible for an honorarium of any kind.
- 16.2 SC members are eligible for reimbursement of reasonable travel and subsistence expenses according to SBP's travel policy.
- 16.3 Invited guests and experts can be eligible for honorarium on a case to case basis and are eligible for reasonable travel and subsistence expenses according to SBP's travel policy.

16.4 Refunds will be made against evidence of expenditure according to SBP travel cost refunding procedures.

## 17 **Chatham House Rule**

17.1 The Committee meetings are held under the Chatham House Rule. The Chatham House Rule reads as follows: When a meeting, or part thereof, is held under the Chatham House Rule, participants are, subject to 21.3 below, free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed, subject always to the legal and/or fiduciary obligations of the participants.

## 18 **Advice**

18.1 The Co-Chairs shall seek to develop consensus-based advice and recommendations for the Board. When there is a majority view but consensus is not achieved, minority views shall be duly noted.

18.2 The SBP Board shall fully consider and respond to all advice and recommendations received from the Committee.

## 19 **Public statements**

19.1 The Committee shall not hold the right to issue public statements pertaining to issues relevant to SBP.

## 20 **Competition/Anti-trust requirements, Conflicts of Interest and Confidentiality**

20.1 SC members shall adhere to SBP's Anti-Trust Compliance Policy Statement as referred to in the appendix. This Statement shall be referenced at the beginning of each meeting by the Co-Chairs.

20.2 SC members with any conflicts of interest with particular agenda items shall advise the Co-Chairs ahead of, or at the beginning of, each meeting and absent themselves from the meeting room during consideration of the item. The fact that a SC member is a participant in or interested in the biomass industry (including as an employee, officer, consultant, contractor or other representative of any company, entity, organisation or body which has an interest in the biomass industry or the work or decisions of the Company) is not a conflict of interest for these purposes.

20.3 SC members shall maintain strict confidentiality regarding any designated commercially or politically sensitive information which might be shared during the course of meetings and shall abide by any non-disclosure agreement or engagement terms containing a clause relating to confidential or commercially sensitive information.

20.4 SC members shall agree with the roles and responsibilities of SC members and obligations related but not limited to the documents listed in the Appendix by signing an agreement with SBP.

## 21 **Management, administration and resourcing**



- 21.1 The CEO shall appoint a member of the SBP secretariat as the Manager of the Committee, that will be responsible for co-ordinating Committee meetings (dates, venues etc.), providing agenda and supporting papers for Committee meetings.
- 21.2 On an asneeds-basis the Co-Chairs may contract outside specialist services, for example for meeting facilitation.
- 21.3 The Co-Chairs shall draft a budget per meeting. The budget requires approval by the CEO prior to each meeting.

## 22 **SBP Articles of Association Govern**

- 22.1 If any provision herein is inconsistent with the SBP AoA, the SBP AoA shall govern.
- 22.2 Changes to these ToR require the approval of the SBP Board.

## 23 **Appendix**

- 23.1 The following appendices apply in addition to these ToR:
- 23.1.1 SBP Articles of Association
  - 23.1.2 SBP Anti-trust Compliance Policy Statement
  - 23.1.3 SBP Travel Policy
  - 23.1.4 SBP Glossary of Terms
  - 23.1.5 SBP Non-Disclosure Agreement